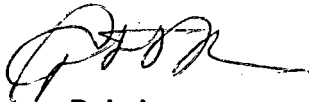


FORM A

(Pursuant to Clause 31(a) of the Listing agreement)

1.	Name of the Company	Dalmia Bharat Sugar and Industries Limited
2.	Annual financial statements for the year ended	31 st March 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	Signatories:	
	CEO/Managing Director	Mr. Gautam Dalmia
	CFO	Mr. Anil Kataria
	Auditor of the Company	S.S. Kothari Mehta & Co. Chartered Accountants, New Delhi
	Chairman of Audit Committee	Mr. P. Kannan

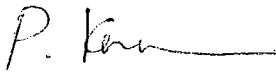


Gautam Dalmia
CEO/Managing Director




Anil Kataria
CFO

For S.S. Kothari Mehta & Co.
Chartered Accountants, New Delhi



P. Kannan
Chairman of Audit Committee



per **Arun K. Tulsian**
Partner
Membership No.: 89907




DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED

(Registered Office: Dalmiapuram – 621 651, Distt. Tiruchirapalli, Tamil Nadu)

Phone No. 04329-235132 Fax No. 04329-235111

CIN L26942TN1951PLC000640 Website: www.dalmiasugar.com

NOTICE

NOTICE is hereby given that the Sixty Third Annual General Meeting of the Members of the Company will be held in the Community Centre Premises at the Registered Office of the Company at Dalmiapuram - 621 651, District Tiruchirapalli, Tamil Nadu, on Monday, the 24th August, 2015 at 11.30 a.m. to transact the following business:

1. To consider and adopt the(a) audited Standalone Financial Statements for the year ended 31st March, 2015, and the Reports of the Directors and Auditors thereon; and (b) audited Consolidated Financial Statements for the year ended 31st March, 2015 and the Report of the Auditor thereon.
2. To appoint a Director in place of Shri B.B. Mehta, who retires by rotation and is eligible for re-appointment.
3. To consider, and if thought fit to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:-

“ **RESOLVED THAT** pursuant to section 139 of the Companies Act, 2013 read with the applicable rules, M/s. S.S. Kothari Mehta & Co., Chartered Accountants, Delhi (Firm Regn No. 000756N) be and are hereby appointed as the Statutory Auditors of the Company for a term of one year to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration of ₹ 7,20,000/- for the conduct of the audit besides service tax and reimbursement of travelling and other out of pocket expenses incurred by them for the purpose of audit.”

AS SPECIAL BUSINESS

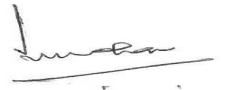
4. To consider, and if thought fit to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:-

“ **RESOLVED THAT** pursuant to the provisions of section 148 of the Companies Act, 2013, the remuneration of M/s. HMVN & Associates, Cost Accountants., appointed by the Board on the recommendation of the Audit Committee as the Cost Auditors of the Company to conduct the Cost Audit of the Company's cost records, etc. for the financial year ending on 31st March, 2016, at ₹ 3,00,000/-besides service tax as may be applicable and reimbursement of travelling and other out of pocket expenses incurred by them for the purposes of conduct of such cost audit be and is hereby ratified and approved.”

5. To consider, and if thought fit to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:-

“ **RESOLVED THAT** Smt. Himmi Gupta (DIN: 07134360) , who was appointed as an additional Director and holds office till the conclusion of this Annual General Meeting, be and is hereby appointed as a Director of the Company whose office is liable to be determined by retirement by rotation.”

By Order of the Board



K V Mohan

Company Secretary

Place: New Delhi.

Dated: 14-5-2015

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint another person as a proxy to attend and vote, on a poll, in his/her stead. Proxy form, duly completed, should be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. The Register of Members of the Company will remain closed from 19th August, 2015 to 24th August, 2015 (both days inclusive).
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is enclosed.
4. Members are requested to notify immediately the change in their address, if any, to the Registrars and Share Transfer Agents/Registered Office of the Company. Any communication with the Company will be greatly facilitated, if the Folio number is quoted in all correspondence.
5. In view of the "Green Initiative in Corporate Governance" introduced by the Ministry of Corporate Affairs, Government of India, vide its Circular No. 17/2011 dated 21-04-2011, all members who are holding shares of the Company in physical mode, are requested to register their e-mail ids and consents to receive the future notices and annual reports by e-mail, so as to enable the Company to send all notices/ reports/ documents/ intimation and other correspondences etc., through e-mails., i.e., in electronic mode instead of sending physical copies of the same. Members holding shares in demat mode, who have not registered their e-mail IDs with Depository Participants (DPs), are requested to register/update their e-mail IDs with their respective DPs.
6. Electronic copy of the Annual Report for 2015 is being sent to all the members whose email IDs are registered with the Company/DPs for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015 is being sent in the permitted mode.
7. Electronic copy of the Notice of the Annual General Meeting of the Company *inter alia* indicating the process and manner of remote voting along with Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Proxy Form is being sent in the permitted mode.
8. The Company has made arrangements with M/s Karvy Computershare Private Limited for providing remote voting facility through electronic means the details of which are mentioned on the reverse of the covering letter.
9. All documents referred to in the accompanying Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 1.00 pm) on all working days except Saturdays, up to the date of the Annual General Meeting of the Company.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 2:

Shri B.B.Mehtais a Non-executive Director of the Company. Shri B.B. Mehta was re-appointed as a Director of the Company in the Annual General Meeting held on 24th August, 2013. He is a fellow member of Institute of Chartered Accountants of India. He is a Director in 9 other Public Limited Companies namely Sri Swaminatha Mines & Minerals Limited, Dalmia Power Limited, Shri Radha Krishna Brokers & Holdings Limited, Arjuna Brokers & Minerals Limited, Sri Subramanya Mines & Minerals Limited, Sri Shanmugha Mines & Minerals Limited, DCB Power Ventures Limited, Dalmia Sugar Ventures Limited and Dalmia Solar Power Limited.

As per provisions of section 152(6) of the Companies Act, 2013, Shri B.B. Mehta being the director longest in office is liable to retire by rotation at the ensuing Annual General Meeting.

The Company has also received requisite intimation from him in terms of section 164(2) of the Companies Act, 2013 to the effect that he is not disqualified from being re-appointed as a Director of the Company in Form DIR -8.

The aforesaid declarations are available for inspection of members.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Except Shri B.B. Mehta, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 2.

Item No. 3:

In terms of the third proviso to Section 139(2) of the Companies Act, 2013 read with Rule 6 of the Companies (Audit & Auditors) Rules, 2014 the retiring Auditors, M/s. S.S. Kothari Mehta & Co., Chartered Accountants having completed their ten years term have been reappointed for a term of one year as provided therein. The members are to approve such reappointment and fix the remuneration stated in terms of the Resolution aforesaid.

The Directors recommend the Resolution being passed for a period of one year.

None of the Directors or Key Managerial Personnel are interested or concerned in the resolution set out at item No. 3.

Item No. 4:

In terms of Section 148 of the Companies Act, 2013, the Board of Directors of the Company has, on the recommendations of the Audit Committee, appointed M/s. HVMN & Associates, Cost Accountants, as the Cost Auditors of the Company to audit the cost records maintained by the Company in respect of its sugar manufacturing activity and Power Generation.

The remuneration of ₹ 3,00,000/- besides service tax and reimbursement of travelling and other out of pocket expenses fixed by the Board of Directors as being the fees payable to the Cost Auditor for conducting the Cost Audit requires to be approved by the members in terms of Section 148(3) of the Companies Act, 2013.

The consent given by M/s. HVMN & Associates to the effect that they are eligible to be appointed as the Cost Auditors of the Company is available for inspection of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Item No. 5:

The Board of Directors had appointed Smt. Himmi Gupta as an Additional Director of the Company in the meeting held on 26-03-2015. The term of office of Smt. Himmi Gupta expires at ensuing Annual General Meeting of the Company. Smt Himmi Gupta is a Non-executive Director of the Company. She is a post graduate from Fore School of Management; New Delhi and has a rich experience of handling Investor relations and grievances. She does not hold directorship in any other Company.

The Company has also received requisite intimation from her in terms of section 164(2) of the Companies Act, 2013 to the effect that she is not disqualified from being re-appointed as a Director of the Company in Form DIR - 8.

The Company has received a notice from a member, alongwith the requisite deposit of ₹ 1,00,000/-, for appointment of Smt. Himmi Gupta as a candidate for the office of Director of the Company.

The aforesaid declarations and notice is available for inspection of members.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Except Smt. Himmi Gupta, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 5.

DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED

(Registered Office: Dalmiapuram – 621 651, Distt. Tiruchirapalli, Tamil Nadu)

Phone No. 04329-235132 Fax No. 04329-235111

CIN L26942TN1951PLC000640 Website: www.dalmiasugar.com

1. Name and Registered Address of the sole/first named Shareholder :

2. Name(s) of the Joint Shareholder(s), if any :

3. Registered Folio No./DP ID No./ Client ID No. :

4. Number of share(s) held :

Dear Shareholder(s):


Please find enclosed the Notice convening the Sixty Third Annual General Meeting of Dalmia Bharat Sugar and Industries Limited (the Company) to be held on Monday, the 24th August, 2015 at 11.30 a.m. at the Community Centre Premises at the Registered Office of the Company at Dalmiapuram - 621 651, District Tiruchirapalli, Tamil Nadu together with the Annual Report for the year ended 31st March, 2015.

The Company is offering remote e-voting facility to its Members enabling them to cast their votes electronically in respect of business to be transacted at the Sixty Third Annual General Meeting of the Company. The Company has appointed Karvy Computershare Private Limited ('KCPL' 'Karvy' or 'Service Provider') for facilitating the remote e-voting process to enable the Members to cast their votes electronically pursuant to section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014.

EVEN (E voting Event Number)	USER ID	PASSWORD/PIN

In this regard, please turn over for detailed process and manner of e-voting.

For Dalmia Bharat Sugar and Industries Limited



(K.V. Mohan)
Company Secretary

1. The instructions for remote e-voting are as under:
 - A In case a Member receives the notice convening the Annual General Meeting through an e-mail from Karvy [for members whose e-mail IDs are registered with the Company/Depository Participant(s)]:
 - i. Launch internet browser by typing the URL: <http://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e., User ID and password mentioned overleaf). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. First time users will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e. "Dalmia Bharat Sugar and Industries Limited."
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR AGAINST" taken together should not exceed your total shareholding. If the shareholder does not indicate either "FOR" or "AGAINST" then such electronic vote shall be treated as "ABSTAIN/INVALID" and the shares held will not be counted under either head.
 - viii. Shareholders holding multiple folios/demat account shall choose the voting process separately for each folio/demat account.
 - ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote for any specific item it will be treated as "abstained".
 - x. Cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the all Resolution(s).
 - xii. Corporate/Institutional Members (i.e other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at E-mail ID: office@roseconsultants.in, with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
 - B In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company Depository Participants(s) or requesting physical copy]:
 - i. User ID and initial password as provided overleaf.
 - ii. Please follow all steps from Sl. No. (i) to Sl. No. (xii) as mentioned in (A) above, to cast your vote.
 - C In case a person becomes a member of the Company after the dispatch of AGM Notice but on or before the cut off date i.e.18th August, 2015, the member may write to the Karvy on the email Id varghese1@karvy.com or to Mr. P.A. Varghese, Contact No. 040 67162222, at (Unit: Dalmia Bharat Sugar and Industries Limited) Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032, requesting for the User ID and Password. After receipt of the same, please follow all the instructions from Sl. No.(i) to Sl. No. (xii) as mentioned in (A) above, to cast your vote.
2. The remote e-voting period commences on Friday, 21st August, 2015 (9:30 am) and ends on Sunday, 23rd August, 2015 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date being 18th August, 2015 may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently. Further, the shareholders who have casted their vote electronically may participate in the AGM but shall not be allowed to vote again.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. at Tel. No. 18003454001 (toll free).
4. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
5. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18th August, 2015.
6. The Board of Directors has appointed Mr. Harish Khurana, Practicing Company Secretary, as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
7. The members who are entitled to vote but have not exercised their right to vote through remote e-voting may vote at the AGM through Physical Ballot for all businesses specified in the accompanying Notice.
8. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than 3 days of the conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, and handover the same forthwith to the Chairman or a person authorized by him in writing who shall countersign the same.
9. The Results shall be declared forthwith by the Chairman or a person authorized by him in writing and the Resolutions will be deemed to be passed on the AGM date subject to the requisite number of votes in favour of the Resolution(s).
10. The Results declared alongwith the Scrutiniser's Report shall be placed on the Company's website www.dalmiasugar.com and on the website of Karvy, <https://evoting.karvy.com> within 48 hours from the declaration of results of voting and shall also be communicated to the Stock Exchanges where the Company's shares are listed as also displayed on the Notice Board at the Registered Office of the Company.

DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED

(Registered Office: Dalmiapuram – 621 651, Distt. Tiruchirapalli, Tamil Nadu)

Phone No. 04329-235132 Fax No. 04329-235111

CIN L26942TN1951PLC000640 Website: www.dalmiasugar.com

FORM NO. MGT-11 (Proxy Form)

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies

(Management and Administration) Rules, 2014]

Name of the Member:

Registered Address:

E-Mail ID:

Folio No./Client ID:

DP ID:

I/We.....of..... being member(s)
of Dalmia Bharat Sugar and Industries Limited, holdingshares of the abovementioned
Company, hereby appoint

1. Name:

Address:

E-Mail ID:

Signature:

or failing him

2. Name:

Address:

E-Mail ID:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Monday, the 24th day of August, 2015 at 11.30 a.m. at Community Centre Premises at Dalmiapuram, District Tiruchirapalli, Tamil Nadu-621651 and at any adjournment thereof in respect of such resolutions as are indicated below:

Agenda item	Vote*
No. 1	
No. 2	
No. 3	
No. 4	
No. 5	

Signed this..... day of, 2015

Signature of Shareholder:

Signature of Proxy holder:

Affix One
Rupee Stamp

* Please state in this column whether 'in favour' or 'against'.

Note: This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BOOK POST

To,

Dalmia Bharat Sugar and Industries Limited

Dalmiapuram-621 251

Dist. Tiruchirapalli

Tamil Nadu



ANNUAL REPORT 2014-15

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02

Sowing Growth

04

Extracting More



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Accelerating Value Creation

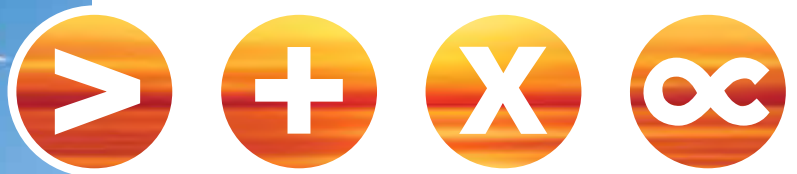
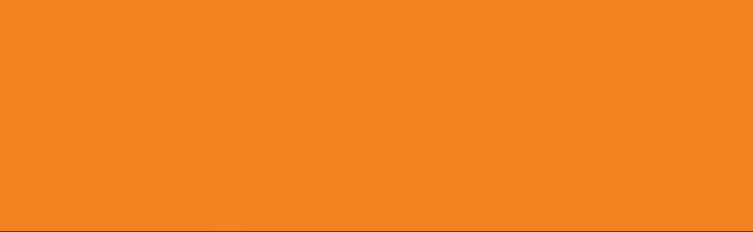
08

Enhancing lives



CAUTIONARY STATEMENT

Statements made in this report describing industry outlook as well as the Company's plans, policies and expectations may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.



At Dalmia Bharat Sugar, we approach growth more from a cause and much lesser from an effect standpoint. Our approach to growth remains holistic and sustainable. In entire value chain, right from the sowing of cane to the sales of finished products, sugar, power and ethanol or right from cane procurement to integrated sugar operations to sales & distribution; we remain steadfast on becoming better and competitive. While the Indian sugar industry including our own business would not realize its true potential until complete deregulation is achieved in the sector, we stay focused and determined to maximize value generation in downstream processes namely distillation and co-generation of renewable power.

Amid the structural adversities restraining our industry, we move into the future with quintessential Dalmia Bharat optimism and enthusiasm. With a firm resolve to collaborate with all stakeholders towards co-creating shared value!



Sowing Growth

The two key pivots of our strategic roadmap are geographic diversification and integrated sugar operations. The first helps in risk mitigation while the second enhances our profitability. Through a strategic acquisition in Kolhapur, Maharashtra in the FY2013, we expanded our manufacturing footprint beyond the state of Uttar Pradesh. The acquired unit completed its first phase of expansion and recorded its first full year of operations in FY2015. We topped it all with our second acquisition in Sangli, Maharashtra during the year.

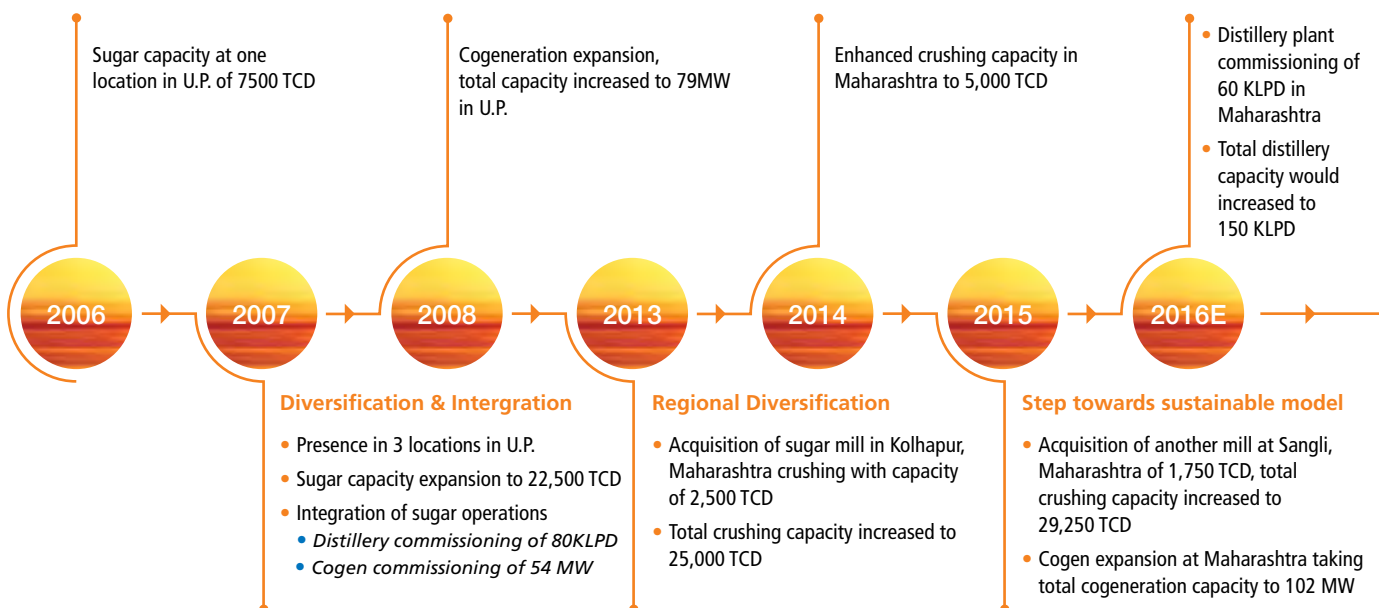
We have taken necessary approvals in FY2015 from U.P. Pollution Board to increase the distillery capacity from 80 KLPD to 120 KLPD, which would involve some marginal capex. In the year under review, we have

been able to run the distillery plant at a capacity of 90 KLPD without incurring any extra capital expenditure.

At a time when the Indian sugar industry is navigating through several adversities, at Dalmia Bharat Sugar, we are steadily deepening our Maharashtra footprint and also improving our operational capabilities. In other words, we are concurrently sowing and nurturing the foundations of our future growth. With targeted completion of all planned capital expenditure well before the commencement of the ensuing crushing season, we would be entering into the season with combined installed capacities of 29,250 tonnes crushed per day (TCD), 102 megawatt (MW) of cogeneration and 150 kilo litre per day (KLPD) of distillation.



Kolhapur, Maharashtra Plant

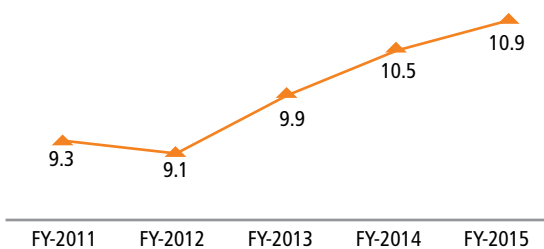




Extracting More

Sugar Recovery

(%)



With a firm belief that the integrated sugar operations spanning the entire value chain is key to long-term profitability; we continue to enrich our competitive prowess in a holistic manner. Considering farm productivity and farmer prosperity of paramount importance, we introduced comprehensive cane development programme 'Unnati' in the surrounding catchment areas of our U.P. based sugar units. The three key tenets of project are - cultivation of early high yield variety, customized addition of desired nutrients on the basis of scientific soil testing and varietal shift in the cane mix with an aim to reduce the reject variety.

Our sustained drive over last few years has started yielding positive results to us as well as to the farmers in the form of improved recovery and enhanced income.



Our sustained efforts on all round enrichment has reaped fruit in making FY2015 as the year of best evers, recording our best ever crushing volumes, best ever sugar recovery, best ever distillery sales and best ever power sales.

In order to connect the entire value chain with the power of information technology, we are making structured investments. During the year under review, we migrated to ERP system with the company-wide implementation of SAP solution. In another IT enabled initiative, a pilot introduction of GPS-based vehicle tracking system got introduced at our Nigohi unit. It has resulted in significant reduction of loading/unloading time and faster turnaround of cane carrying vehicles. We plan to roll it out at all our units over coming quarters.

“ During the season, we have achieved one of the best sugar recovery as per industry’s benchmark ”



Accelerating Value Creation

Courtesy our integrated sugar operations and strategic expansion into Maharashtra, we have been fast strengthening the underlying value of our business.

Practicing Speed, a core Dalmia value in revamping the distressed assets that we have acquired in Maharashtra coupled with speedy integration within our core Dalmia culture in less than 6 months, has provided us a step up in our value accretion drive.

A project team comprising technical and procurement experts was quickly constituted. From the drawing board to the on ground action, the team moved very swiftly to conduct a comprehensive study and subsequently spot and fix the flawed configuration measures of the plant.

Speedy augmentation of various equipment resulted in plugging inefficiencies of process house. Striking familiarity with the local farmers was achieved in no time with cane procurement completed in just two months. A brief spate of maintenance work and the plant got re-commissioned for the sugar season 2012-13. Since then we have regularly been able to improvise our operations and efficiencies and setting benchmarks.

In less than three years since then, the crushing capacity has been raised and stabilized at 5,000 TCD and a co-generation plant of 23 MW has been added. To leverage the power of integrated sugar operations, setting up of a 60 KLPD distillery is at an advanced stage with scheduled commissioning in the sugar season 2015-16.



With gradual decontrol and deregulation of the industry on the anvil, we are fast developing on our strategic roadmap of extracting maximum value from our business. In the light of volatile prices and subdued retail demand growth in India for sugar, your company has focused towards a stable business model by increased institutional sales mix. Your company is focused towards enhancing it further.

Dalmia is committed to accelerate value creation path which would help unlocking our true underlying strength.

Operational parameters of Kolhapur unit

Particulars	UOM	2014-15	2013-14	2012-13
Cane Crushed	MT	665,709	375,950	344,597
Sugar Recovery	%	13.3	13.2	13.7
Steam Consumption	%	39.0	41.3	46.8
Power Export	Mn kwh	80.9	3.2	-



Enhancing lives

As part of a leading agri-based industry, we view our existence and growth closely linked with the sustenance and well being of cane growers. The rising population as well as per capita consumption is steadily pushing the food demand.

The shrinking farmland and receding pool of freshwater is bringing sustainable high-yield farming at the forefront. 'Unnati', our cane development initiative is helping farmers achieve this objective of growing more (cane) while deploying less (resources namely land, water, seed, nutrients and crop protection inputs).

The impact of our business in improving lives and livelihood transcends beyond farmers. The large pool of dependent beneficiaries of the sugar industry

includes employees, contract workers, transport service providers, dealers, distributors, retailers, etc.

By acquiring distressed assets and revamping & expanding them in terms of added capacities, we are happy to contribute to the clarion national call of 'Make in India' by way of restoration and creation of more jobs.

The Company takes initiatives to integrate employees with our organizational values and culture through a slew of communication and awareness campaigns.

In the power-deficit India, we are not only self sufficient in terms of power needs but also export surplus power to the national grid. Our power being green, we also help reduce the burning of



School going children using Solar study Lamps



Skill Training for Differently Aabled



Bio toilets constructed in Primary school

fossil fuel. Likewise, we are making our own humble contribution in reducing the import of crude oil through production and supply of ethanol.

Soil and water conservation, energy conservation, livelihood skills, training and community development remain the key intervention areas of our CSR program, all of which get channelized through our Dalmia Group foundation.

CSR Highlights

Actions	Number of beneficiaries
Promoting smokeless chulhas, bio gas plants, solar lamps, street lights and home lighting systems	12,075
Providing training in mobile repairing, Bag making, formation and training of woman self help groups	1,105
General and specialized health camps, Polio immunization drives, Construction of low cost toilets, Distribution of artificial limbs, wheelchair, tricycles, crutches and hearing aids, celebration of social events	15,553

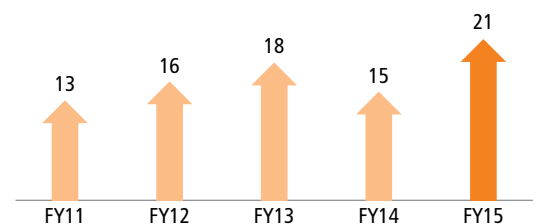


Letter to Shareholders

“ *The Company aims at sustained business growth* ”

**Downstream Products Sales
As % of Total Sales**

(in %)



Dear Shareholders,

We are pleased to inform you that despite this adverse macro-economic environment, your company has managed to sail successfully through the turbulent time. This can be attributed to our wisdom and resilience that we exhibited in this difficult time. We are moving forward with an optimistic approach that the situation will slightly get better in the near future. We are prepared to put forward our best and garner maximum from the favorable scenario. We recorded a revenue of ₹ 1,150 crores with a better operating EBITDA of ₹ 113 crores in FY 2015. The Company intends to leverage the growth in sales in downstream businesses (cogeneration & distillery) to improve its operating margin and profitability. The path forward will be driven by the continued growth –in Sales Optimization, Operational Efficiency and our People Management.

Despite a year full of challenges, our deep resolve helped us in successfully achieving some of our goals. During the year, we focused towards optimum utilization of our commissioned capacities and cost control. In this year, the benefits of full year working of Kolhapur Unit resulted in significant growth of cane crushed to record 30.93 Lakh MT. We also recorded the highest recovery (on consolidated basis) of 10.94% in this year. Our Maharashtra division showed a good sign of recovery of 13.34% in FY 2015 as compared to 13.17% in the previous year. We are continuously working towards improving our recovery rate through "Project Unnati" with further improvement in cane varietal.

Our co-generation and distillery business also witnessed a significant growth during FY 2015. We generated around 4,174 lakh KWH of power during the year, up by 18% from our last year's performance. We have optimized the capacity of our Jawaharpur distillery plant in Uttar Pradesh to meet the growing demand of Ethanol in the market. With new recently commissioned cogeneration capacity and upcoming distillery at Kolhapur, we expect to tide over the uncertainties on sugar pricing and enhance the sustainability of our business. We are working towards achieving new heights by improving our productivity and maximizing the operating capacity of our assets.

We would like to thank each and every one of our valuable employees who are assets to the organization, for their continuous dedication and commitment. We would also like to thank all our vendors, partners, lenders, business associates and stakeholders for their continued faith and support.

Yours Sincerely



Gautam Dalmia

Director

Financial Highlights

KEY FIGURES

Particulars	UOM	2014-15	2013-14	2012-13	2011-12	2010-11
Total Operating Income	₹ Crore	1,150	1,192	1,000	735	669
Operating Profit (EBITDA)	₹ Crore	113	108	143	85	65
Cash Profits	₹ Crore	51	52	92	42	40
Profits Before Tax (PBT)	₹ Crore	0.28	2.59	18.97	0.61	0.36
Profit After Tax (PAT)	₹ Crore	1.48	3.03	18.35	0.90	3.09
Share Capital	₹ Crore	16.19	16.19	16.19	16.19	16.19
Reserve & Surplus	₹ Crore	442	445	441	424	423
Loan Funds	₹ Crore	577	589	374	384	403
Net Block*	₹ Crore	774	781	652	575	603
Net Current Assets	₹ Crore	115	165	92	194	189
Operating Profit Margin	%	10%	9%	14%	12%	10%
Cash EPS (fully diluted)	₹	6.28	6.41	11.34	5.24	4.91
Net Debt Equity Ratio	X	1.26	1.28	0.82	0.87	0.92
Interest Coverage	X	1.65	1.69	2.40	1.84	1.83
Current Ratio	X	1.14	1.26	1.12	1.33	1.44
Share Price **	₹	17.40	15.70	14.05	13.80	24.30
Market Capitalisation	₹	141	127	114	112	197

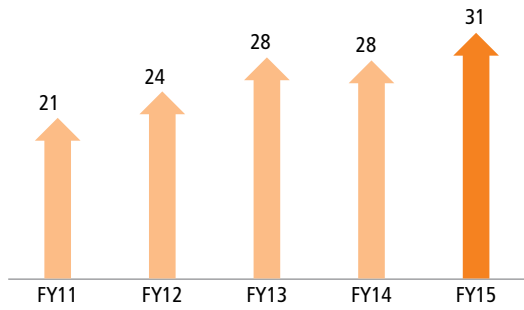
*includes Capital Work in Progress | **As on 31st March



PERFORMANCE INDICATES

Cane Crushed

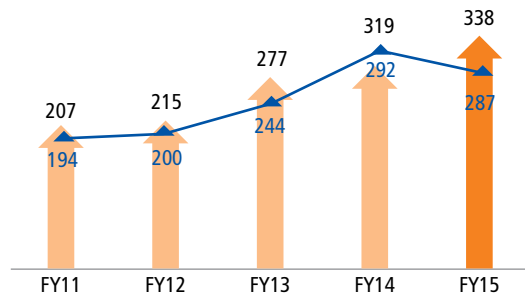
(lakh MT)



Sugar Production and Sales

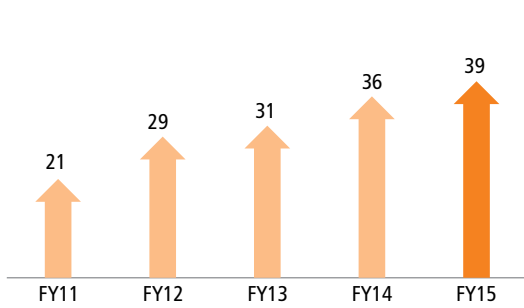
('000 MT)

▲ Sugar Production Volume
▲ Sugar Sales Volume



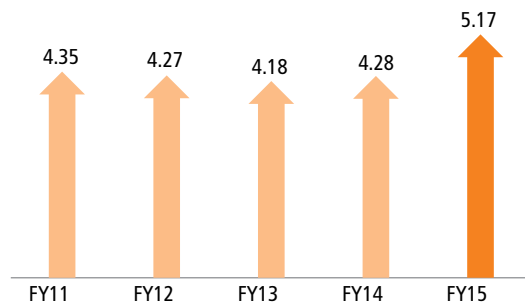
Distillery Sales Realization

(₹/litre)



Cogen Realization

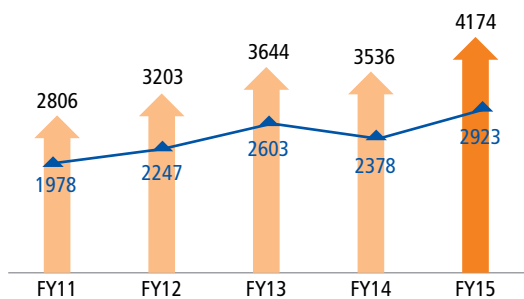
(₹/Kwh)



Power Generation and Export

(lakh Kwh)

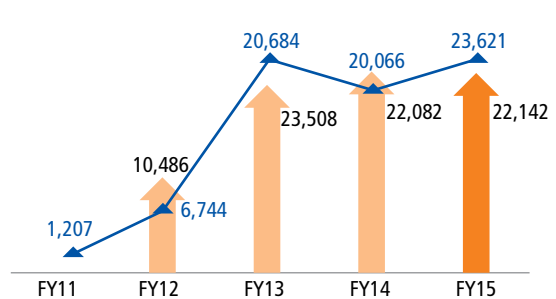
▲ Power Generation
▲ Power Export



Distillery Production & sales

(kilo Litre)

▲ Distillery Production
▲ Distillery Sales

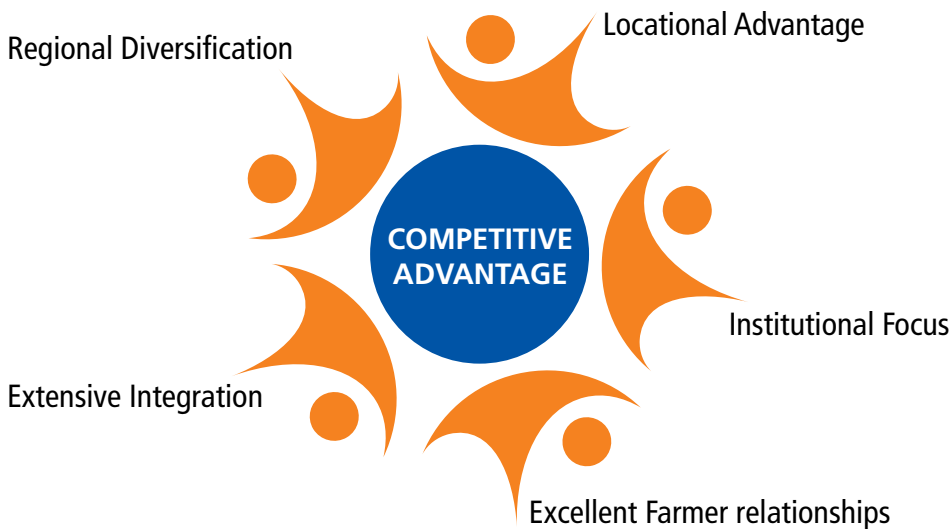


About Dalmia Bharat Sugar

Your Company is engaged in sugar manufacturing and other related downstream businesses - Co-generation and Distillery. The Company has fully integrated facilities with a sugar crushing capacity of 27,500 TCD, 102 MW of co-generation and 90 KLPD of Distillery with presence in sugarcane rich regions of Ramgarh, Jawaharpur and Nigohi of Uttar Pradesh (7,500 TCD each) and Kolhapur of Maharashtra (5,000 TCD). We also have presence in other renewable sources of energy possessing wind farm capacity of 16.5 MW at Muppandal in Tamil Nadu.

During the year under review, it has successfully acquired second plant in Maharashtra having capacity of 1,750 TCD, expected to be commissioned in ensuing sugar season of 2015-16. The Company is also setting up a distillery unit at Kolhapur with a capacity of 60 KLPD expected to commission soon.

All the manufacturing units are OHSAS, FSQ and EMS certified and have a robust quality system following the 5S and TPM initiatives.



Existing Production Facilities and Capacities

	Location	Cane crushing (TCD)	Cogeneration (MW)	Distillery (KLPD)
Uttar Pradesh	Ramgarh	7,500	25	NA
	Jawaharpur	7,500	27	90*
	Nigohi	7,500	27	NA
Maharashtra	Kolhapur	5,000	23	NA
	Total	27,500	102	90

*De-bottlenecking of operational capacity from 80 KLPD to 90 KLPD

Management Discussion and Analysis



Sugar Milling Plant, Kolhapur, Maharashtra

ECONOMY OVERVIEW

The macroeconomic environment in India has changed dramatically from FY14 to FY15. The exchange rate during the year remained stable and also the IIP has revived. Backed by RBI's efforts and significant fall in global commodity prices, the Wholesale Price Index (WPI) inflation which stood at close to 6.0% during the start of FY15 has entered negative territory from Jan 2015. With inflation well under control, RBI has initiated repo rate cuts. The RBI governor & finance minister are quite vigilant about the growth progression & further support from monetary policies is expected, depending on the macro indicators. The new government at the centre is working with resolve to bring out a transformational change in India with its developmental policies, easing of FDI norms, Make in India drive, further devolution to states etc. This is a step in direction towards further strengthening the base of economic growth in India leading to higher consumption demand. As per Central Statistics Organization (CSO), India has grown at 7.4% in FY15 and the growth is expected to further gain momentum in FY16.

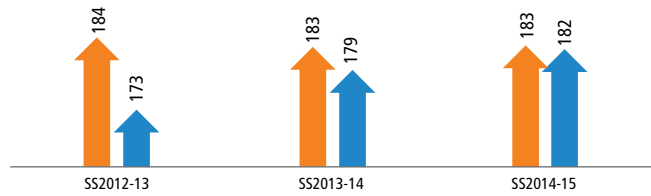
GLOBAL SUGAR INDUSTRY

Production and consumption

As per November 2014 estimates of International Sugar Organization (ISO), the global sugar production was estimated at 182.9 million tonnes for the season 2014-15 up by 0.03 million tonnes from 182.6 million tonnes in season 2013-14. Though the global sugar consumption is estimated to have reached a record high of 182.4 million tonnes in season 2014-15 & there is still a surplus of 0.5 million tonnes in the current season. The global surplus for the current season has further increased to 3.4 million tonnes as per the Kingsman May 2015 Report with record production expected in Thailand and India. The surplus may be gradually decreasing, from over 13 million tonnes in 2012 to 6 million tonnes in 2014 and probably 4 million tonnes in 2015, on the back of increase in consumption. The surplus is still persisting mainly because world production has increased between 2013 and 2014 and remained stable in 2015.

World sugar consumption

▶ Production ▶ Consumption

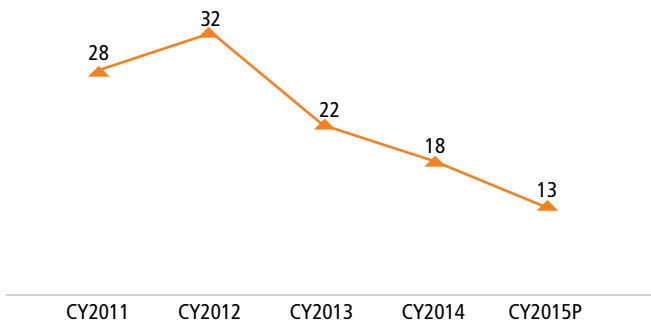


Source: ISO

Prices

Sugar prices after hitting a high of close to 35 cents/lb in 2011 are under continuous pressure and have hit a five year low of close to 13 cents/lb in FY2014-15. The average price for sugar in FY2014-15 was around 16.70 cents/lbs. The key reason for the fall has been the consecutive fourth year of surplus production. World sugar stocks continue to remain high and have reached 76.6 million tonnes at the end of 2014, which is 42.8% of the world annual consumption as per ISO (International Sugar Organization). Decline of Brazil's currency against dollar has further pulled down the sugar prices and still making the Brazilian exports more competitive.

Average ICE raw sugar (cents/lbs)



Source: FAO

INDIAN SUGAR INDUSTRY

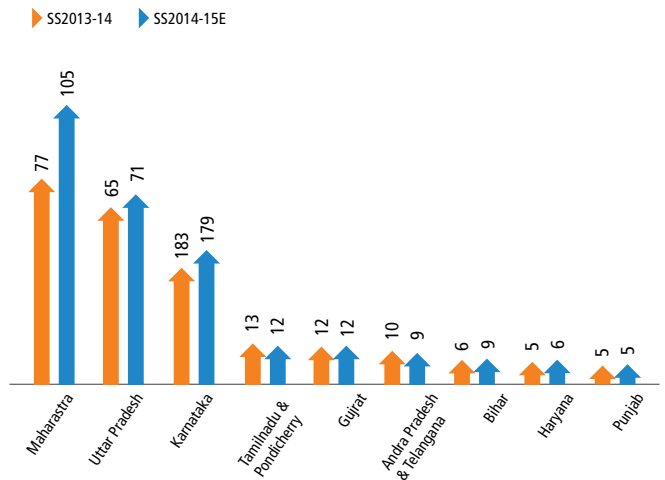
Production and consumption

The Indian sugar industry is witnessing surplus sugar production continuously for last five years. As per Indian Sugar Mills Association (ISMA), total sugar production in SY2014-15 is estimated to be 28.0 million tonnes against the estimated annual domestic consumption of 24.8 million tonnes. This is higher by

3.6 million tonnes as against the production of 24.4 million tonnes during SY2013-14. It is expected that carry forward stock would significantly increase to 10 million tonnes at the end of the current sugar season.

State-wise sugar production

(in lac tonnes)

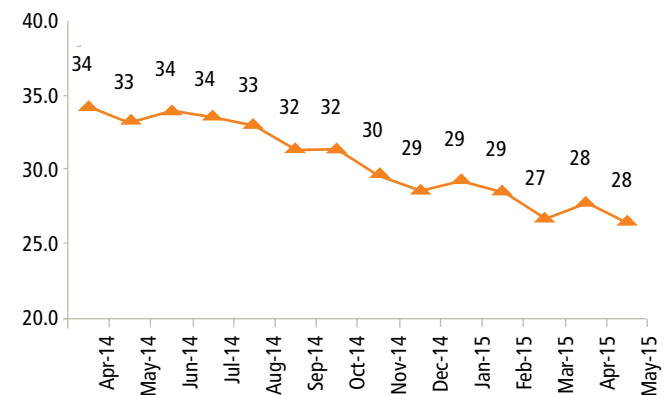


Source: ISMA

Prices

The current oversupply scenario has impacted sugar price with the domestic sugar price recording a downward trend in the FY2014-15. India's M sugar price has witnessed a fall from close to ₹ 35/kg during the start of the year to ₹ 27/kg at the end of the year FY2014-15 and which currently is hovering at ₹ 25/kg. The cost of production for sugar is around ₹ 32-34 per kg. The exports in SY2014-15 are estimated to be 0.5 million tonnes due to depressed international prices. With the onset of summer season and spurt in demand from bulk consumers, including soft drink and ice-cream makers there is a marginal revival in demand.

M grade sugar pricing - spot rate (Kanpur) (₹/kg)



Source: NCDEX

Government initiatives to support sugar industry

- As a move to support the domestic sugar prices and enable sugar mills to clear cane price arrears of farmers which stand around ₹ 21,000 crores as of 31 March 2015 (as per Press Information Bureau, Government of India release dated 29th April' 2015), the Cabinet Committee on Economic Affairs in February 2015 extended a subsidy for SY2014-15 of ₹ 4,000 per tonne on export of up to 1.4 million tonnes of raw sugar. Rise in India's export of raw sugar is expected due to the increasing sugar refining capacity in Asia and Africa which will help in reducing its bulging stocks. However, the announcement of subsidy did not have much of impact as it came late with very less time left for making raw sugar. Moreover all-time low international prices made the exports unviable.
- Govt. has also given interest free loans based on the quantum of excise duty paid for last three years production to be repaid in 5 years with first 2 years of moratorium to enable the industry to clear cane arrears to farmers.
- Duty Free Import Authorization Scheme was withdrawn and as a result the exporters of sugar will not be allowed to import duty free, permissible quantities of raw sugar for subsequent processing and disposal. The aim here is to prevent the leakage of processed sugar made from such raw sugar imports into domestic markets.
- Government has increased the import duty on sugar from 25% to 40%.
- Another step taken to prevent leakage in domestic sugar market was the reduction in period for discharging sugar Export Obligations under the Advanced Authorization Scheme to six months.
- The excise duty of 12.5%, on ethanol produced from molasses and supplied for blending shall be removed from next season onwards. The removal of excise duty would benefit the mills by around 5 rupees/liter.

The above measures have not helped the industry to recover from the current crisis of surplus sugar and falling sugar prices. The Government would have to immediately take some concrete steps. The sugar industry is making a strong plea to the government for:

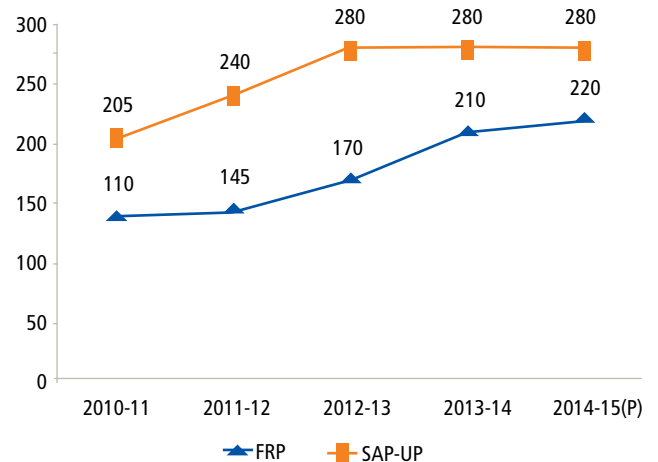
- Creation of buffer stock of 10% of sugar production.
- Financial restructuring of loans to the sugar mills.
- Rationalisation of cane prices.

Sugarcane procurement

The constant increase in the Fair and Remunerative Price (FRP) and State Advised Price (SAP) for sugarcane is a major cause of concern for sugar manufacturers. Currently there is no correlation between cane prices and sugar prices leading to significant losses for sugar manufacturers in Uttar Pradesh.

The SAP for U.P. sugar mills was fixed as ₹ 280 per quintal for season 2014-15 and mills were asked to pay farmers ₹ 240 per quintal of sugarcane in the first 14 days after procurement and make the rest of the payment of ₹ 40 per quintal within three months of completion of crushing. State government committed support of upto ₹ 40 per quintal based on sugar & by-product prices but this is yet to be finalized.

Fair and Remunerative Price (FRP) Vs State Advised Price (SAP) (Uttar Pradesh) (in ₹ per Quintal)



Source: Ministry of Consumer Affairs

Sugar Cane Refining Process



OUTLOOK FOR SUGAR SEASON (SY) 15-16

Global

In the season 2015-16, as per the Kingsman, there is going to be deficit of 4.66 million tonnes. This is on account of global increase in consumption and lower sugar production in Brazil due to shift of cane to ethanol.

India

India is going to be marginally affected by below normal monsoon as forecast by India Meteorological Department. The sugar cane acreage has witnessed marginal decline as farmers still find it a more remunerative crop compared to paddy, cotton etc. Next sugar season is expected to start with a very high carry forward sugar stock and with expected sugar production to go down marginally, the sugar prices in the year FY2016 are expected to remain under pressure.

India Sugar Scenario, in million tonnes

Particulars	2014-15 (Estimated)	2013-14	2012-13	2011-12	2010-11
Opening Stock (as on October 1)	7.5	9.3	6.6	5.9	5.0
Production during the Season	28.0	24.4	25.1	26.3	24.4
Imports	0.0	0.1	0.7	0	0
Total Availability	35.5	33.8	32.4	32.2	29.4
Off-take:					
I) Internal Consumption	24.8	24.1	22.8	22.6	20.8
II) Exports	0.5	2.2	0.3	3.0	2.6
Total Off-take	25.3	26.3	23.1	25.6	23.4
Closing Stock (as on September 30)	10.2	7.5	9.3	6.6	6.0
Stock as % Total Off-take	41%	31%	41%	29%	29%

Source: ISMA

COMPANY OVERVIEW

Dalmia Bharat Sugar and Industries Ltd. is an integrated leading sugar manufacturer, engaged in manufacturing sugar and downstream products (ethanol, other distillery products and power). Our existing four sugar plants now have cane crushing capacity of 27,500 TCD in Uttar Pradesh and Maharashtra.

We now have total cogeneration capacity of 102 MW, out of which 79 MW is in Uttar Pradesh and the rest is in Maharashtra. We also have a distillery at our Jawaharpur plant in Uttar Pradesh with licensed capacity of 120 KLPD and operating capacity of 90 KLPD.

Capacities details

State	Uttar Pradesh	Maharashtra	Total Capacity
Cane Cushing (TCD)	22,500	5,000	27,500
Cogeneration (MW)	79	23	102
Distillery (KLPD)	90	-	90

Another plant having a capacity of 1750 TCD in Maharashtra has already been acquired and trial runs were carried out last season. After necessary augmentation of Plant & Equipment, it is expected to commission commercial production in the ensuing season. Also, your company is setting-up a distillery plant having capacity of 60 KLPD at Kolhapur District, Maharashtra which will be commissioned by November' 2015.

We have operations in sugarcane rich regions of Uttar Pradesh- Ramgarh and Jawaharpur in Eastern Uttar Pradesh and Nigohi in Central Uttar Pradesh. Each of these sugar plants has a capacity of 7,500 TCD. Our existing sugar manufacturing capacity at Maharashtra is 5000 TCD and will rise to 6750 TCD by end of FY16.

The Company also owns a 16.5 MW capacity wind farm at Muppandal (Tamil Nadu) for the production of renewable sources of energy.

BUSINESS OVERVIEW

Sugar Business

In terms of operational performance, our sugar production stood at 3.38 lakh tonnes during FY2014-15, an increase of 16% as compared to 2.92 lakh tonnes in the previous year. This improvement was mainly due to higher cane crushing volumes and improved recoveries.

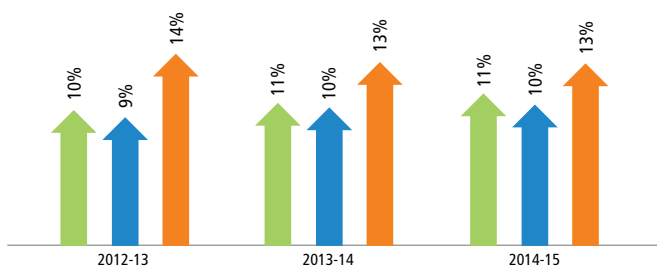


Particulars	UOM	2014 -15	2013 -14	2012 -13	2011 -12	2010 -11
Sugar:						
Cane Crushed	Lakh MT	30.9	27.8	27.9	23.6	20.5
Sugar Recovery	%	10.9%	10.5%	9.9%	9.1%	9.3%
Sugar Production	Lakh MT	3.38	2.92	2.77	2.15	2.07
Realisation	₹/MT	29,424	29,707	30,860	27,649	26,682
Sales Quantity	Lakh MT	2.87	3.19	2.44	2.00	1.94
Revenue	₹ In Cr.	845	949	754	552	517

The Company achieved cane crush of 30.9 lakh tonnes during the year as against 27.8 lakh tonnes in FY2013-14, up by 11%. The increase in cane crush is on account of expanded sugar crushing capacity at Maharashtra with benefits of full year of its operations accruing in FY2014-15. The Company recorded an overall average recovery of 10.9%, the highest ever in the history of our Company. This has been possible on account of higher crush in Maharashtra mill with higher recovery as well as improved recovery in Uttar Pradesh as compared to last year.

Sugar recovery trend

▶ Uttar Pradesh & Maharashtra ▶ Uttar Pradesh ▶ Maharashtra



Initiatives on Cane Development

The incremental improvement in recovery is the outcome of varietal replacement and our consistent efforts towards cane development.

Our cane development initiatives are focussed at sustainable tie-up with farmers through mutually beneficial propositions. This is achieved by supporting farmers with high yielding variety of seeds and consistently educating them about innovative farming techniques. The results are evident with higher cane crushed, higher sugar recovery and lesser rejected varieties of cane.

Our Kisan Sewa Kendras, located in the vicinity of our sugar mills, educate farmers on the best farming practices and techniques. These methods have helped them improve their crop yield over the years. These Kendras distribute fertilizers to farmers, besides pesticides and farm equipment at subsidised prices.

Support Services for Cane Growers

We continue to focus on the efficiency of farms by application of developed technologies and better farming practices. We also continue to take efforts on research and development at soil testing laboratories to study soil conditions and impart training to farmers.

The Company has two well-equipped soil testing laboratories at Jawaharpur and Nigohi Units to improve soil health and provide support to farmers and also to assist them in improving the quality of crop by implementing well tested techniques and processes.

Use of IT Services by Cane Department

- 1) All the cane development related activities are now automated and subsidy distribution is linked with planting area. During the year under review, GPS enabled HHT Machines linked with online survey data have been used for:
 - a) Seed reservation & distribution.
 - b) Better control on the procurement activities like – variety wise purchase.
- 2) Providing weather forecast to the farmers for the necessary readiness.
- 3) Providing different types of useful information to the farmers through SMS.

Cost Control Measures

The Company takes initiatives in optimizing costs through bringing efficiencies in all spheres of business ranging from procurement of raw material to marketing of finished product. The Company has embarked on extensive use of technology in operations to achieve efficiencies.

Other Key Strategic Initiatives

In FY2015 Sugar sales to Institutional customers has increased by adding more buyers. Institutional Sugar sales volume has increased from 25% to 32% of the total sales resulting into assured volume and rate benefits.

Co-Generation Business

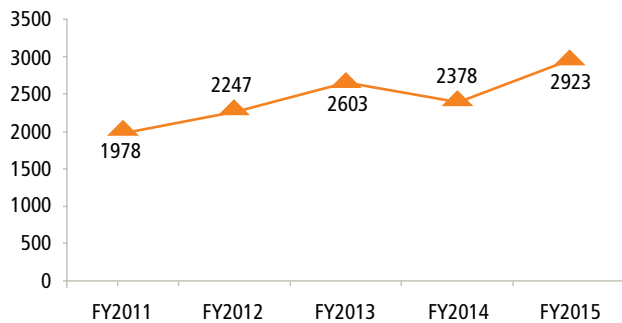
The Company recorded growth in revenue and EBITDA by 48.04% & 51.09% respectively as compared to FY14. The increase is mainly on account of expanded cogen capacity in Maharashtra.

Particulars	UOM	2014-15	2013-14	2012-13	2011-12	2010-11
Power						
Power Generation	Lakh Kwh	4,174	3,536	3,644	3,203	2,806
Power Export	Lakh Kwh	2,923	2,378	2,603	2,247	1,978
Power Export Realisation	₹/unit	5	4	4	4	4
Revenue	₹ In Cr.	151	102	109	96	86
EBITDA	₹ In Cr.	139	92	100	93	84

We have integrated co-generation plants at our sugar complexes in Uttar Pradesh and Maharashtra. This helps us de-risk ourselves from the inherent cyclicity of the sugar business.

Out of total power generated, about 70% is supplied to the distribution companies in U.P. and Maharashtra.

Power Exports (lac kwh)



Co-generation Plant - Kolhapur, Maharashtra



Distillery Business

The Company recorded growth in distillery sales volume and revenue by 18% & 28% respectively as compared to FY2014. Our Jawaharpur plant has a distillery capacity of 90 KLPD, producing different grades of alcohol like Ethanol, Rectified Spirit, and Extra Natural Alcohol.

Particulars	UOM	2014-15	2013-14	2012-13	2011-12
Distillery:					
Production	KL	22,142	22,082	20,684	10,486
Distillery Sales	KL	23,621	20,066	23,508	6,744
Distillery Realisation	₹/KL	38,866	35,844	30,682	28,655
Revenue	₹ In Cr	92	72	7	19
EBITDA	₹ In Cr	29	29	28	10

The Market price of ethanol is ₹ 40.20/ litre (ex-mill price) compared to ₹ 36.38/ litre in FY2014 and ₹ 33/ litre in FY2013. Net revenue from distillery sales stood at ₹ 92 crores with a contribution of 8% to overall revenue as compared to ₹ 72 crores in the corresponding previous year. It is expected that with further impetus by the Government in the ethanol blending with petrol, there will be improvement in realization of distillery products in future.

New projects

Your Company is setting up a 60 KLPD distillery plant at Kolhapur which would take total distillery capacity to 150 KLPD. The plant is expected to be commissioned by November 2015.

COMPANY OUTLOOK

The integrated nature of our sugar operations coupled with improved performance in downstream business segments (cogeneration and distillery), is helping us in insulating profitability from the vagaries of sugar cycle. Our Investment in building downstream business would support the Company to improve the bottom line.

Going forward, we continue to aim towards maximizing operational efficiencies and improve our recovery further by optimizing existing capacities. We also continue to explore opportunities to procure biomass for electricity generation, which provides us the opportunity to increase the running time for our plants. However, unless cane prices rationalization takes place, pressure on sugar prices due to surplus stock overhang can have significant bearing on the profitability.

CORPORATE SOCIAL RESPONSIBILITY

Dalmia Bharat Sugar and Industries Limited is a part of Dalmia Bharat Group which was founded in 1935 and has been following the concept of giving back and sharing with the under privileged sections of the society for more than seven decades. The CSR of the Company is based on the principal of Gandhian Trusteeship. Over seven decades, the Company has been addressing the issues of health and sanitation, education, rural infrastructure, women empowerment and other social development issues.

The prime objective of our CSR Policy is to hasten social, economic and environmental progress. We remain focused on generating systematic and sustainable improvement for local communities surrounding our plants and project sites.

The approach is to make significant and sustainable difference through our programmes in the lives of beneficiaries by working in partnership with our stakeholders. Stakeholder engagements and baseline studies highlighted the issues of erratic power supply, unemployment amongst rural youths and basic rural infrastructure needs in our neighboring community. Dalmia Bharat Group thus planned their CSR programmes in sectors of Soil & water conservation; Energy conservation and climate change mitigation; Skill development & livelihood Training and Social Development and started aiming at creation of shared values for all stakeholders.

CSR Focus Areas

1. Renewable Energy and Climate Change Mitigation:

Energy is a major concern in Indian Villages, with majority of the populations dependent on depleting fuel wood and erratic electricity supply. We are thus trying to promote more energy efficient and sustainable solutions in our community. We promote smokeless chulhas (cook stoves), bio gas plants, Solar lighting systems like lanterns, street lights, study lamps and home lighting systems. These solutions also help in reduction of ecological footprints of the community.

Impact: 12075 direct and indirect beneficiaries

2. Livelihood & Skill Development

Unemployment amongst the youth in the neighboring communities is high. Aiming at long term benefits for the youths and their family, the Company has started many Skill Development programmes and provided training in areas like Mobile Repairing, Bag Making



and many others. For women, the Company has enabled formation of many SHGs and helped them get loans and also provided them trainings on many livelihood alternatives.

Program activities:

1. Mobile Phone Repair Training Course.
2. Bag Making Training.
3. SHG Formation and Training.

Impact: 1105 direct beneficiaries

3. Social Development

The stakeholder engagement highlighted the issue of poor basic infrastructure which hinders the daily life as well as development of these villages. The Company is helping in building the basic infrastructure needs of the community like School Sanitation blocks, low cost toilets, school buildings etc. Health is another concern among the community and company has pitched in by arranging General as well as Specialized Health Camps, providing medicines, Immunizations, Maternal and Child health Care, Eye Camps.

Program activities:

1. **Health Camps:** 27 General and specialized health camps like Eye check-up, Maternal and Child, Cataract and Multi-specialty camps were organized across locations. Around 3700 people got access to health facilities and free medicines through these health camps.
2. **Children's immunization:** Polio Immunization drives were organized all across locations in partnership with the local government and 3846 children were immunized through the program.
3. **Low cost toilets:** Construction of 90 individual toilets helped 450 beneficiaries for leaving open defecation practices. We have constructed 147 Low

Cost toilets benefitting more than 735 people, so far.

4. School Sanitation block: Under Swachh Bharat Abhiyan, the construction of 14 toilet unit blocks with bio digester technology has been completed in 4 schools directly impacting 710 children.

5. Artificial Limbs & Aids Distribution Camps: Organized 4 camps during which artificial limbs and aid, wheelchair, tricycles, crutches and hearing aids were distributed among 710 beneficiaries.

6. Social and Cultural Events: Social events on world water day, international women's day, children day, World AIDS day, Independence and Republic Day were observed with over 1200 people across locations.

Impact: 15553 direct and indirect beneficiaries.

CONSOLIDATED PROFIT & LOSS ANALYSIS

The Company, on a consolidated basis, has a gross revenue of ₹ 1,190 crore in FY2015, as compared to ₹ 1235 crore in FY2014. Operating EBITDA on consolidated basis stood at ₹ 112.87 crore for FY2015 as compared to ₹ 107.80 crore in FY2014. Depreciation and interest for the current year were at ₹ 50.58 crore and ₹ 78.01 crore respectively. The Company has recorded PAT of ₹ 1.49 crores during FY2015 as against the PAT of ₹ 3.05 crore in FY2014.

Operating EBITDA

Better sugar recovery resulted in reduction of cost of production. Also, stable realisations of value added downstream products resulted into operating EBITDA of ₹ 112.87 crores for the year under review, as compared to ₹ 107.80 Crore in the corresponding previous year.

Financial & Interest Expenses

Finance cost of ₹ 78.01 crore for the FY2015 as compared to ₹ 75.64 crores in FY2014. Increase is on account of additional working capital loan facility availed during the year.

Other Income

Other income stood at ₹ 16.00 crore for the current year.

Provision for Tax

Tax Expense for FY2015 including current and deferred tax amounted to ₹ (1.20) crore.

Net Profit

Net Profit for the year amounted to ₹ 0.29 crore.

CONSOLIDATED BALANCE SHEET ANALYSIS

Capital Structure

The Company's paid-up equity share capital stood at ₹ 16.19 crore as on March 31, 2015, comprising 8,09,39,303 equity shares of ₹ 2 each (fully paid up).

Reserves & Surplus

The Company's reserves and surplus stood at ₹ 443.87 crore in FY2015. Of this, surplus in profit and loss account amounted to ₹ 410.15 crore, debenture redemption reserve - ₹ 25.00 crore, Revaluation Reserve - ₹ 3.75 crore, Capital Reserve - ₹ 4.07 crore & other reserves - ₹ 0.90 crore.

Loan Profile

The total borrowed funds of the Company stood at ₹ 931.47 crore (including current maturities of Long Term Debt classified under the head "Other Current Liabilities" of ₹ 116.06 crore) as on 31 March 2015. Out of this, long term loans was ₹ 576.93 crore and Short term loans was ₹ 354.54 crore.

Total Assets

Total assets of the Company were ₹ 1834.32 crore as on 31 March 2015. The Company's net fixed assets as proportion of total assets were at 42% at the end of the year.

Fixed Assets

Fixed assets of ₹ 774.00 crores mainly comprise of the plants and machinery & land and buildings. It also includes a small portion of capital work-in-progress amounting to ₹ 27.78 crore.

Investments

Out of the total investments of ₹ 84.29 crore, the Company had a major investment of ₹ 68.32 crore in fixed income money market mutual funds.

Inventories

Total Inventories were ₹ 703.48 crore as on 31 March 2015 comprising of Finished stock of Sugar - ₹ 596.61 crore, Finished stock of other products - ₹ 61.99 crore and Raw Material, Store & Spares and Work in Progress of ₹ 44.88 crore.

Sundry Debtors

Debtors were ₹ 77.40 crore as on 31 March 2015, of which just ₹ 2.02 crore amounts to receivables which are above six months old.

Loans and Advances

Loans and advances comprised 7% of the Company's total assets. Loans and advances made by the Company was ₹ 132.24 crore as on 31 March 2015, primarily on account of MAT credit entitlements of ₹ 36.24 crore and advances recoverable amounted to ₹ 43.77 crore.

Cash & Bank Balance

The Company had cash and bank balance of ₹ 34.82 crores as on 31 March 2015, with ₹ 16.05 crores in current accounts.

Current Liabilities & Provisions

Current liabilities and provisions stood at ₹ 844.46 crore, wherein Trade Payables stood at ₹ 301.08 crore, Short Term Borrowings ₹ 354.54 crore, Other Current Liabilities of ₹ 186.70 and provisions included ₹ 2.14 crore.

INTERNAL CONTROLS

The adequacy of internal control systems and processes. The Company's Internal Auditors determine whether adequate controls are in place to mitigate risks. We also conduct Special audits as directed by the Management. Our Audit Committee reviews observations made by internal auditors on the control mechanisms and adequacy of internal control systems. It also suggests recommendations for corrective actions and implementations thereof, compliance-related matters, and adherence to laid down processes and guidelines. We have also put in place an effective IT security and systems, ensuring real-time availability of information at

various locations. The Company is also working extensively to make sure that the Internal Financial Control (IFC) reporting framework that is prescribed as per Companies Act 2013 is complied with as per the satisfaction of the certifying authorities.

INFORMATION MANAGEMENT

Information technology works as a strategic partner for six entities in Dalmia Bharat Group. The group as a whole and Dalmia Bharat Sugar and Industries Limited (DBSIL) in particular, has always been a front runner in early adoption of new technologies & concepts for bringing in efficiency, transparency and competitive advantage. With the steady growth of the group over the last decade and the rapid inorganic additions in the last three years, all information technology initiatives are aligned to quickly integrate new entities with Dalmia's way of working. In line



with "One Dalmia" philosophy formulated four years ago, we took a major initiative on operational standardization. "Project Udaan" was started last year where functional templates got created for business management system, in which our processes, codes, controls, KPIs and MIS are standardized on best practices. A functional template was deployed using SAP platform, with a successful go live on May 1, 2015, where in all modules like Financial Accounting, Materials Management, Sales & Distribution, Plant Maintenance, Project Systems & Product Planning ensured tight integration with other key applications like Cane Management, Lab Management and Payroll.

Availability of key analytics was ensured by creating dash boards for sugar business in critical area of cane management, where in varietal composition, maturity wise supply planning of sugar cane is available "Anytime Anywhere" to the decision makers in form of Key Process Indicators (KPI). The Management Information System plays a key role in the enhanced profitability of the business. Analytics will be a major thrust area in years to come and will get extended to other areas of Finance, Inventory Management, Plant Operations, Quality Control and Sales in FY2016.

To overcome the challenge of reliability of data on availability and quality of raw material, we have deployed a unique solution using hand held device along with GPS technology to capture cane planting area, varietal information, procurement planning, weightment and transportation. The solution is successfully deployed for all manufacturing plants providing online auditable information on sugar cane availability. This has helped the organisation in



Lakshya programme

Your company launched a STAR leadership development program in 2013 Lakshya – “An exciting journey to become high impact leaders” which entered its final phase.

KEY RISKS AND CONCERNS:

As an inherent part of any business, risks can be both internal and external, some of which can be anticipated, while others cannot. The risk profile to a great extent depends on economic and business conditions and the markets and customers we serve. The Company has incorporated a strong risk management system framework at the core of its operations. Our risk management policies are based on the philosophy of achieving substantial growth, while mitigating and managing them.

Our risk management framework is reviewed on a periodic basis to recognise and reduce the exposure to risks, wherever possible. We identify risks associated with the business and take adequate measures to strike a balance between risks and rewards. Some of the risks associated with our businesses are enumerated below:

- a. **Industry Risk:** An adverse industry scenario such as fluctuation in demand and price for finished products of sugar, ethanol and power can impact revenues and profitability.
- b. **Policy Risk:** Unfavourable or adverse changes in government policies can affect the sugar industry in India or globally and can impact our performance.

Risk Mitigation: Progressive decontrol in the industry, based on findings of Rangarajan Committee, can translate into stronger cash flows for sugar mills. Your Company produces quality product, has efficient marketing network and overall management bandwidth to capitalise on partial decontrol.
- c. **Raw Material Risk:** Not being able to procure adequate raw material to sustain production or lower cane output can translate into lower sugar production and affect our profitability. There is also the risk of fluctuation in the price and availability of key raw materials of sugarcane, raw sugar and energy prices.

Risk Mitigation: We work hand-in-hand with a large number of farmers and cane-growers and provide them with adequate training to enhance yield and procure the entire sugarcane crop.

correct procurement planning, reduced turnaround time and transit losses with improved efficiency in terms of sugar recovery.

For FY 2016 efficiency improvement in plant operations will be a focus area. Proof of Concept (POC) is being done for Kolhapur unit by deploying Plant Technical Information Management System (PTIMS). Key operational parameters are captured online and real-time KPI's and alerts are made available to decision makers to ensure preventive measures are taken before it breaks. This will help in enhanced plant efficiency and improved capacity utilization.

HUMAN RESOURCES

Nalanda – Dalmia School of Leadership, Learning & Change. All our Learning & development initiatives are driven by “Nalanda” - the Dalmia School of leadership, learning & change.

HR4U: Your company has been working towards building its own brand called HR4U starting 2014-15.

New Think: HR Capability Building Program Workshop: HR in the Company has always taken the strategic business partner role. In order to ensure that the competency for the same is strengthened, a new learning mission in the form of HR Capability Building(HRcB) initiative was launched.

The broad objectives were to strengthen the HR competency towards helping the business achieve its goal. The workshops follow a gruelling five month intervention covering 11 HR functional areas identified through Dalmia Functional competency frame work. Total 30 HR Executives of our Company participated in this programme.

Directors' Report

For the year ended 31st March, 2015

The Directors have pleasure in submitting the Annual Report and Audited Financial Statement of the Company for the year ended 31st March, 2015.

FINANCIAL RESULTS

	(₹ Crore)	
	FY – 15	FY – 14
Net Sales Turnover	1123.80	1186.05
Profit before interest, depreciation and tax (EBITDA)	128.87	127.53
Less: Interest and Financial Charges	78.01	75.64
Profit before depreciation and tax (PBDT)	50.86	51.89
Less: Depreciation	50.58	49.30
Profit/(Loss) before tax (PBT)	0.28	2.59
Less: Provision for current tax	0.09	0.62
Prior year tax charge	-	0.12
MAT credit received	12.58	(0.62)
Provision for deferred tax	(13.87)	(0.56)
Profit after tax (PAT)	1.48	3.03
Add: Surplus brought forward	412.21	412.31
Less: Depreciation adjustment	7.23	-
Add: Deferred tax liability for earlier years apportioned from General Reserve	2.50	-
Balance available for appropriation	408.96	415.34
APPROPRIATIONS:		
Debtenture Redemption Reserve (net)	-	3.13
Balance carried forward	408.96	412.21
	408.96	415.34

OPERATIONS AND BUSINESS PERFORMANCE

Please refer to the chapter on Management Discussion and Analysis for a detailed analysis of the performance of the Company during 2014-15. In addition, working results for key businesses have been provided as an annexure to this report vide Annexure – 1.

DIVIDEND

Keeping in view the performance of the Company your Directors have decided not to recommend payment of dividend for the year under review.

CHANGES IN BUSINESS

There have been no changes in business carried on by the Company.

CORPORATE GOVERNANCE REPORT

The Company's Corporate Governance practices have been detailed in a separate chapter and is attached separately to this Report together with the Auditor's certificate thereon.

SUBSIDIARIES

The report on the financial position of the Company's Subsidiaries, Himshikhar Investment Limited, Dalmia Solar Power Limited and Dalmia Sugar Ventures Limited, for the

year ended 31-3-2015 is attached in Form AOC -1 and forms part of this report as Annexure – 2.

The detailed Annual Reports of these subsidiaries are not being enclosed with this Annual Report. Any Member desiring to inspect the detailed Annual Reports of any of the aforementioned subsidiaries may inspect the same at the Head Office of the Company and that of the subsidiaries concerned. In event a member desires to obtain a copy of the Annual Report of any of the aforementioned subsidiaries, he may write to the Registered Office of the Company specifying the name of the subsidiary whose Annual Report is required. The Company shall supply a copy of such Annual Report to such Member. The Annual Report of the aforementioned subsidiaries are available at the Company's website www.dalmiasugar.com.

During the said financial year no company ceased to be a subsidiary of the Company or its Subsidiary. The Company has no Associates and Joint Ventures.

The policy for determining material subsidiaries may be accessed in the Company's website at <http://www.dalmiasugar.com/upload/policies/DBSIL-Material-Subsidiary-Policy.pdf>

CONSOLIDATED FINANCIAL STATEMENTS

As required under section 129(3) of the Companies Act, 2013 read with clause 41 of the listing agreement and Accounting Standard - 21, this Annual Report also includes Consolidated Financial Statements for the financial year 2014-15.

EXTRACT OF ANNUAL RETURN

In compliance with sub-section (3) of section 92 of the Companies Act, 2013, the extract of the annual return is attached in Form MGT-9 and forms part of this report as Annexure – 3.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The independent Directors namely, Shri J.S. Bajjal, Shri M. Raghupathy and Shri P. Kannan have given their respective declaration of independence under Section 149 of the Companies Act, 2013. A meeting of the Independent Directors excluding all Directors and Officials of the Company was held as mandated by provisions of Rule 8 of Schedule IV to the Companies Act, 2013 wherein they appraised the performance of the Executive Directors.

The details of familiarisation programs for independent Directors of the Company can be accessed at the website of the Company at <http://www.dalmiasugar.com/upload/policies/DBSIL-IDF-Policy.pdf>.

Shri B.B. Mehta, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. He has furnished requisite declaration in Form DIR -8 pursuant to Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified from being reappointed as a Director of the Company.

Smt. Himmi Gupta was appointed as a Director on the Board of the Company, effective 26-3-2015 and continues to hold office till the conclusion of the ensuing Annual General Meeting. The Company has received a notice from a Shareholder pursuant to the provisions of section 160(1) of the Companies Act, 2013, proposing the name of Smt. Himmi Gupta for being appointed as a Director of the Company whose office is liable to retirement by rotation. Smt. Himmi Gupta has furnished requisite declaration in Form DIR-8 pursuant to Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified from being reappointed as a Director of the Company.

The Key Managerial Personnels, namely, Shri Jai H. Dalmia and Shri Gautam Dalmia, Managing Directors, Shri Anil Kataria, Chief Financial Officer and Shri K.V. Mohan, Company Secretary continue to hold their respective offices during the year under review.

The Nomination and Remuneration Policy of the Company on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of the Directors and other matters provided in section 178(3) of the Companies Act, 2013 has been approved by the Board

of Directors on the recommendation of the Nomination and Remuneration Committee. The Nomination and Remuneration Policy is attached as Annexure – 4 to this Report.

The Board of Directors have conducted a formal evaluation of its own performance and of the performance of its Committees and individual Directors in accordance with norms laid down in the Nomination and Remuneration Policy aforesaid.

BOARD OF DIRECTORS, COMMITTEES AND MEETINGS

Reference is invited to the attached Corporate Governance Report for the details thereof.

The Board has accepted all recommendations made by the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted the CSR Committee which has approved the CSR Policy and decided to expend an amount of ₹ 0.50 Crore (which is 2% of average net profits of the Company made during three immediately preceding Financial Years) on CSR activities covering eradication of extreme hunger and poverty, promotion of education including special education, ensuring environmental sustainability and ecological balance, etc., health, and sanitation of which ₹ 0.06 Crore is lying unspent. The said amount is expected to be spent in the current financial year on executions of certain projects under contemplation.

The CSR policy is available on the website of the Company at <http://www.dalmiasugar.com/upload/policies/DBSIL-CSR-POLICY.pdf>.

The Annual Report of CSR activities, in terms of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, is attached as Annexure - 5 and forms part of this Report.

RISK MANAGEMENT

A Risk Management Committee has been formed by the Board during the year in order to assist the Board to frame, implement and monitor the Risk Management Plan of the Company.

The Committee has engaged professionals to assist them in framing a comprehensive risk management policy document and it is expected to be in place by the end of the current financial year.

RELATED PARTY POLICY AND TRANSACTIONS

The policy on related party transactions may be accessed on the Company's website at <http://www.dalmiasugar.com/upload/policies/DBSIL-Related-Party-Policy.pdf>.

During the year there were no material contracts or arrangements with the related parties referred to in section 188(1) of the Companies Act, 2013. Hence, Form AOC 2 is not being attached to this Report.

INVESTMENTS, LOANS AND GUARANTEES

The particulars of investments made by the Company and the details of loans given and guarantees furnished by the Company are furnished in Note No. 13 and Note No. 46 of the attached Standalone Financial Statements for the year ended 31-3-2015.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the financial statements. The said financial controls have been tested and no reportable material weakness in the design and operations were observed.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has in place the Whistle Blower Policy and Vigil Mechanism with a view to provide for adequate safeguards against victimisation of persons who use such mechanism and provide for direct access to the Chairperson of the Audit Committee in appropriate cases.

The policy can be accessed at the web site of the Company at <http://www.dalmiasugar.com/upload/policies/DBSIL-Whistle-Blower-Policy-Vigil-Mechanism.pdf>.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) of the Companies Act, 2013 your Directors declare that:

- (a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EMPLOYEES' STOCK OPTION SCHEME

The Company has not granted any employee stock options.

STATUTORY AUDITORS

M/s. S.S. Kothari Mehta & Co., Chartered Accountants the Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting. The Board has decided to recommend their appointment for a further period of one year in terms of section 139 of the Companies Act, 2013.

The Company has obtained from them a certificate to the effect that their re-appointment, if made, would be in conformity with the limits prescribed in the section 141 of the Companies Act, 2013.

COST AUDITOR

M/s. R.J. Goel & Co., Cost Accountants, were appointed as the Cost Auditors of the Company to conduct cost audit for the year ended 31-3-2014, and they have submitted the Cost Audit Reports for the said year on 20-8-2014. Their appointment for the year ended 31-3-2015 continues and they will be submitting their report in due course of time.

The Directors have decided to appoint M/s. HMVN & Associates, Cost Auditors, New Delhi, as the Cost Auditors to conduct cost audit for the year ended 31-3-2016 and the remuneration payable to them for conduct of Cost Audit will be coming up for approval before the Shareholders at the ensuing Annual General Meeting.

SECRETARIAL AUDITOR AND REPORT THEREON

The Board of Directors of the Company appointed M/s Harish Khurana & Associates, Practising Company Secretaries, as the Secretarial Auditor to conduct the Secretarial Audit in terms of section 204 of the Companies Act, 2013. The Report of the Secretarial Audit is attached in Form MR – 3 and forms part of this report as Annexure – 6.

COMMENTS ON AUDITORS' OBSERVATIONS

The Reports submitted by the Secretarial Auditor and Statutory Auditor of the Company do not contain any qualification, reservation or adverse remark.

LISTING OF SHARES

Consequent upon Madras Stock Exchange voluntarily surrender of its registration as a recognised Stock Exchange, the shares of the Company were delisted from dealings on that Exchange.

The Company's shares continue to be listed on the National Stock Exchange and Bombay Stock Exchange and the listing fees for the year 2015-16 has been paid to both exchanges.

UNCLAIMED SUSPENSE ACCOUNT

In terms of clause 5A of the Listing Agreement, the Company has opened a demat account.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE TRANSACTIONS

A statement giving details of Conservation of Energy, Technology Absorption and Foreign Exchange transactions, in accordance with Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, forms a part of this report as Annexure – 7.

PARTICULARS OF DIRECTORS' AND EMPLOYEES' REMUNERATION

The particulars of remuneration to Directors and Key Managerial Personnels and other particulars in terms of Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure – 8 to this Report.

A statement showing the names and other particulars of the employee drawing remuneration in excess of the limits set out in Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure – 9 to this Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the printed copy of the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses and is also available on the Company's website.

PUBLIC DEPOSITS

The Company has not accepted any deposits from public till date.

ORDERS PASSED BY REGULATORS

No orders have been passed by the regulators or courts or tribunals impacting the status of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

P.S.:- Annexures mentioned in this Directors' Report other than Corporate Governance and Management Discussion and Analysis are attached after the Consolidated Financial Statements.

No such Complaints have been received by the said committee during the financial year 2014-15.

HEALTH, SAFETY AND ENVIRONMENT

Health and Safety of employees and clean environment receive utmost priority at all locations of your Company. It has already implemented EHS System and provided safe working environment at its plants and mines. Use of personal protective equipment by employees have become compulsory and training programs on Health, Safety and Occupational Health are being conducted on a continuous basis. Your Company has launched the new Safety and Housekeeping programme during the current year which has substantially improved the plant housekeeping. Our endeavour is to make all our plants safe and keep all its employees healthy. Your Company has a philosophy that 'Clean & Green' is more profitable.

INDUSTRIAL RELATIONS

The industrial relations during the year under review remained harmonious and cordial.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the excellent cooperation received from all employees at various units of the Company and other stakeholders.

For and on behalf of the Board

Place: New Delhi

Dated: 14th May, 2015

(J.S. Baijal)

CHAIRMAN

Report on Corporate Governance

Company's Philosophy on Corporate Governance

DBSIL (Dalmia Bharat Sugar and Industries Limited) believes in and remains committed to good Corporate Governance. The spirit of corporate governance has remained imbibed in the Company's business philosophy since long. This philosophy is shaped by the values of transparency, professionalism and accountability. Today, your Company's corporate governance practices are driven by strong Board oversight, timely disclosures, transparent accounting policies and high levels of integrity in decision-making.

In India, corporate governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchanges. The stipulations mandated by Clause 49 of the Listing Agreement became applicable to your Company in March 2001 and have been fully complied with since then. SEBI, through circulars dated 29th October 2004, 29th March 2005, 8th April 2008, 17th April 2014 and 15th September, 2014 has revised Clause 49 of the Listing Agreement and mandated listed companies to comply with the revised Clause 49 of the Listing Agreement.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports on DBSIL's compliance with the Clause 49 of the Listing Agreement.

Board of Directors

Composition of the Board

As on 31st March 2015 the Company's Board comprised eight members — two Executive Directors, and six Non-executive Directors, of which three are Independent and one is a Woman Director. Shri J.S. Bajjal, a Non-executive Independent Director, is appointed as the Chairman of the Board. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that if the Chairman is a Non-executive, and is not related to the promoters or persons occupying management positions at the Board level or at one level below the Board, one-third of the Board should comprise of Independent Directors, or else, 50 per cent of the Board should comprise of Independent Directors.

Number of Board Meetings

The Board of Directors met four times during the year on 16-5-2014, 1-8-2014, 31-10-2014 and 30-1-2015. The maximum gap between any two meetings was less than 4 months.

Directors' Attendance Record and Directorships Held

As mandated by the Clause 49 of the Listing Agreement, none of the Directors are members of more than ten Board level Committees nor are they Chairman of more than five Committees in which they are members. Table 1 gives the details of the composition of the Board, attendance and details of Committee Membership and Committee Chairmanship.

Table 1: Composition of the Board of Directors

Name of the Directors	Category	Attendance Particulars			No. of other Directorships and Committee Memberships/Chairmanships		
		Number of Board Meetings		Last AGM	Other Directorships@	Committee Memberships #	Committee Chairmanships #
		Held	Attended				
Shri J.S. Bajjal Chairman	Independent and Non-Executive	4	4	No	2	2	-
Shri M. Raghupathy	Independent and Non-Executive	4	4	Yes	1	-	-
Shri Jai H. Dalmia Vice-Chairman	Executive	4	4	No	6	-	-
Shri Gautam Dalmia Managing Director	Executive	4	3	No	4	1	-
Shri T. Venkatesan	Non-Executive	4	4	No	5	2	1
Shri P. Kannan	Independent and Non-Executive	4	4	Yes	-	-	-
Shri B.B. Mehta	Non-Executive	4	4	No	9	-	-
Smt. Himmi Gupta *	Non-Executive	-	-	No	-	-	-

@ The Directorships held by the Directors do not include Directorship of foreign companies and private limited companies.

As required under Clause 49 of the Listing Agreement, the disclosure includes membership/chairmanship of Audit Committee and Stakeholders' Relationship Committee of Indian public companies (listed and unlisted).

* Smt. Himmi Gupta was appointed as an Additional Director on 26-3-2015.

Shri Gautam Dalmia is the son of Shri Jai H. Dalmia.

As mandated by the revised Clause 49 of the Listing Agreement, the independent Directors on DBSIL's Board are not less than 21 years in age, and:

- ▶ Who in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.
- ▶ Who is or was not a promoter of the Company or its Holding, Subsidiary or Associate Company.
- ▶ Who is not related to the promoters or Directors in the Company its Holding, Subsidiary or Associate Company.
- ▶ Apart from receiving Director's remuneration, has or had no material pecuniary relationship with the Company, its Holding, Subsidiary or Associate Company or their promoters, or Directors during the two immediately preceding financial years or during the financial year.
- ▶ None of whose relatives has or had pecuniary relationship with the Company, its Holding, Subsidiary or Associate Company, or their promoters or Directors amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year.
- ▶ Who, neither himself nor any of his relatives –
 - (i) Holds or has held the position of a key managerial personnel or is or has been employee of the Company or its Holding, Subsidiary or Associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed.
 - (ii) Is or has been an employee or proprietor or a partner in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
 - (a) A firm of Auditors or Company Secretaries in Practise or Cost Auditors of the Company or its Holding, Subsidiary or Associate Company; or
 - (b) Any legal or a consulting firm that has or had any transaction with the Company, its Holding Subsidiary or Associate Company amounting to 10% or more of the gross turnover of such firm.
 - (iii) Holds together with his relatives two percent or more of the total voting power of the Company.
 - (iv) Is a Chief Executive or Director, by whatever name called, of any non-profit organisation that receives 25% or more of its receipts from the Company, any of its Promoters, Directors, or its Holding, Subsidiary or Associate Company or that holds more than two percent or more of the total voting power of the Company.
 - (v) Is a material supplier, service provider or customer or a lessor or lessee of the Company.

Information Supplied to the Board

The Board has complete access to all information with the Company. The agenda and papers for consideration of the Board are circulated at least seven days prior to the date of the Board meeting. Adequate information is circulated as part

of the agenda papers and also placed at the meeting to enable the Board to take an informed decision. Inter-alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting.

- ▶ Annual operating plans & budgets and any update thereof.
- ▶ Capital budgets and any updates thereof.
- ▶ Quarterly results of the Company and operating divisions and business segments.
- ▶ Minutes of the meetings of the Audit Committee and other Committees of the Board.
- ▶ Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- ▶ Materially important show cause, demand, prosecution and penalty notices.
- ▶ Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- ▶ Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- ▶ Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- ▶ Details of any joint venture or collaboration agreement.
- ▶ Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- ▶ Significant labour problems and their proposed solutions. Any significant development in human resources/ industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- ▶ Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- ▶ Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- ▶ Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

Remuneration Paid to Directors and Key Managerial Personnel

The compensation payable to the Executive Directors and Key Managerial Personnel is decided by the Nomination and Remuneration Committee constituted by the Board of Directors. The details of remuneration paid, during the year, to the Executive Directors, Non-Executive Directors and Key Managerial Personnel is presented in Table 2.

Table 2: Details of remuneration paid to Directors for 2014-15 (₹ Crore)

Name of the Directors	Category	Sitting Fees	Salary and Perquisites	Retirement Benefits	Commission@	Total
Shri J.S. Bajjal Chairman	Independent, Non-Executive	0.05	-	-	-	0.05
Shri M. Raghupathy	Independent, Non-Executive	0.05	-	-	-	0.05
Shri Jai H. Dalmia Vice-Chairman	Executive	-	0.46	0.06	-	0.52
Shri Gautam Dalmia Managing Director	Executive	-	0.07	0.00	-	0.07
Shri T. Venkatesan	Non-Executive	0.02	-	-	-	0.02
Shri P. Kannan	Independent, Non-Executive	0.05	-	-	-	0.05
Shri B.B. Mehta	Non-Executive	0.03	-	-	-	0.03
Smt Himmi Gupta	Non-Executive	-	-	-	-	-

@ Commission paid on net profit only.

Retirement benefits to the Executive Directors comprise the Company's contribution to provident fund and superannuation fund. The payment of retirement benefits is being made by the respective fund(s). In addition to the above the Company also contributes, on actuarial valuation basis, amounts to the Gratuity Fund towards gratuity of its employees including the Vice Chairman and Managing Director. The Company has not provided any stock options to its employees including those at the Board level.

The appointments of Shri Gautam Dalmia, Managing Director, was made for a period of five years with effect from 16th January, 2012. The appointment of Shri Jai H. Dalmia, Vice Chairman, has been made for a period of five years with effect from 1st April, 2012. No severance fees is payable to any of aforementioned persons in respect of their cessation.

Code of Conduct

DBSIL's Board has laid down a code of conduct for all Board members and designated senior management of the Company. The code of conduct is available on the website of the Company http://www.dalmiasugar.com/images/code_of_conduct.pdf. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

Table 3: Attendance record of DBSIL's Audit Committee during 2014-15:

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Shri P. Kannan	Independent	Chairman	4	4
Shri M. Raghupathy	Independent	Member	4	4
Shri J. S. Bajjal	Independent	Member	4	4

The Officer responsible for the finance function, the head of internal audit and the representative of the Statutory Auditors, Internal Auditors and Cost Auditors are regularly invited by the Audit Committee to its meetings. Shri K.V. Mohan, Company Secretary, is the Secretary to the Committee.

All members of the Audit Committee have requisite accounting and financial management expertise. Shri P. Kannan, the Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 30th August, 2014 to answer shareholders queries.

A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

Committees of the Board

As on 31st March 2015, the Company has six Board-level Committees for Audit, Nomination and Remuneration, Finance, Stakeholders' Relationship, CSR and Risk Management.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members is taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

a) Audit Committee

As on 31st March 2015, the Audit Committee comprises three members Shri P. Kannan, Shri M. Raghupathy, and Shri J.S. Bajjal, all of whom are independent Directors. Shri P. Kannan is the Chairman of the Audit Committee. The Audit Committee met four times during the year on 16-5-2014, 1-8-2014, 31-10-2014 and 30-1-2015. The particulars of attendance of the members in the Meetings of this Committee is set out in Tables 3 hereunder:-

The functions of the Audit Committee of the Company include the following:

- ▶ The recommendation for appointment, remuneration and terms of appointment of Auditors of the company;
- ▶ Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- ▶ Examination of the financial statement and the Auditors' report thereon;

- ▶ Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ▶ Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ▶ Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- ▶ Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report
- ▶ Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- ▶ Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- ▶ Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- ▶ Approval or any subsequent modification of transactions of the company with related parties;
- ▶ Scrutiny of inter-corporate loans and investments;
- ▶ Valuation of undertakings or assets of the company, wherever it is necessary;
- ▶ Evaluation of internal financial controls and risk management systems;
- ▶ Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- ▶ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- ▶ Discussion with internal auditors of any significant findings and follow up there on;
- ▶ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- ▶ Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- ▶ To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- ▶ To review the functioning of the Whistle Blower mechanism;
- ▶ Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- ▶ Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- ▶ The following information is reviewed by the Audit Committee
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

b) Nomination and Remuneration Committee

As on 31st March 2015, the Nomination and Remuneration Committee comprise of three members Shri J.S. Bajjal, Shri M. Raghupathy and Shri P. Kannan, all independent Directors, with Shri M. Raghupathy as its Chairman. The Committee met thrice during the year on 16-5-2014, 30-1-2015 and 24-3-2015. The particulars of attendance of the members in the Meetings of this Committee is set out in Table 4 hereunder:

Table 4 : Attendance record of DBSIL's Nomination and Remuneration Committee during 2014-15

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Shri M. Raghupathy	Independent	Chairman	3	3
Shri P. Kannan	Independent	Member	3	3
Shri J. S. Bajjal	Independent	Member	3	2

The Committee is to carry out the following functions:

- i) identify persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and/or removal;
- ii) carry out evaluation of every director's performance;
- iii) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. while formulating the aforesaid policy the Committee shall ensure that—
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and

long-term performance objectives appropriate to the working of the company and its goals.

The Chairman of the Nomination and Remuneration Committee attended the Annual General Meeting held on 30th August, 2014.

c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee (earlier known as Shareholders Grievance Committee) comprise of Shri J.S. Bajjal, (Independent Director) as its Chairman, and Shri Gautam Dalmia as its member. The Board in its meeting held on 1-8-2014 decided to induct two more Directors, namely, Shri P. Kannan and Shri B.B. Mehta as its members.

Shri P. Kannan, a member of this Committee was authorised to attend the Annual General Meeting held on 30th August, 2014 of the Company instead of the Chairman, who had authorised him to attend the same on his behalf to answer the queries of the Shareholders.

The terms of reference to this Committee is to look into and redress the complaints received from investors, in coordination with the Company's Registrars and Share Transfer Agent. The Committee met once during the year on 30-1-2015 and the attendance of the Directors is given below in Table 5:

Table 5: Attendance record of DBSIL's Stakeholders' Relationship Committee during 2014-15

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Shri J. S. Bajjal	Independent	Chairman	1	1
Shri Gautam Dalmia	Executive	Member	1	1
Shri P. Kannan	Independent	Member	1	1
Shri B.B. Mehta	Non-Executive	Member	1	1

During the year, 84 complaints were received from investors and all of them were resolved. At the close of the year there were no cases pending in respect of share transfers. Table 6 gives the details:

Table 6: Nature of complaints received and attended to during 2014-15

Nature of Complaint	Pending as on 1st April 2014	Received during the year	Answered during the year	Pending as on 31st March 2015
1. Transfer / Transmission / Duplicate	Nil	3	3	Nil
2. Non-receipt of Dividend/Interest/ Redemption Warrants	Nil	47	47	Nil
3. Non-receipt of securities/electronic credits	Nil	18	18	Nil
4. Non-receipt of Annual Report	Nil	16	16	Nil
5. Complaints received from:				
- Securities and Exchange Board of India	Nil	-	-	Nil
- Stock Exchanges	Nil	-	-	Nil
- Registrar of Companies/ Department of Company Affairs	Nil	-	-	Nil
6. Others	Nil	-	-	Nil
Total	Nil	84	84	Nil

The names and designations of the Compliance Officers are as follows: -

- Shri K.V. Mohan, Company Secretary; and
- Shri R. Gururajan, Asst. Executive Director (Accounts)

The Board of Directors has delegated the powers of approving the transfer of shares/debentures to senior executives of the Company.

d) Finance Committee

As on 31-3-2015, the Finance Committee comprises of Shri Jai H. Dalmia, Shri Gautam Dalmia and Shri J.S. Bajjal (Independent Director) as its Members. The Committee did not meet at any time during the year.

e) Risk Management Committee

The Board of Directors in its Meeting held on 31-10-2014 formed a Committee named as Risk Management

Committee with Shri M. Raghupathy as its Chairman, Shri J.S. Baijal and Shri B. B. Mehta as its members. The Risk Management Committee met once during the year on 30-1-2015 and the attendance of Directors is given in Table 7 below:

Table 7: Attendance record of DBSIL's Risk Management Committee during 2014-15

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Shri M. Raghupathy	Independent	Chairman	1	1
Shri J. S. Baijal	Independent	Member	1	1
Shri B.B. Mehta	Non-Executive	Member	1	1

f) CSR Committee

The Board of Directors in its Meeting held on 16-5-2014 formed a Committee named as CSR Committee with Shri J.S. Baijal, Shri Gautam Dalmia, and Shri B.B. Mehta as its members. The CSR Committee met twice during the year on 1-8-2014 and 30-1-2015 and the attendance of Directors is given in Table 8 below:

Table 8: Attendance record of DBSIL's CSR Committee during 2014-15

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Shri J. S. Baijal	Independent	Chairman	2	2
Shri Gautam Dalmia	Executive	Member	2	1
Shri B.B. Mehta	Non-Executive	Member	2	2

Subsidiary Companies

Clause 49 of the Listing Agreement defines a "material non-listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year. As mandated by Clause 49 of the Listing Agreement, the Company has framed a Policy on Material Subsidiaries and has displayed it on <http://www.dalmiasugar.com/upload/policies/DBSIL-Material-Subsidiary-Policy.pdf>. As on 31st March, 2015, under this definition, DBSIL does not have a 'material non-listed Indian subsidiary'.

Shares and Convertible Instruments held by Non-Executive Directors

Table 9 gives details of the shares and convertible instruments held by the Non-Executive Directors as on 31st March, 2015.

Table 9: Details of the shares and convertible instruments held by the Non-Executive Directors as on 31st March, 2015

Name of the Directors	Category	Number of shares held	Number of convertible instruments held
Shri J.S. Baijal	Independent, Non-Executive	Nil	Nil
Shri M. Raghupathy	Independent, Non-Executive	Nil	Nil
Shri T. Venkatesan	Non-Executive	Nil	Nil
Shri P. Kannan	Independent, Non-Executive	2,730	Nil
Shri B.B. Mehta	Non-Executive	Nil	Nil
Smt Himmi Gupta	Non-Executive	Nil	Nil

Management

Management Discussion and Analysis

The Annual Report has a detailed report on Management Discussion and Analysis.

Disclosures

Related party transactions in the ordinary course of business have been disclosed in Note No. 45 of the attached Standalone Financial Statements for the year ended 31st March, 2015. No transactions were made that had the possibility of injuring the Company's interests. The Company complied with the regulatory requirements on capital markets. No penalties/strictures have been imposed against it.

The Company has complied with the requirements of Section 125 of the Companies Act, 2013 and all amounts due to be credited to the Investor Education & Protection Fund have been duly credited within the time specified under the said section.

Disclosure of Accounting Treatment in Preparation of Financial Statements

DBSIL has followed the guidelines of Accounting Standards laid down by the Central Government under the provisions of section 129(1) of the Companies Act, 2013 in the preparation of its financial statements.

Details of Non-Compliance by the Company

DBSIL has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or any Statutory authority on any matter related to capital market during the last three years.

Code for Prevention of Insider-Trading Practices

In compliance with the SEBI regulations on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with

shares of Company, and cautioning them of the consequences of violations.

CEO/ CFO certification

The CEO and CFO certification of the financial statements for the year is enclosed at the end of the report.

Shareholders

Reappointment/Appointment of Directors

Pursuant to the provisions of section 149 of the Companies Act, 2013, the Shareholders have approved the appointment of the three Independent Directors on the Board, namely, Shri J.S. Baijal, Shri M. Raghupathy and Shri P.Kannan, for a period of 5 years with effect from the conclusion of the last Annual General Meeting on 30-8-2014.

Each of the said Independent Directors have given their affirmation of Independence at the beginning of the financial year 2015-16 and have also confirmed that each of them are not disqualified from being appointed as a Director of the Company by furnishing requisite declaration as required under section 164(2) of the Companies Act, 2013.

Pursuant to the Articles of Association of DBSIL, at every Annual General Meeting of the Company, one-third of the rotational Directors retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third retire from office. Accordingly, at the ensuing Annual General

Meeting, Shri B.B. Mehta, Director of the Company retires by rotation and is eligible for re-appointment.

Smt. Himmi Gupta was inducted as a Director effective 26-3-2015. She holds office till the conclusion of the forthcoming Annual General Meeting.

Means of Communication with Shareholders

The Board of Directors of the Company approves and takes on record the unaudited financial results in the format prescribed by the Stock Exchanges within forty-five days of the close of every quarter and such results are published in one financial newspaper, viz., Business Line, and one Regional Newspaper, Dinamani, within the stipulated time. The Company also publishes its annual audited results in these newspapers within the stipulated period.

As required under the Listing Agreement all the data related to quarterly and annual financial results, shareholding pattern, etc., is provided to the web-site of the Stock Exchanges within the time frame prescribed in this regard. All the details required to be forwarded to the Stock Exchanges are being sent by the Company from time to time.

General Body Meetings

Table 10 gives the details of the last three Annual General Meetings (AGMs).

Table 10: Details of last three AGMs

Financial year	Date	Time	Location
2013-14	30 th August, 2014	11.30 a.m.	Community Centre, Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu, 621651.
2012-13	24 th August, 2013	10.30 a.m.	Community Centre, Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu, 621651.
2011-12	18 th August, 2012	10.00 a.m.	Community Centre, Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu, 621651.

The details of Special Resolutions in respect of the last three Annual General Meetings are given in Table 11.

Table 11: Details of Special Resolutions passed in last three Annual General Meetings

Date of Meeting	Type of Meeting	Particulars
30 th August, 2014	AGM	<ul style="list-style-type: none"> ▶ Appointment of Shri Yadu Hari Dalmia as a Part time Adviser pursuant to the provisions of section 314(1) of the Companies Act, 1956 on a remuneration of ₹ 25,000/- per month besides expenditure incurred on running and maintenance of a motor car. ▶ Borrowing powers upto ₹ 2,800 crores pursuant to section 180(1)(c) of the Companies Act, 2013. ▶ Increase in the commission payable to Shri Jai H. Dalmia, Vice Chairman and Shri Gautam Dalmia, Managing Director, from existing 1.5% of the net profits as computed under section 198 of the Companies Act, 2013 per person to 3% of the net profits as computed under section 198 of the Companies Act, 2013 per person for the balance period of appointment.
24 th August, 2013	AGM	<ul style="list-style-type: none"> ▶ Resolution seeking approval of shareholders pursuant to section 81(1A)(a) read with sections 292(1)(a)/ 292(1)(b)/ 292(1)(c) of the Companies Act, 1956 for issuance and allotment of further securities convertible into equity shares to the extent of ₹ 50 crores which upon conversion of all securities would give rise to the issue of equity capital of an aggregate face value of ₹ 4 crores.

Date of Meeting	Type of Meeting	Particulars
18 th August, 2012	AGM	<ul style="list-style-type: none"> ▶ Re-appointment of Shri Jai H. Dalmia as the Managing Director designated as Vice-Chairman of the Company for a period of 5 years with effect from 1st April, 2012; ▶ Re-appointment of Shri Y.H. Dalmia as the Managing Director designated as Vice-Chairman of the Company for a period of 5 years with effect from 16th January, 2012; ▶ Re-appointment of Shri Gautam Dalmia as the Managing Director of the Company for a period of 5 years with effect from 16th January, 2012; ▶ Re-appointment of Shri Puneet Yadu Dalmia as the Managing Director of the Company for a period of 5 years with effect from 16th January, 2012; ▶ Resolution seeking approval of shareholders pursuant to section 81(1A)(a) read with sections 292(1)(a)/ 292(1)(b)/ 292(1)(c) of the Companies Act, 1956 for issuance and allotment of further securities convertible into equity shares to the extent of ₹ 50 crores which upon conversion of all securities would give rise to the issue of equity capital of an aggregate face value of ₹ 4 crores. ▶ Resolution seeking approval of shareholders pursuant to section 309 of the Companies Act, 1956 for payment of commission calculated at 1% of the net profits of the Company for a period of 5 years commencing from the financial year ended 31st March, 2013 onwards. Such commission to be distributed amongst the Directors in the manner they deem fit.

Postal Ballot

During the year ended 31st March 2015, the Company proposed two Special Resolutions for passing through Postal Ballot. The particulars of the Resolutions proposed and the details of voting pattern were as under:

- ▶ Special Resolution for enabling the Board of Directors to create mortgage or charge on any of the Company's movable or immovable properties to the extent of ₹ 2,800 crores pursuant to the provisions of section 180(1)(a) of

the Companies Act, 2013; and

- ▶ Special Resolution authorising the Board of Directors to raise finances by way of issue of securities pursuant to section 62(1)(c) of the Companies Act, 2013 whether with or without further right to conversion to the total aggregate extent of ₹ 50 crores which upon conversion of all securities would give rise to the issue of equity capital of an aggregate face value of ₹ 4 crores.

Promoter/Public	No. of Shares held	No. of Shares polled	% of votes polled on outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes on votes polled	
						For	Against
Resolution No. 1:							
Promoter and Promoter Group	60635122	60352737	99.53	60352737	-	100.00	-
Public	20304181	988029	4.87	985860	2169	99.78	0.22
Total	80939303	61340766	75.78	61338597	2169	99.99	0.01
Resolution No. 2:							
Promoter and Promoter Group	60635122	60352737	99.53	60352737	-	100.00	-
Public	20304181	982929	4.84	978777	4152	99.58	0.42
Total	80939303	61335666	75.78	61331514	4152	99.99	0.01

Shri Harish Khurana, Practising Company Secretary, were appointed as a scrutinizer, by the Board, to oversee the entire Postal Ballot process and responses were obtained through e-voting besides physical ballot forms. Both the special resolutions were passed with requisite majority and necessary intimation relating to the voting was filed with the Stock Exchanges as well as the Registrar of Companies.

At the ensuing Annual General Meeting it is proposed to obtain the Shareholder's consent through Postal Ballot in respect of a Special Resolution authorising the Board of Directors to raise

finances by way of issue of securities pursuant to section 62(1)(c) of the Companies Act, 2013 whether with or without further right to conversion to the total aggregate extent of ₹ 50 crores which upon conversion of all securities would give rise to the issue of equity capital of an aggregate face value of ₹ 4 crores.

E Voting

In compliance with section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Shareholders of the Company were permitted to use the e-voting facility provided by the

Company through Karvy Computershare Private Limited for casting their votes at the Annual General Meeting as well through Postal Ballot.

Compliance

Mandatory Requirements

DBSIL is fully compliant with the applicable mandatory requirements of Clause 49 of the Listing Agreement.

Adoption of Non-Mandatory Requirements

Although it is not mandatory, a Finance Committee of the Board is in place. Details of the aforementioned Committee has been provided under the head "Committees of the Board" above.

Additional Shareholder Information

Annual General Meeting

Date: 24th August, 2015

Time: 11.30 a.m.

Venue: Community Centre Premises,
Dalmiapuram -621651, Dist. Tiruchirapalli, Tamil Nadu

Financial Calendar

Financial year: 1st April, 2015 to 31st March, 2016

For the year ended 31st March 2016, results will be announced on:

- ▶ First quarter: By mid-August, 2015
- ▶ Second quarter: By mid-November, 2015
- ▶ Third quarter: By mid-February, 2016
- ▶ Fourth quarter: By end May, 2016

Book Closure

The dates of book closure are from 19th August, 2015 to 24th August 2015 inclusive of both days.

Dividend Payment

In view of the inadequacy of profits, the Directors have decided to skip payment of dividend this year.

Listing

Listing on Stock Exchanges in respect of the Equity Shares is as under:

- a) Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400001.
- b) The National Stock Exchange of India Limited,
Exchange Plaza,
5th Floor, Plot No. C/1, G - Block,
Bandra Kurla Complex, Bandra (East),
MUMBAI - 400051

The Equity Shares of the Company were voluntarily delisted from dealings on the Madras Stock Exchange effective 21-7-2014 consequent upon the said Exchange being derecognised by the Central Government.

The Privately placed Non-Convertible Debentures are listed on WDM Segment of the National Stock Exchange of India Limited. Listing fees for the year 2015-16 has been paid to all the above Stock Exchanges. The bills for the annual custodial fees for the year 2015-16 have not been raised by both the Depositories till date.

Stock Codes

Bombay Stock Exchange : 500097 (DALMIASUG)

National Stock Exchange : DALMIASUG

ISIN (for Dematerialised Shares) : INE495A01022

(Besides the above the Privately Placed Debentures have also been dematerialised)

Stock Market Data

Table 12, 13, Chart A and Chart B gives details

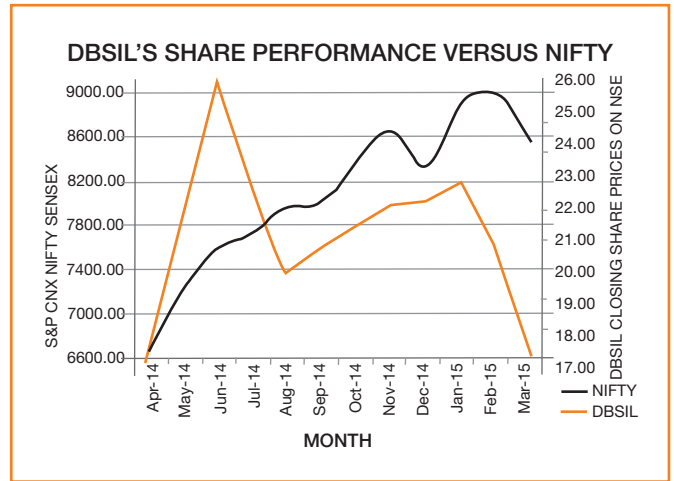
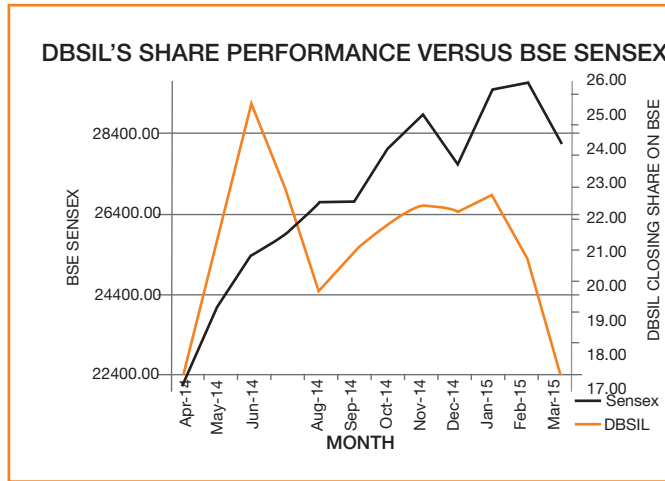
Table 12: High, lows of Company's shares for 2014-15 at BSE and NSE

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
April, 2014	19.10	15.30	17.35	19.00	15.40	17.25
May, 2014	22.85	16.10	21.40	23.40	16.20	21.55
June, 2014	28.35	21.10	25.35	28.40	20.50	25.95
July, 2014	27.25	21.55	22.90	27.60	21.90	22.55
August, 2014	23.75	19.16	19.80	24.40	19.10	20.00
September, 2014	23.95	17.60	21.00	23.90	17.55	20.85
October, 2014	22.55	20.05	21.80	22.75	19.55	21.50
November, 2014	25.75	21.10	22.35	26.15	21.30	22.15
December, 2014	24.50	19.00	22.20	24.50	20.45	22.25
January, 2015	24.00	21.00	22.70	24.80	21.00	22.85
February, 2015	23.50	20.65	20.80	24.00	20.25	20.70
March, 2015	21.70	16.10	17.40	22.00	16.20	17.40

Table 13: Stock Performance over past 5 years

	% of Change in					
	Company's Share		Sensex	Nifty	Company in comparison with	
	BSE	NSE			Sensex	Nifty
2014-15	10	11	25	27	-15	-16
2 years	20	24	48	49	-28	-26
3 years	29	26	61	60	-32	-34
5 years	-78	-78	60	62	-138	-140

Note: The stock performance of Company's shares have been calculated on the closing prices after (a) considering the impact of the Scheme of Arrangement; and (b) conversion of warrants and are thus not strictly comparable.



Distribution of Shareholding

Table 14 and 15 lists the distribution of the shareholding of the equity shares of the Company by size and by ownership class as on 31st March 2015.

Table 14: Shareholding pattern by size

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	9529	73.04	1423266	1.76
501 -1000	1456	11.16	1127192	1.39
1001 - 2000	998	7.65	1490485	1.84
2001 - 3000	357	2.74	900169	1.11
3001 - 4000	207	1.59	746034	0.92
4001 - 5000	117	0.90	535879	0.66
5001 - 10000	200	1.53	1399959	1.73
10001 and above	183	1.40	73316319	90.58
Total	13047	100.00	80939303	100.00

Table 15: Shareholding Pattern by ownership

Particulars	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Promoters @	12	0.09	3492125	4.32
Promoter Bodies Corporate @	28	0.21	57141997	70.59
Central/State Governments	4	0.03	128155	0.16
Financial Institutions	2	0.01	1601246	1.98
Mutual Funds	1	0.01	2500	0.01
Foreign Institutional Investors	2	0.01	768756	0.95
Insurance Companies	1	0.01	128491	0.16
Bodies Corporate	287	2.20	2471330	3.05
Overseas Body Corporates	-	-	-	-
Foreign Corporate Bodies	-	-	-	-
NRI/Foreign Nationals	123	0.94	155148	0.19
Individuals/Others	12587	96.49	15049555	18.59
Total	13047	100.0	80939303	100.00

Note: @ The Promoters have not pledged the shares of the Company against any loan drawn by them. This disclosure may be treated as a disclosure as required under Clause 35 of the Listing Agreement and under Regulation 31 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011.

Dematerialisation of Shares

As on 31st March 2015, 96.18% shares of the Company were held in the dematerialised form. As on 31-3-2015, all shares are held by the Promoters in dematerialised form.

Outstanding GDRs/ADRs/Warrants/Options

NIL

Details of Public Funding Obtained in the last three years

NIL

Registrar and Transfer Agent

For Equity Shares & Privately Placed Debentures:
Karvy Computershare Private Limited,
Karvy Selenium Tower B,
Plot 31-32, Gachibowli, Financial District,
Nanakramguda,
Hyderabad – 500 032

Share Transfer System

The share transfers in the physical form are presently processed by the Registrars and Transfer Agents and returned within a period of 15 days. The Company's Equity Shares are tradable in dematerialised form since August, 2000. Under the dematerialised system, the Shareholder can approach a Depository Participant (DP) for getting his shares converted from physical form to dematerialised form. The DP will generate a request for the dematerialisation, which will be sent by him to the Company's Registrars and Share Transfer Agents. On receipt of the same the shares will be dematerialised.

Registered Office Address:

Dalmia Bharat Sugar and Industries Limited
Dalmiapuram -621651,
Dist. Tiruchirapalli,
Tamil Nadu
Phone: 04329 - 235131
Fax: 04329 235111

Address for Correspondence

Dalmia Bharat Sugar and Industries Limited
Shares Department
DALMIAPURAM – 621651
Dist. Tiruchirapalli,
Tamil Nadu
Phone: 04329 - 235131
Fax: 04329 235111

PLANT LOCATIONS

Magnesite Refractory Products:

Dalmia Magnesite Corporation
Salem (Tamil Nadu)
Vellakkalpatti,
P.O. Karuppur,
Salem – 636012.

Sugar Plants :

Dalmia Chini Mills
(Unit: Ramgarh)
Village Ramgarh - 261403
Tehsil Misrikh,
District Sitapur
(Uttar Pradesh)

Dalmia Chini Mills
(Unit : Jawaharpur)
Village Jawaharpur - 261403,
Tehsil Sitapur Sadar,
District Sitapur (Uttar Pradesh)

Dalmia Chini Mills
(Unit : Nigohi)
Village Kuiyan,
Post Areli – 242407,
Tehsil Tilhar,
District Shahjahanpur
(Uttar Pradesh)

Shri Dutta Sakhar Karkhana
Village Asurle Porle - 416005,
Panhala Taluka,
District Kolhapur
(Maharashtra State)

Shri Ninaidevi Sakhar Karkhana
Village Karungali Aarala – 415405,
Shirala Taluka,
District Sangli
(Maharashtra State)

Wind Farm Unit:

Dalmia Wind Farm
Muppandal (Tamil Nadu)
Aralvaimozhy –629301
District Kanyakumari (Tamil Nadu)

Electronics Division:

Dalmia Bharat Sugar and Industries Limited
Plot No. 53, 54A,
Keonics Electronics City, Phase - 1
Hosur Road,
Bangalore - 560100
Karnataka

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members,

Dalmia Bharat Sugar and Industries Limited

We have reviewed the implementation of Corporate Governance procedures by Dalmia Bharat Sugar and Industries Limited ("the Company"), during the year ended March 31, 2015 as stipulated in clause 49 of the listing agreement of the said Company with Stock Exchanges with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned clause in Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. S. KOTHARI MEHTA & Co.**

Chartered Accountants

FRN - 000756N

Arun K Tulsian

Partner

Membership No. 089907

Place: New Delhi

Date: May 14, 2015

CEO / CFO CERTIFICATION

To

The Board of Directors,

Dalmia Bharat Sugar and Industries Limited
Registered Office: Dalmiapuram – 621651
District Tiruchirapalli
Tamil Nadu

Dear Sirs,

1. We have reviewed the Balance Sheet, Profit and Loss account and all its Schedules and Notes on Accounts, as well as the Cash Flow Statements as at 31st March, 2015 and certify that to the best of our knowledge and belief:
 - 1) These Statements do not contain any materially untrue statement or omit any material fact or contain Statements that might be misleading;
 - 2) These Statements read together present a true and fair view of the Company's Affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. We further certify that, to the best of our knowledge and belief, no transactions have been entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;
4. We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in internal control during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems.

Dated: 14-5-2015

Place: New Delhi

Anil Kataria

Chief Financial Officer

Gautam Dalmia

Managing Director & CEO

To

The Board of Directors,

Dalmia Bharat Sugar and Industries Limited
Registered Office: Dalmiapuram – 621651
District Tiruchirapalli
Tamil Nadu

Dear Sirs,

I do hereby certify that the all the Members of the Board of Directors of the Company and the Senior Management Personnel have affirmed their compliance with the Code of Conduct laid down by the Board of Directors of the Company in their Meeting held on 26-07-2005.

This certificate is being given in compliance with the requirements of Clause 49 (II)(E)(2) of the Listing Agreement entered into with the Stock Exchanges.

Dated: 14-5-2015

Place: New Delhi

Gautam Dalmia
Managing Director & CEO

Standalone Financial Statements

Independent Auditor's Report

To the Members of Dalmia Bharat Sugar and Industries Limited

Report On the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Dalmia Bharat Sugar and Industries Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud & other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are responsible and prudent, and design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and the matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to best of our information and accordingly to explanations given to us:
 - i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements as referred to in Note 30 to the financial statements;
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. S. KOTHARI MEHTA & Co.**
Chartered Accountants
FRN – 000756N

ARUN K. TULSIAN

Partner

Membership No. 89907

Date: May 14, 2015

Place: New Delhi

Annexure referred to in paragraph 1 of ‘Report on Other Legal and Regulatory Requirements’ of the Independent Auditors’ Report of even date to the members of Dalmia Bharat Sugar and Industries Limited on its financial statements as of and for the year ended March 31, 2015

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification as compared to book records.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except stocks lying with third parties which have been verified with reference to correspondence of third parties. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, clauses 3(iii) (a) & (b) of the Order are not applicable.
- (iv) According to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit carried out in accordance with the generally accepted auditing practices in India, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits in terms of the provisions of section 73 to 76 of the Act and/or as per directives issued by the Reserve Bank of India or any other relevant provisions of the Act and the Rules framed there under.
- (vi) We have broadly reviewed the cost accounting records maintained by the Company pursuant to the Rules made by the Central Government under section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to make a detailed examination of such records.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-tax, Sales-tax, Wealth-tax, Service tax, Customs Duty, Excise Duty, Value added tax, Cess and other material statutory dues, as applicable, during the year with the appropriate authorities.

There are no such dues outstanding at the year end for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the details of dues of Income-tax, Sales-tax, Wealth-tax, Service-tax, Customs Duty, Excise Duty, Value added tax and Cess which have not been deposited on account of any dispute and the forum where the dispute is pending, are as follows :

Name of the Statue	Period to which the amount relates	Nature of Dues	Forum Where dispute is pending	Amount (in Crores)
Central Excise Act, 1944	2014-15	Cenvat Credit on Cement & Steel	Addl. Commissioner LTU, New Delhi	0.20
Central Excise Act, 1944	June 2005 to September 2005	Cenvat Credit on Cement & Steel	Allahabad High Court	0.04
Central Excise Act, 1944	September 2013 to July 2014	Cenvat Credit on Cement & Steel	Asst. Commissioner, LTU, New Delhi	0.07
Central Excise Act, 1944	March 2006 to March 2014	Cenvat Credit on Cement & Steel	CESTAT, New Delhi	6.28
Central Excise Act, 1944	September 2007 to March 2011	Cenvat Credit on Cement & Steel	Commissioner (A) LTU, New Delhi	0.42

Name of the Statute	Period to which the amount relates	Nature of Dues	Forum Where dispute is pending	Amount (in Crores)
Central Excise Act, 1944	March 2006 to March 2007	Cenvat Credit on Cement & Steel	Dy. Commissioner LTU, New Delhi	0.06
Central Excise Act, 1944	April 2011 to September 2012	Cenvat Credit on Cement & Steel	Dy. Commissioner LTU, New Delhi	0.09
Central Excise Act, 1944	February 2007 to June 2010	Demand of duty on Bagass & electricity sale	CESTAT, New Delhi	16.37
Central Excise Act, 1944	July 2002 to March 2003	Demand of duty on Bagass & electricity sale	CESTAT, New Delhi	0.19
Central Excise Act, 1944	April 2010 to June 2010	Demand of duty on Bagass & electricity sale	Dy. Commissioner LTU, New Delhi	0.05
Central Excise Act, 1944	July 2013 to March 2013	Demand of duty on Molasses	CESTAT, New Delhi	8.33
Central Excise Act, 1944	2014-15	Demand of duty on Multilayer Ceramic Chip capacitors	Addl. Commissioner LTU, New Delhi	0.02
Central Excise Act, 1944	2008-09	Demand of duty on Multilayer Ceramic Chip capacitors	Asst Commissioner, Bangalore	0.01
Central Excise Act, 1944	2006-07 to till date	Demand of duty on Multilayer Ceramic Chip capacitors	CESTAT, Bangalore.	0.04
Central Excise Act, 1944	July 2007 to March 2010	Demand on Storage Loss of finished goods	CESTAT, New Delhi	0.06
Central Excise Act, 1944	April 2007 to November 2008	Demand on Storage Loss of finished goods	Commissioner (A) LTU, New Delhi	0.13
Central Excise Act, 1944	2009-10	Demand on Storage Loss of finished goods	Dy. Commissioner LTU, New Delhi	0.07
Central Excise Act, 1944	March 2006 to August 2013	Disallowance of Cenvat Credit	CESTAT, Delhi	0.42
Central Excise Act, 1944	September 2004 to March 2011	Disallowance of Cenvat Credit	Commissioner (A) LTU, New Delhi	0.32
Central Excise Act, 1944	April 2010 to December 2014	Disallowance of Cenvat Credit	Commissioner, LTU, New Delhi	34.78
Central Excise Act, 1944	April 2010 to September 2012	Disallowance of Cenvat Credit	Dy. Commissioner LTU, New Delhi	0.38
Central Excise Act, 1944	April 2010 to July 2014	Disallowance of Cenvat Credit	Suptd, LTU New Delhi	0.06
Central Excise Act, 1944	2008-09, 2009-10	Loss on Reprocessing of Finished Goods	Allahabad High Court	0.03
Central Excise Act, 1944	2002-03, 2003-04	Loss on Reprocessing of Finished Goods	CESTAT, Delhi	0.02
Central Sale Tax	2007-08, 2008-09, 2010-11 & 2011-12	Entry Tax	Add. Comm (Appeal), Sitapur	0.68
Central Sale Tax	2006-07 & 2007-08	Entry Tax	Dy. Comm (Assessment)-II, Sitapur	0.34
Central Sale Tax	2011-12	Entry Tax	Dy. Commissioner, Lucknow	0.02
Central Sale Tax	2001-02	Entry Tax	Allahabad High Court	0.03

Name of the Statute	Period to which the amount relates	Nature of Dues	Forum Where dispute is pending	Amount (in Crores)
Central Sale Tax	2013-14	Entry Tax	Joint Commissioner, Bareilly	0.02
Central Sale Tax	2013-14	Entry Tax	Joint Commissioner, Muradabad	0.01
Central Sale Tax	2009-10	Entry Tax	Dy. Comm (Assessment)-II Sitapur	1.51
Central Sale Tax	2006-07	Entry Tax	Add. Commissioner (Appeal) - Sitapur	0.20
Central Sale Tax	2001-02, 2005-06	Purchase tax	Joint Commissioner (Sale Tax) Kolhapur	0.26
Central Sale Tax	2009-10	VAT assessment	Dy. Comm (Assessment)-II Sitapur	0.01
Finance Act, 1994	2008 to 2015	Service tax demand on incentive & Commission	Addl. Commissioner LTU, New Delhi	0.38
Finance Act, 1994	2014-15	Service tax demand on incentive	Asst. Commissioner LTU Delhi	0.05
Finance Act, 1994	2014-15	Service tax demand on tickets Cancelled	Addl. Commissioner LTU, New Delhi	0.11
Finance Act, 1994	2008 to 2013	Service tax demand on tickets Cancelled	Dy. Commissioner LTU, New Delhi	0.13
Finance Act, 1994	December 2008 to August 2013	Service tax demand on commission	Dy. Commissioner LTU, New Delhi	0.14
Finance Act, 1994	September 2013 to March 2015	Disallowance of Service tax credit	Asst. Commissioner, LTU New Delhi	0.19
Finance Act, 1994	2006 to 2014	Disallowance of Service tax credit	CESTAT, New Delhi	1.48
Finance Act, 1994	2006 to 2010	Disallowance of Service tax credit	Commissioner (A) LTU, New Delhi	0.09
Finance Act, 1994	2006 to 2014	Disallowance of Service tax credit	Dy. Commissioner LTU, New Delhi	0.65
Finance Act, 1994	2008 to 2013	Disallowance of Service tax credit	Suptd, LTU, New Delhi	0.13
Finance Act, 1994	2003 to 2010	Service tax demand on commission	CESTAT, New Delhi	0.05
Finance Act, 1994	April 2011 to December 2011	Service tax demand on commission	Suptd, LTU, New Delhi	0.02
Central Sale Tax	2007-08	VAT assessment	Dy. Comm (Assessment)-II Sitapur	0.39
Income Tax Act, 1961	2010-11	TDS related matter	CIT – Bareilly, U.P.	0.01

- (c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder has been transferred to such fund within time.

- (viii) The Company does not have accumulated losses as at the close of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained, where such end use has been stipulated by the lender(s).
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year nor have we been informed of such case by the management.

Date: May 14, 2015
Place: New Delhi

For **S. S. KOTHARI MEHTA & Co.**
Chartered Accountants
FRN – 000756N

ARUN K. TULSIAN
Partner
Membership No. 89907

Balance Sheet

As at March 31, 2015

	Notes	As at March 31, 2015	(₹ Crore) As at March 31, 2014
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	16.19	16.19
Reserves and Surplus	3	442.31	444.52
		458.50	460.71
Non- Current Liabilities			
Long-Term Borrowings	4	460.87	526.66
Deferred Tax Liability (Net)	5	62.43	78.80
Other Long-Term Liabilities	6	1.90	6.36
Long-Term Provisions	7	4.60	2.39
		529.80	614.21
Current Liabilities			
Short-term Borrowings	8	354.54	223.15
Trade Payables	9	301.06	282.75
Other Current Liabilities	10	186.68	133.21
Short-Term Provisions	11	2.14	2.45
		844.42	641.56
Total		1832.72	1716.48
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	742.66	763.65
Intangible Assets		3.47	3.65
Capital Work-in-Progress		27.57	13.44
		773.70	780.74
Non-Current Investments	13	14.45	14.45
Long Term Loans and Advances	14	82.05	112.57
Other Non-Current Assets	15	3.60	2.29
		100.10	129.31
Current Assets			
Current Investments	16	68.32	63.48
Inventories	17	703.48	629.31
Trade Receivables	18	77.40	18.18
Cash and Cash Equivalents	19	34.73	47.69
Short-Term Loans and Advances	20	50.51	31.64
Other Current Assets	21	24.48	16.13
		958.92	806.43
Total		1832.72	1716.48
Significant Accounting Policies	1		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For S.S. Kothari Mehta & Co.

Chartered Accountants

 per **Arun K. Tulsian**
 Partner
 Membership No.: 89907

K V Mohan
 Company Secretary

Anil Kataria
 Chief Finance Officer

Director Managing Director

 Place : New Delhi
 Date : May 14, 2015

 For and on behalf of the Board of Directors of
Dalmia Bharat Sugar and Industries Limited

Statement of Profit and Loss

for the year ended March 31, 2015

(₹ Crore)

	Notes	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME			
Revenue from Operations (Gross)	22	1189.79	1235.12
Less: Excise Duty		39.75	43.62
Revenue from Operations (Net)		1150.04	1191.50
Other Income	23	15.96	19.71
Total		1166.00	1211.21
EXPENSES			
Cost of Raw Materials consumed	24	899.44	824.69
(Increase)/Decrease in inventories of Finished Goods, Work in Progress and Traded Goods	25	(72.41)	86.14
Employee Benefit Expenses	26	74.65	65.16
Other Expenses	27	135.45	107.69
Finance Costs	28	78.01	75.64
Depreciation and Amortization Expenses	12	50.58	49.49
Less: Transferred from Revaluation Reserve		-	0.19
Net Depreciation and Amortization Expenses		50.58	49.30
Total		1165.72	1208.62
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		0.28	2.59
Less : Exceptional Items (Net-Gain/(Loss))		-	-
PROFIT BEFORE TAX		0.28	2.59
Tax Expense:			
Current tax		0.09	0.62
Mat Credit (Entitlement) / Charge		12.58	(0.62)
Deferred Tax		(13.87)	(0.56)
Prior Year Tax Charge / (written back)		-	0.12
Total of Tax Expense		(1.20)	(0.44)
PROFIT AFTER TAX		1.48	3.03
Earning per Share	29	0.18	0.37
Basic and Diluted Earning per Share (in ₹) [Nominal Value of Share ₹ 2 (₹ 2) each]			
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of
Dalmia Bharat Sugar and Industries Limited

For S.S. Kothari Mehta & Co.
Chartered Accountants

per **Arun K. Tulsian**
Partner
Membership No.: 89907

K V Mohan
Company Secretary

Anil Kataria
Chief Finance Officer

Director

Managing Director

Place : New Delhi
Date : May 14, 2015

Notes to Financial Statements

for the year ended March 31, 2015

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialized.

C. FIXED ASSETS

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets are recognised on the basis of recognition criteria as set out in the relevant Accounting Standard.

D. DEPRECIATION/AMORTISATION

Depreciation on fixed assets is calculated on the basis of useful lives as prescribed under Schedule II to the Companies Act, 2013. The following methods of depreciation are used for fixed assets:

"Plant and machinery" at Salem (excluding earth moving machinery) and on all fixed assets at Wind Farm Unit, Bangalore Works and Dalmia Chini Mills (Sugar Units) excluding Boiler machinery in Power Plants.	Straight Line Method
Leasehold Land	Amortised over the period of lease, i.e., 99 years
Remaining Tangible Fixed Assets	Written Down Value Method
Computer Software	Amortised over a period of 3-5 years on a Straight line basis.
Other Intangible Assets	Amortised over a period of maximum 10 years on a straight line basis.

E. IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Previously recognised impairment losses are reversed to the extent the recoverable amount exceeds the carrying amount.

F. LEASES

Where the Company is the Lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the Lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

G. GOVERNMENT GRANTS AND SUBSIDIES

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/ subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

H. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

I. SEGMENT REPORTING

Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products manufactured and services provided, with each segment representing a strategic business unit that offers different products. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

Inter Segment Transfers

The Company accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of Common Costs

Common allocable costs are allocated to each segment on reasonable basis.

Unallocated Items

Includes general corporate income and expense items which are not allocable to any business segment.

Segment Policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

J. EMPLOYEE BENEFITS

- a. Employee benefits in the form of the Company's contribution to provident fund, pension fund, superannuation fund and ESI are considered as defined contribution plan and charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.
- b. Retirement benefits in the form of gratuity and provident fund contribution to Dalmia Cement Provident Fund Trust are defined benefit plans. Gratuity is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Contributions to Dalmia Cement Provident Fund Trust are charged to the Statement of Profit and Loss of the year when the contributions to the fund are due. Shortfall in the funds, if any, is adequately provided for by the Company.
- c. Leave encashment including compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method.
- d. Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.
- e. Payments made under the Voluntary Retirement Scheme are charged to the Statement of Profit and Loss in the year in which the same are incurred.

K. INVENTORIES

- a. Finished goods are valued at lower of cost or net realisable value. In case of Dead Burnt Magnesite Dust Stocks to the extent these are considered saleable, valuation is done at raw materials cost plus packing charges or net realizable value, whichever is lower. By-products are valued at net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.
- b. Work in progress is valued at lower of cost or net realisable value. Cost is determined on a weighted average basis.

- c. Stores, Spares and Raw Materials are valued at lower of cost or net realisable value. However materials & other items of inventories held for use in the production are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

L. INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined for each category separately. Long-term investments are carried at cost on individual investment basis. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments in case of long term investments.

M. REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty deducted from turnover (gross) are the amount that is included in the amount of turnover (gross) and not the entire amount of liability that arose during the year. Sale is net of trade discount and sales tax.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

Insurance Claim

Claims lodged with the insurance companies are accounted on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

N. FOREIGN CURRENCY TRANSACTIONS

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

(iii) Exchange Differences

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(iv) Forward Exchange Contracts not Intended for Trading or Speculation Purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

O. INCOME TAXES

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent

that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

P. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Q. PROVISIONS

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are shown by way of note in the Notes to Accounts in respect of obligations where based on the evidence available, their existence at the Balance Sheet date is considered not probable. Contingent assets are neither recognized in the accounts nor disclosed.

R. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

2. SHARE CAPITAL

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
AUTHORISED :		
11,47,26,820 (11,47,26,820) Ordinary Equity Shares of ₹ 2 /- each	22.95	22.95
8,52,73,180 (8,52,73,180) Unclassified Equity Shares of ₹ 2/- each	17.05	17.05
	40.00	40.00
ISSUED, SUBSCRIBED AND FULLY PAID UP :		
8,09,39,303 (8,09,39,303) Ordinary Equity Shares of ₹ 2/- each	16.19	16.19
	16.19	16.19

(a) Reconciliation of Ordinary Equity Shares outstanding at the beginning and at the end of the reporting period

	(₹ Crore)			
	2014-15		2013-14	
	No. of Shares	₹ Cr	No. of Shares	₹ Cr
At the beginning of the period	80,939,303	16.19	80,939,303	16.19
Issued during the period	-	-	-	-
At the end of the period	80,939,303	16.19	80,939,303	16.19

(b) Terms/ rights attached to Ordinary Equity shares

The Company has only one class of ordinary equity shares having a face value of ₹2 per share. Each ordinary equity shareholder is entitled to one vote per share.

In the event of winding-up of the company, the ordinary equity shareholders shall be entitled to be repaid remaining assets of the company, in the ratio of the amount of capital paid up on such ordinary equity shares.

(c) Details of shareholders holding more than 5% shares in the company

	(₹ Crore)			
	2014-15		2013-14	
	No. of Shares	% holding	No. of Shares	% holding
Ordinary Equity shares of ₹2 each fully paid up				
Mayuka Investment Limited	15,736,537	19.44%	14,736,537	18.21%
Sita Investment Company Limited	5,876,800	7.26%	5,876,800	7.26%
Ankita Pratisthan Limited	5,829,070	7.20%	5,829,070	7.20%
Dalmia Bharat Limited	14,829,764	18.32%	14,829,764	18.32%
Puneet Trading and Investment Co. Pvt. Ltd.	9,792,775	12.10%	-	-
Shri Yadu Hari Dalmia	-	-	4,541,880	5.61%

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

3. RESERVES AND SURPLUS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
CAPITAL RESERVE		
Opening Balance as per last financial statements	2.44	1.76
Add: Addition during the year (Refer note no. 44)	1.63	0.68
Closing Balance	4.07	2.44
REVALUATION RESERVE		
Opening Balance as per last financial statements	4.33	4.52
Less: Amount adjusted against depreciation charged to retained earnings	0.59	0.19
Closing Balance	3.74	4.33
GENERAL RESERVE		
Opening Balance as per last financial statements	0.54	0.54
Add: Amount transferred from surplus balance in Statement of Profit & Loss	-	-
Closing Balance	0.54	0.54
DEBENTURE REDEMPTION RESERVE		
Opening Balance as per last financial statements	25.00	21.87
Add: Amount transferred from surplus balance in the Statement of Profit & Loss	-	3.13
Closing Balance	25.00	25.00
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
Balance as per last financial statements	412.21	412.31
Less: Depreciation on a account of change in useful lives of assets as per Companies Act 2013	7.23	-
Deferred Tax relating to depreciation charged	(2.50)	-
Profit for the year	1.48	3.03
Less: Appropriations		
(i) Transfer to Debenture Redemption Reserve	-	3.13
(ii) Transfer to General Reserve	-	-
(iii) Proposed Dividend on Ordinary Shares	-	-
(iv) Dividend Distribution Tax	-	-
Total Appropriations	-	3.13
Net Surplus in the Statement of Profit and Loss	408.96	412.21
Total Reserves and Surplus	442.31	444.52

4. LONG TERM BORROWINGS

(₹ Crore)

	As at March 31, 2015		As at March 31, 2014	
Secured				
A Redeemable Non-Convertible Debentures	66.67		100.00	
Less: Shown in Current Maturities of Long Term Borrowings	33.33	33.34	33.33	66.67
B Term Loans:				
i. From Banks	475.93		435.66	
Less: Shown in Current Maturities of Long Term Borrowings	64.00	411.93	10.00	425.66
ii. From Others	34.33		53.04	
Less: Shown in Current Maturities of Long Term Borrowings	18.73	15.60	18.71	34.33
		460.87		526.66

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

1) Debentures referred to in A above to the extent of:

10.42%, Series XII ₹ 66.67 crore (₹ 100 crore) are secured by mortgage and first charge on pari-passu basis on all the immovable and movable assets (both current and future) excluding current assets of the sugar units of the company at Jawaharpur and Nigohi, redeemable in three yearly equal installments of ₹ 33.33 crore commencing from September 30, 2014.

2) Term Loans from Banks referred to in B (i) above to the extent of:

- ₹ 180 crore (₹ 190 crore) is secured by subservient charge on entire fixed assets excluding vehicles of company's sugar units at Jawaharpur and Nigohi and subsequent charge on plant & machinery at Ramgarh Sugar unit. The same is repayable in five yearly unequal installments ranging from ₹ 10 crore to ₹ 60 crore each, commencing from December 2013, carrying interest @ Base rate + 1% (Presently 11.20%).
- ₹ 217.73 crore (₹ 167.46 crore) is secured by mortgage on immovable property being Land & Building, structure, plant & machinery of Shri Datta Sakhar Karkhana (unit Asurle Porle). The same is repayable in thirty unequal installments ranging from ₹ 4 crore to ₹ 5.50 crore each, commencing from March 2016, carrying interest @ Base rate + 1.5% (Presently 11.75%).
- ₹ 78.20 Crore (₹ 78.20 Crore), interest free loan (availed under "Scheme for Extending Financial Assistance to Sugar Undertaking 2014" of Govt of India) is secured by second charge on pari passu basis with SDF lenders and Allahabad Bank on entire fixed assets of the company's sugar units. The same is repayable in twelve quarterly equal installments commencing from June 2016.

3) Term Loan from others referred to in B (ii) above to the extent of:

₹ 34.33 crore (₹ 54.04 crore) which consist of various loans and are secured by second exclusive charge on movable and immovable properties of the sugar units at Ramgarh, Jawaharpur and Nigohi. The same is repayable in unequal installments in the range of ₹ 1.33 crore to ₹ 20.08 crore per year till FY 2018-19 and carry interest in the range of 4% to 7.50%.

5. DEFERRED TAX

Deferred Tax Assets/ Liabilities are attributable to the following items :

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
LIABILITIES		
Depreciation*	108.99	95.16
	108.99	95.16
ASSETS		
Voluntary retirement expenses	0.23	0.19
Expenses allowable for tax purpose when paid	7.05	16.17
Unabsorbed depreciation	39.28	-
	46.56	16.36
Net	62.43	78.80

* Includes ₹ 2.50 Cr (NIL) relating to depreciation adjusted against retained earnings. (Refer note no. 3)

6. OTHER LONG TERM LIABILITIES

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
Other Liabilities	1.90	6.36
	1.90	6.36

7. LONG TERM PROVISIONS

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits	4.60	2.39
	4.60	2.39

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

8. SHORT TERM BORROWINGS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
SECURED		
Working Capital Loan from Banks	304.54	157.15
UNSECURED		
Short Term Loan from Related Parties	50.00	66.00
	354.54	223.15

- (i) Working capital Loan from Banks are secured by hypothecation of Inventories and other assets in favour of the participating banks ranking pari passu on inter-se-basis, repayable during next one year and carrying interest in the range of 10.50% to 11.25%.
- (ii) Short term Loans from Related Parties are repayable on demand and carry interest @ 10%.

9. TRADE PAYABLES

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
TRADE PAYABLES		
- Micro and Small Enterprises (to the extent information available)*	0.12	0.77
- Others	300.94	281.98
* Refer note no. 33	301.06	282.75

10. OTHER CURRENT LIABILITIES

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Current Maturities of Long Term Borrowings	116.06	62.05
Interest Accrued but not due on Borrowings	2.20	0.50
Interest Accrued and due on Borrowings	1.40	3.21
Advances from Customers	2.82	4.98
Security Deposits Received	0.72	0.74
Unclaimed Dividend *	0.91	1.67
Other Liabilities		
Excise Duty Payable on Closing Stock	26.44	20.13
Statutory Dues	1.78	2.49
Accrued salaries & benefits	2.58	2.07
Others	31.77	35.37
	186.68	133.21

* Amount payable to Investor Education and Protection fund is NIL (₹ NIL).

11. SHORT TERM PROVISIONS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits	2.14	2.45
	2.14	2.45

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

12. FIXED ASSETS

Particulars	Tangible Assets							Intangible Assets			Total
	Land Freehold	Land Lease hold	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office equipment	Operating Rights	Computer Software		
Cost											
as at 1st April, 2013	55.65	0.58	130.41	876.48	6.55	2.17	3.82	-	0.22	-	1,075.88
Additions	4.03	-	9.16	170.20	0.54	1.52	0.35	3.58	-	-	189.37
Disposals	-	-	0.33	12.32	0.02	0.38	0.01	-	-	-	13.06
as at 31st March, 2014	59.68	0.58	139.24	1,034.36	7.07	3.31	4.16	3.58	0.22	0.22	1,252.19
Additions	11.52	-	14.76	10.56	0.49	0.06	0.45	0.16	0.20	0.20	38.21
Disposals	0.00	-	-	0.91	0.00	0.02	0.02	0.13	-	-	1.08
as at 31st March, 2015	71.20	0.58	154.00	1,044.01	7.56	3.35	4.59	3.61	0.42	0.42	1,289.32
Depreciation											
as at 1st April, 2013	-	0.12	29.88	403.56	3.89	0.98	2.02	-	0.08	-	440.53
Charge for the year @	0.01	-	3.11	45.36	0.31	0.24	0.38	0.04	0.04	0.04	49.49
Disposals	-	-	0.00	4.89	0.02	0.21	0.01	-	-	-	5.13
as at 31st March, 2014	0.01	0.12	32.99	444.03	4.18	1.01	2.39	0.04	0.12	0.12	484.89
Charge for the year @	-	0.01	8.53	40.51	0.80	0.35	0.60	0.35	0.05	0.05	51.20
Disposals	-	-	-	0.11	0.00	0.01	0.02	-	-	-	0.14
Charged to opening reserves	-	-	5.43	1.15	0.05	0.00	0.59	-	-	-	7.23
as at 31st March, 2015	0.01	0.13	46.95	485.58	5.03	1.35	3.56	0.39	0.17	0.17	543.19
Net Block											
as at 31st March, 2014	59.67	0.46	106.25	590.33	2.89	2.30	1.77	3.54	0.10	0.10	767.30
as at 31st March, 2015	71.19	0.45	107.05	558.43	2.53	2.00	1.02	3.22	0.25	0.25	746.13
Capital Work in Progress*											
as at 31st March, 2014											13.44
as at 31st March, 2015											27.57

@ includes depreciation charged to opening revaluation reserves ₹ 0.59 Cr (NIL) and capitalised during the year ₹ 0.03 Cr (NIL)

* Includes preoperative expenditure pending capitalisation of ₹ 7.55 Cr (NIL)

(Refer Note No. 42)

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

13. NON-CURRENT INVESTMENTS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
UNQUOTED		
Shares of Co-operative Societies (Unquoted)		
DMC Employees Co-op Stores Limited	((2500))	((2500))
Government or Trust Securities (Unquoted)		
National Saving Certificates	((2000))	((23000))
Investments in Subsidiaries		
Equity Shares		
250000 (250000) Equity shares of ₹ 10 each fully paid up in Dalmia Sugar Ventures Limited	0.05	0.05
450000 (450000) Equity shares of ₹ 10 each fully paid up in Himshikhar Investment Limited	4.45	4.45
50000 (50000) Equity shares of ₹ 10 each fully paid up in Dalmia Solar Power Limited	0.05	0.05
Investments Companies other than Subsidiaries		
Equity Shares (Quoted)		
942567 (942567) Equity shares of ₹ 2 each fully paid up in Dalmia Bharat Limited	9.90	9.90
	14.45	14.45
Quoted Investments :		
Book Value	9.90	9.90
Aggregate Market Value	40.02	23.80
Book Value of Unquoted Investments	4.55	4.55

14. LONG TERM LOANS AND ADVANCES (CONSIDERED GOOD UNLESS OTHERWISE STATED)

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Capital Advances	4.73	1.22
Security Deposits	0.68	0.89
Loans and Advances to		
Related Parties	0.36	0.34
Employees		
Secured		
Unsecured	0.11	0.20
Others	25.78	26.06
Advances recoverable in cash or in kind or for value to be received	1.57	1.74
Advance Income tax (net of provisions of ₹ 10.37 crore (₹ 14.94 crore).	12.57	33.30
MAT Credit entitlement	36.24	48.82
Others (Considered doubtful)	1.30	1.50
Less : Set off with provision for doubtful debts/advances	1.29 0.01	1.50 -
	82.05	112.57

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

15. OTHER NON-CURRENT ASSETS

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
Fixed Deposits with Banks (with original maturity of more than 12 months)	0.78	0.54
Others	2.82	1.75
	3.60	2.29

16. CURRENT INVESTMENTS

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
UNITS OF MUTUAL FUNDS (QUOTED)		
Debt Based Schemes	68.32	63.48
Total	68.32	63.48
Quoted :		
Book Value	68.32	63.48
Market Value	70.84	64.05

17. INVENTORIES

(Mode of valuation - Refer Note No. 1(K) on Inventories)

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
Raw Materials		
On hand	7.45	12.24
Work in Progress	11.82	16.08
Finished Goods	658.60	580.13
Stores, Spares etc		
On hand	23.68	20.58
In transit	1.79	0.09
Loose tools	0.14	0.19
	703.48	629.31

18. TRADE RECEIVABLES

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
A) RECEIVABLES OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS FROM THE DATE THEY ARE DUE FOR PAYMENT		
Considered good		
Unsecured	2.02	2.14
Considered doubtful	-	0.02
Less: Provision for Bad and Doubtful Receivables	-	0.02
B) OTHER RECEIVABLES		
Considered good		
Secured	-	-
Unsecured	75.38	16.04
	77.40	18.18

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

19. CASH AND CASH EQUIVALENTS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Cash on Hand	0.60	0.54
Cheques in Hand	4.93	8.61
Balances with Banks :		
- On Current accounts	15.96	16.72
- On Cash Credit accounts	0.93	5.89
- Deposits with Original maturity of less than 3 months	10.06	12.16
- Unpaid Dividend Account	0.91	1.67
- Deposits with original Maturity of more than 3 months but less than 12 months	1.34	2.10
	34.73	47.69

20. SHORT TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Loans and Advances to Employees	0.18	0.12
Advances recoverable in cash or in kind or for value to be received	43.77	18.19
Deposit and Balances with Government Departments and Other Authorities	6.56	13.33
Others (Considered doubtful)	0.02	0.07
Less: Provision for Doubtful Loans and advances	0.02	-
	50.51	31.64

21. OTHER CURRENT ASSETS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Interest Receivable	7.71	1.11
Unbilled Revenue	16.07	13.28
Others	0.70	1.74
	24.48	16.13

22. REVENUE FROM OPERATIONS (GROSS)

(₹ Crore)

	2014-15	2013-14
Sales of Products		
Sugar and Molasses Sales	889.58	1019.02
Power Sales	150.53	108.37
Refractory Products Sales	21.30	24.01
Other Sales	99.74	75.95
	1161.15	1227.35
Sales of Services		
Other Operating Revenue	2.41	2.32
	26.23	5.45
	1189.79	1235.12

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

23. OTHER INCOME

	(₹ Crore)	
	2014-15	2013-14
Dividend income		
from non current Investments	0.19	0.20
Interest Income from Bank deposits and others	1.99	0.90
Interest on Income Tax refund	4.15	1.05
Profit on sale of Current Investments	5.18	7.11
Less: Loss on sale of Current Investments	-	-
Profit on sale of Fixed Assets	-	0.08
Gain on Foreign Exchange Fluctuation	0.02	0.70
Miscellaneous Receipts	4.43	9.67
	15.96	19.71

24. CONSUMPTION OF RAW MATERIALS

	(₹ Crore)	
	2014-15	2013-14
Sugar Cane	889.87	815.21
Raw Magnesite	4.28	3.31
Others	7.34	6.17
	901.49	824.69
Less: Raw material cost capitalised	2.05	-
	899.44	824.69

25. (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS

	(₹ Crore)	
	2014-15	2013-14
Finished Goods		
- Closing stock	658.60	580.13
- Opening stock	580.13	670.80
	(78.47)	90.67
Work-in-Process		
- Closing stock	11.82	16.08
- Opening stock	16.08	11.55
	4.26	(4.53)
	(74.21)	86.14
Less: Capitalised	(1.80)	-
	(72.41)	86.14

26. EMPLOYEE BENEFIT EXPENSES

	(₹ Crore)	
	2014-15	2013-14
Salaries, Wages and Bonus	66.05	58.03
Contribution to Provident Fund and Other Funds	5.96	4.63
Workmen and Staff Welfare expenses	2.91	3.28
	74.92	65.94
Less: Employee expenses Capitalised	0.27	0.78
	74.65	65.16

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

27. OTHER EXPENSES

	(₹ Crore)	
	2014-15	2013-14
Power and Fuel	32.48	12.96
Packing Materials	12.98	13.95
Consumption of Stores and Spares Parts (after allocating ₹ 24.22 crore (₹ 32.65 crore) to other accounts)	13.04	9.84
Excise duty variation on opening/closing stock	6.42	(3.86)
Repairs and Maintenance :		
- Plant & Machinery	23.42	25.10
- Buildings	2.37	2.87
- Others	1.49	1.35
Rent	0.75	0.52
Rates and Taxes	1.28	1.18
Insurance	1.10	0.98
Travelling	0.79	1.43
Advertisement and Publicity	0.16	0.17
Freight and Forwarding Charges	0.04	0.75
Cane Development Expenses	4.26	2.90
Management Service Charges	10.63	9.43
Selling Expenses	0.10	0.01
Commission paid to Other Selling Agents	1.16	1.46
Rebates, Discount and Allowances	0.02	1.05
Director's Sitting Fees	0.20	0.07
Charity and Donation	0.49	0.12
Assets written off / Loss on sale of Fixed Assets	0.25	3.19
Advance written off	0.00	0.26
Provision for Doubtful Debts	0.19	0.27
Provision for diminution in value of Inventory	0.01	0.59
CSR Expenses	0.45	0.11
Miscellaneous Expenses	28.37	27.04
	142.45	113.74
Less: Expenses Capitalised	7.00	6.05
	135.45	107.69

28. FINANCE COSTS

	(₹ Crore)	
	2014-15	2013-14
Interest		
- On Debentures, Term loans & WCDL	64.40	63.36
- On other Borrowing from Banks	4.06	6.42
- Others	9.55	11.13
	78.01	80.91
Less: Interest cost Capitalised	-	5.27
	78.01	75.64

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

29. EARNING PER SHARE

	(₹ Crore)	
	2014-15	2013-14
Net profit for calculation of basic and diluted EPS (₹ Crores)	1.48	3.03
Total number of equity shares outstanding at the end of the year	80939303	80939303
Weighted average number of equity shares in calculating basic and diluted EPS	80939303	80939303
Basic and Diluted EPS (₹)	0.18	0.37

30. CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF:

		(₹ Crore)	
S. No.	Particulars	2014-15	2013-14
a)	Claims against the Company not acknowledged as debts	0.51	0.51
b)	Demand raised by Income tax authorities under dispute	7.44	56.62
c)	Demand raised by custom, excise, entry tax, service tax and sales tax authorities under dispute	76.15	53.25
d)	Other money for which the Company is contingently liable	0.15	0.15
e)	Guarantee issued by the Company's banker on behalf of the company	13.54	2.98

Notes:

- i) The Company assesses its obligation arising in the normal course of business including pending litigations, proceedings with tax authorities and other contracts including derivative & long-term contracts. A provision for material foreseeable losses is recognised in accordance with the applicable accounting standards. Disclosure of contingent liabilities is made as applicable.
- ii) Based on favourable decisions in similar cases, legal opinion taken by the Company, discussions with the solicitors etc, the Company believes that there is a fair chance of favourable decisions in respect of the items listed above and hence no provision is considered necessary against the same.

31. CAPITAL AND OTHER COMMITMENTS:

		(₹ Crore)	
Particulars	2014-15	2013-14	
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	46.42	0.58	
Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	-	3.92	

32. REMUNERATION PAID TO AUDITORS (INCLUDED IN MISCELLANEOUS EXPENSES):

		(₹ Crore)	
Particulars	2014-15	2013-14	
a) Statutory Auditor			
i) Audit Fee	0.07	0.07	
ii) For Tax Audit and Other services	0.05	0.05	
iii) For Expenses	0.05	0.04	
b) Cost Auditor			
i) Audit Fee	0.02	0.04	

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

33. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006 TO THE EXTENT OF INFORMATION AVAILABLE WITH THE COMPANY:

(₹ Crore)

Particulars	2014-15	2013-14
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	0.12	0.77
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-
Total	0.12	0.77

34. OPERATING LEASE

Assets taken on Lease

Office premises are taken on operating lease. There is no escalation clause in the lease agreement.

(₹ Crore)

Particulars	2014-15	2013-14
Lease payments for the year	0.75	0.52
Total	0.75	0.52

There are no non-cancellable operating leases.

35. DETAILS OF OPENING AND CLOSING INVENTORY OF FINISHED GOODS:

(₹ Crore)

Class of Product	2014-15	2013-14
Opening stock		
Refractory products	8.92	10.80
Sugar	528.63	620.88
Multilayer Ceramic Chip Capacitors	0.01	0.01
Power-Banked	0.36	0.30
Industrial Alcohol	7.05	1.70
Others	35.16	37.11
Total	580.13	670.80
Closing stock		
Refractory products	13.48	8.92
Sugar	596.61	528.63
Multilayer Ceramic Chip Capacitors	0.01	0.01
Power-Banked	0.47	0.36
Industrial Alcohol	2.82	7.05
Others	45.21	35.16
Total	658.60	580.13

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

36. CIF VALUE OF IMPORTS:

Particulars	(₹ Crore)	
	2014-15	2013-14
Raw materials	0.24	-
Components, spare parts, coal etc.	0.22	-
Capital Goods	-	9.34

37. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS):

Particulars	(₹ Crore)	
	2014-15	2013-14
Professional Fees, Consultation Fee and Interest	-	0.03
Others	0.05	0.18
Total	0.05	0.21

38. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS):

Particulars	(₹ Crore)	
	2014-15	2013-14
Export of goods at FOB value	1.34	0.71
From Sale of Tickets (FOB) & Other	-	0.12
Total	1.34	0.83

39. DETAILS REGARDING IMPORTED AND INDIGENOUS MATERIALS CONSUMED DURING THE YEAR:

	(₹ Crore)				
	Imported		Indigenous		Value of total consumption
	Value (₹ Crore)	% to total consumption	Value (₹ Crore)	% to total consumption	Value (₹ Crore)
Raw Materials	0.23 (0.22)	0.03% (0.03%)	899.21 (824.46)	99.97% (99.97%)	899.44 (824.69)
Stores, Spares Parts and Components	0.18 (0.01)	0.49% (0.01%)	37.08 (42.48)	99.51% (99.99%)	37.26 (42.49)

40. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS:

Gratuity

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the plan.

Statement of Profit and Loss

Net employee benefit expense (recognised in Employee Benefit Expenses)

Particulars	(₹ Crore)	
	2014-15	2013-14
	Gratuity (Funded)	
Current Service Cost	1.38	1.24
Interest Cost	1.19	1.13
Expected return on plan assets	(1.35)	(1.39)
Net Actuarial (Gain)/ Loss	0.57	0.14
Past Service cost	-	-
Total Expense	1.80	1.12
Actual return on plan assets	1.33	1.28

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

Balance Sheet

(₹ Crore)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Present value of obligation as at year-end	17.22	14.91
Fair value of plan assets as at year-end	15.78	15.23
Less : Unrecognised past service cost	-	-
Funded status {(Surplus/(Deficit)}	(1.44)	0.31
Net Asset/(Liability) as at year end	(1.44)	0.31

Changes in the Present Value of the Defined Benefit Obligation are as follows:

(₹ Crore)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Opening defined benefit obligation	14.92	14.08
Interest cost	1.19	1.13
Current service cost	1.38	1.24
Benefits paid out of funds	(0.83)	(1.56)
Actuarial (gains)/ losses on obligation	0.56	0.03
Closing defined benefit obligation	17.22	14.92

Changes in the Fair Value of Plan Assets are as follows:

(₹ Crore)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Opening fair value of plan assets	15.23	14.81
Expected return	1.35	1.39
Contribution by employer	0.05	0.70
Benefits paid	(0.83)	(1.56)
Actuarial gains/ (losses) on obligation	(0.01)	(0.12)
Closing fair value of plan assets	15.78	15.23

The Company expects to contribute ₹ 1.50 Crore (Nil) to gratuity in 2015-16

The Major Categories of Plan Assets as a Percentage of the Fair Value of Total Plan Assets are as follows:

(₹ Crore)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Qualifying Insurance Policy	100%	99%
Bank Balance	-	1%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

The Principal Assumptions used in determining Gratuity for the Company's plans are shown below:

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Discount Rate	7.75%	8.00%
Expected rate of return on assets	9.00%	8.85%
Mortality Table	LIC (2006-08)	LIC (1994-96)
Salary Escalation	7.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the Current and previous four years in respect of Gratuity are as follows:

Particulars	Gratuity				
	2014-15	2013-14	2012-13	2011-12	2010-11
Defined benefit obligation	17.22	14.92	14.08	12.66	10.84
Plan assets	15.78	15.23	14.81	13.49	12.33
Surplus/ (deficit)	(1.44)	0.31	0.73	0.83	1.49
Experience adjustment on plan assets	(0.01)	(0.12)	0.15	0.04	(0.40)
Experience adjustment on plan liabilities	(0.56)	(0.03)	0.11	(0.28)	(11.69)

Provident and Other Funds

Contribution to Defined Contribution Plans:

Particulars	Contribution	
	2014-15	2013-14
Pension Fund/Superannuation funds/ESI/PF	4.08	3.54

Provident Fund

The Guidance note issued by Accounting Standard Board (ASB) on implementing AS 15, Employee Benefit (Revised 2005) states that provident funds set up by the employers, which require interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The fund does not have any existing deficit or interest shortfall.

41. SEGMENT INFORMATION

Primary Segment: Business Segment

The Company's operating businesses are organized and managed separately according to the nature of products manufactured and services provided. The identified reportable segments are Own Manufactured Sugar, Power and Others.

The "Own Manufactured Sugar Segment" includes manufacture and marketing of Sugar.

The "Power Segment" includes generation and sale of Power. Power is also used for captive consumption by the Company.

The 'Others' segment' includes Magnesite, Distillery, Travel, and Electronics activities of the Company.

The company caters mainly to the needs of the domestic market. The export turnover is not significant in the context of total turnover. As such there are no reportable Geographical Segments.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

Segment Information

The following table presents segment revenues, results, assets & liabilities in accordance with AS-17 as on March 31, 2015:
(₹ Crore)

Segment	Sugar	Power	Others	Total
Particulars				
Revenue				
Gross Revenue	1,040.92 (1,139.52)	277.58 (210.12)	128.64 (107.27)	1,447.14 (1,456.91)
Less: Inter/ Intra Segment Revenue	137.82 (120.50)	119.53 (99.55)	- (1.74)	257.35 (221.79)
Less: Excise Duty	33.56 (40.35)	- -	6.19 (3.27)	39.75 (43.62)
Net Revenue	869.54 (978.67)	158.05 (110.57)	122.45 (102.26)	1,150.04 (1,191.50)
Results				
Segment result	(70.17) (-57.30)	120.36 (66.26)	28.10 (69.27)	78.29 (78.23)
Less: Finance Cost				78.01 (75.64)
Less: Exceptional Items				- -
Profit before tax				0.28 (2.59)
Tax expenses				(1.20) (-0.44)
Profit after tax				1.48 (3.03)
Assets	1,216.71 (1,122.95)	352.42 (316.60)	99.55 (102.06)	1,668.68 (1,541.61)
Non Segments Assets				164.04 (174.87)
Total Assets				1,832.72 (1,716.48)
Liabilities	677.05 (510.80)	1.23 (2.85)	6.58 (8.62)	684.86 (522.27)
Non Segments liabilities				689.36 (733.50)
Total Liabilities				1,374.22 (1,255.77)
Depreciation	24.41 (24.57)	21.30 (20.44)	4.87 (4.48)	50.58 (49.49)
Capital Expenditure	32.17 (72.61)	3.89 (116.08)	2.15 (0.68)	38.21 (189.37)

Note: Revenue in respect of captive power consumption produced from co-generation plant has been arrived at based on the rates at which the same would have been purchased from State Electricity Board.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

42. The Company had incurred some expenditure related to acquisition/construction of fixed assets and therefore accounted for the same under Capital work in progress. Details of the expenses capitalised and carried forward as capital work in progress are given below:

Particulars	(₹ Crore)	
	2014-15	2013-14
Carried forward as part of Capital Work in Progress (A)	-	0.52
Expenditure incurred during the year		
Personnel Expenses		
Salary and Wages	0.27	0.78
Operating and Other Expenses		-
Cost of material including change in Produced goods stock	0.25	-
Power & Fuel	0.42	-
Packing	0.02	-
Stores & Spares	0.04	-
Repair and Maintenance	2.85	-
Depreciation and amortisation	0.03	-
Finance Cost	-	5.27
Consultancy Charges	0.33	2.33
Miscellaneous Expenses	3.34	1.96
Expenditure incurred during Trial Run	-	1.75
Total Expenditure incurred during the year (B)	7.55	12.09
Total Pre-operative Expenditure (A + B)	7.55	12.61
Less : Revenue during Trial Run	-	0.54
Less : Capitalised as Fixed Assets		12.07
Carried forward as part of Capital Work in Progress	7.55	-

43. For the Season 2014-15, the Government of Uttar Pradesh has announced certain financial assistance including ₹ 28.60 (per quintal of cane) linked to average selling price of sugar and its by products during 1st October, 2014 to 31st May, 2015.

Based on the prevailing selling price, the Company has accounted for financial assistance of ₹ 18.48 Crore @ 8.60 (per quintal of cane)(P.Y. ₹ Nil) for the year.

44. The company has acquired immovable and movable properties of "Ninaidevi Sahakari Sakhar Karkhana Ltd.", Valued by the valuer at ₹ 28.46 Crores, having a capacity of 1750 TCD, under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, on payment of consideration of ₹ 24.30 Crores. Besides this outstanding liabilities of ₹ 2.53 crores was also taken over and incorporated in the books of accounts and classified under current & non-current liabilities based upon the nature. Correspondingly amount of ₹ 1.63 Crores has been transferred to capital reserve.

45. Related Party Disclosure as required by Accounting Standard-18.

- a) List of related parties along with nature and volume of transactions is given below:

Subsidiaries of the Company

Himshikhar Investment Limited, Dalmia Solar Power Limited and Dalmia Sugar Ventures Limited

Key Management Personnel of the Company

Shri Jai Hari Dalmia– Vice-Chairman, Shri Yadu Hari Dalmia – Vice-Chairman (till 31-10-2013), Shri Gautam Dalmia - Managing Director, Shri Puneet Yadu Dalmia – Managing Director (till 31-10-2013).

Relatives of Key Management Personnel

Shri V.H. Dalmia (Brother of Vice-Chairman), Shri J. H. Dalmia (HUF), Smt. Kavita Dalmia (Wife of Vice-Chairman), Shri Y. H. Dalmia (HUF), Smt. Bela Dalmia (Wife of Vice-Chairman), Shri Gautam Dalmia (HUF), Smt. Anupama Dalmia (Wife of Managing Director), Smt. Avantika Dalmia (Wife of Managing Director), Kumari Shrutipriya Dalmia (Daughter of Vice-Chairman), Kumari Sukeshi Dalmia (Daughter of Managing Director), Kumari Vaidehi Dalmia (Daughter of Managing Director), Kumari Sumana Dalmia (Daughter of Managing Director), Kumari Avanee Dalmia (Daughter of Managing Director), Mst. Priyang Dalmia (Son of Managing Director), Shri M. H. Dalmia (Brother of Vice-Chairman) and Smt. Abha Dalmia (Wife of Brother of Vice-Chairman).

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

Enterprises controlled by the Key Management Personnel of the Company

Rama Investment Company Private Limited, Puneet Trading & Investment Company Private Limited, Kavita Trading & Investment Company Private Limited, Sita Investment Company Limited, Mayuka Investment Limited, Ankita Pratishan Limited, Himgiri Commercial Limited, Valley Agro Industries Limited, Dalmia Refractories Limited (formerly known as Shri Nataraj Ceramic and Chemical Industries Limited, Shri Chamundeswari Minerals Limited, Shree Nirman Limited, Keshav Power Limited, Avanee and Ashni Securities Private Limited, ZipAhead.Com Limited, Alirox Abrasives Limited, Shri Investments, Sukeshi Trust, Vaidehi Trust, Sumana Trust, Shrutipriya Dalmia Trust, Priyang Trust, Avanee Trust, New Habitat Housing Finance and Development Limited, Dalmia Bharat Limited, Dalmia Power Limited, Kanika Investment Limited, Arjuna Brokers & Minerals Limited, Dalmia Cement Ventures Limited (amalgamated into Dalmia Cement Bharat Ltd w.e.f. 9-12-2013), D.I. Properties Limited, Dalmia Minerals & Properties Limited, Geetee Estates Limited, Hemshila Properties Limited, Ishita Properties Limited, ShriRadha Krishna Brokers & Holdings Limited, Shri Rangam Properties Limited, Sri Dhandauthapani Mines and Minerals Limited, Sri Madhusudana Mines and Properties Limited, Sri Shanmugha Mines & Minerals Limited, Sri Subramanya Mines & Minerals Limited, Sri Swaminatha Mines & Minerals Limited, Sri Trivikrama Mines and Properties Limited, Adhunik Cement Limited, Calcom Cement India Limited, Adhunik MSP Cement (Assam) Limited, Vinay Cements Limited, RCL Cements Limited, SCL Cements Limited, Golden Hills Resort Private Limited, Rajputana Properties Private Limited, Cosmos Cements Limited, Sutnga Mines Private Limited, DCB Power Ventures Limited, OCL India Limited and Dalmia Cement (Bharat) Limited, Dalmia Bharat Cements Holdings Limited, Shri Rangam Securities & Holdings Limited, Khappa Coal Co. Pvt. Ltd., YHD Trusteeship Services Pvt. Limited, Shri Yadu Hari Trusteeship Services Pvt. Ltd., Vastalaya Developers Pvt. Limited, Yadu Hari Dalmia Parivar Trust, Respect Elders & Co., Love Children & Co., Respect Nature & Society, Shri Brahma Creation Trust, Shri Vishnu Preservation Trust, Shubh Homes Realtors LLP.

b) The following transactions were carried out with the related parties in the ordinary course of business:

(₹ Crore)

Nature of Transaction	Subsidiary Companies	Key Management Personnel	Key Management Personnel controlled	Total
Sale of goods and services	-	-	7.88	7.88
	-	-	(7.64)	(7.64)
Reimbursement of expenses – receivable	-	-	0.16	0.16
	-	-	(0.08)	(0.08)
Reimbursement of expenses – payable	-	-	0.32	0.32
	-	-	(0.29)	(0.29)
Purchase of goods and services	-	-	12.57	12.57
	-	-	(11.03)	(11.03)
Rent payment	-	-	-	-
	-	-	(0.01)	(0.01)
Loans and Advances given	0.02	-	-	0.02
	(0.01)	-	-	(0.01)
Loans Taken	-	-	-	-
	-	-	(90.50)	(90.50)
Loans Repaid	-	-	16.00	16.00
	-	-	(88.50)	(88.50)
Sale of Assets	-	-	-	-
	-	-	(0.12)	(0.12)
Receipt of fund on their behalf and transfer	-	-	0.07	0.07
	-	-	(0.06)	(0.06)
Interest paid on Loans	-	-	5.35	5.35
	-	-	(10.32)	(10.32)
Salary and Perquisites	-	0.59	-	0.59
	-	(1.59)	-	(1.59)
Dividend Received	-	-	0.19	0.19
	-	-	(0.19)	(0.19)
Dividend Paid	-	-	-	-
	-	-	(0.37)	(0.37)

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

- Sale of goods and services includes transaction with Dalmia Cement (Bharat) Limited ₹ 0.84 Crore (₹ 2.15 Crore), OCL India Limited ₹ 0.82 (₹ 0.29 Crore), Dalmia Bharat Limited ₹ 3.85 Crore (₹ 3.64 Crore), Adhunik Cement Limited ₹ 1.31 Crore (₹ 0.88), Dalmia Refectories Limited ₹ 0.30 Crore, Calcom Cement Limited ₹ 0.40 Crore and Dalmia Cement East Limited ₹ 0.36 Crore.
- Reimbursement of expenses – receivable includes transaction with Dalmia Bharat Limited ₹ 0.16 Crore (₹ 0.04 Crore) and Dalmia Cement (Bharat) Limited ₹ Nil (₹ 0.04 Crore).
- Reimbursement of expenses – payable includes transaction with Dalmia Bharat Limited ₹ 0.32 Crore (₹ 0.22), Dalmia Cement (Bharat) Limited ₹ Nil (₹ 0.02 Crore) and DCB Power Ventures Limited ₹ Nil (₹ 0.05).
- Purchase of goods & services includes transaction with Dalmia Bharat Limited ₹ 10.69 Crore (₹ 9.58 Crore), Dalmia Cement (Bharat) Limited ₹ 1.86 Crore (₹ 1.40 Crore) and Dalmia Refectories Limited ₹ 0.02 Crore.
- Rent payment includes transaction with Ishita Properties Limited ₹ Nil Crore (₹ 0.01 Crore).
- Loans and advances given represent transaction with Dalmia Solar Power Limited ₹ 0.01 Crore (₹ 0.01 Crore) and Dalmia Sugar Ventures Limited ₹ 0.01 Crore (₹ Nil)
- Loans taken includes transaction with Dalmia Bharat Limited ₹ Nil (₹ 75.50 Crore) and DCB Power Ventures Limited ₹ Nil (₹ 15.00 Crore).
- Loans repaid includes transaction with Dalmia Bharat Limited ₹ 16 Crore (₹ 70.50 Crore) and DCB Power Ventures Limited ₹ Nil (₹ 18.00 Crore).
- Sale of fixed assets includes transaction with Dalmia Cement (Bharat) Limited ₹ Nil (₹ 0.09) and Dalmia Bharat Limited ₹ Nil Crore (₹ 0.03 Crore).
- Receipt of fund on their behalf and transfer includes transaction with Dalmia Bharat Limited ₹ 0.07 Crore (₹ 0.06 Crore).
- Interest paid on loans includes transaction with Dalmia Bharat Limited ₹ 3.75 Crore (₹ 7.82 Crore) and DCB Power Ventures Limited ₹ 1.60 Crore (₹ 2.50 Crore).
- Salary and perquisites includes transaction with Shri J. H. Dalmia ₹ 0.52 Crore (₹ 0.39 Crore), Shri Y. H. Dalmia ₹ Nil (₹ 1.11 Crore), Shri Gautam Dalmia ₹ 0.07 (₹ 0.04 Crore) and Shri Puneet Yadu Dalmia ₹ Nil (₹ 0.05 Crore).
- Dividend received represent dividend from Dalmia Bharat Limited ₹ 0.19 Crore (₹ 0.19 Crore).
- Dividend paid represent dividend paid to Dalmia Bharat Limited ₹ Nil (₹ 0.37).

c) Balances Outstanding at Year End:

(₹ Crore)

Nature of Transaction	Subsidiary Companies	Key Management Personnel / Promoters	Key Management Personnel / Promoter controlled enterprises	Total
Loans receivable	0.36 (0.34)	- -	- -	0.36 (0.34)
Loans Payable	- -	- -	50.00 (66.00)	50.00 (66.00)
Interest Payable	- -	- -	0.23 (1.81)	0.23 (1.81)
Amounts receivable	- -	- -	0.63 (0.15)	0.63 (0.15)
Amounts payable	- -	- -	0.50 (2.34)	0.50 (2.34)

- Loans receivable include Dalmia Solar Power Limited ₹ 0.35 Crore (₹ 0.34 Crore) after providing loan of ₹ 0.01 Crore (₹ 0.26 Crore) and Dalmia Sugar Ventures Limited ₹ 0.01 Crore after providing loan of ₹ 0.01 Crore (₹ Nil)
- Loans payable includes Dalmia Bharat Limited ₹ 34.00 Crore (₹ 50.00 Crore) and DCB Power Ventures Limited ₹ 16.00 Crore (₹ 16.00 Crore).
- Interest payable includes Dalmia Bharat Limited ₹ Nil (₹ 1.44 Crore) and DCB Power Ventures Limited ₹ 0.23 Crore (₹ 0.37 Crore).
- Amount receivable includes Dalmia Cement (Bharat) Limited ₹ 0.19 Crore (₹ 0.15 Crore), Dalmia Bharat Limited 0.19 Crore (₹ Nil), Dalmia Refectories Limited ₹ 0.03 Crore (₹ Nil), Calcom Cement Limited ₹ 0.09 Crore (₹ Nil), Adhunik Cement Limited ₹ 0.09 Crore (₹ Nil) and Dalmia Cement East Limited ₹ 0.04 Crore (₹ Nil)
- Amount payable includes Dalmia Cement (Bharat) Limited ₹ Nil (₹ 0.01 Crore), Dalmia Bharat Limited ₹ 0.50 Crore (₹ 2.27 Crore) and DCB Power Ventures Limited ₹ Nil Crore (₹ 0.06 Crore).

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

46 Disclosure required under Section 186 (4) of the Companies Act 2013

(a) Particulars of Loans given:

(₹ Crore)						
Sr. No	Name of the Loanee	Opening Balance	Loan given	Loan repaid	Outstanding Balance	Purpose
1	Dalmia Solar Power Limited	0.34	0.01	-	0.35	Operational
2	Dalmia Sugar Ventures Ltd	-	0.01	-	0.01	Operational

(b) Particulars of Guarantee given: NIL

(c) Particulars of Investments made:

(₹ Crore)						
Sr. No	Name of the Loanee	Opening Balance	Investment made	Investment redeemed	Outstanding Balance	Purpose
1	Dalmia Bharat Limited	9.90	-	-	9.90	Long term Investment
2	Dalmia Sugar Ventures Limited	0.05	-	-	0.05	Long term Investment
3	Himshikhar Investment Limited	4.45	-	-	4.45	Long term Investment
4	Dalmia Solar Power Ltd	0.05	-	-	0.05	Long term Investment

(d) Particulars of Security Deposit: NIL

47. Loans & Advances in the nature of Loans (including interest) given to Subsidiaries - Disclosure as per Clause 32 of listing agreement with stock exchanges :

			(₹ Crore)	
S.No.	Particulars		As at March 31, 2015	Maximum Balance during the year
Subsidiary Companies				
I.	Dalmia Solar Power Limited		0.35 (0.34)	0.35 (0.60)
II.	Dalmia Sugar Ventures Ltd		0.01 -	0.01 -

48. FOREIGN CURRENCY EXPOSURES

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Foreign Currency (FC)	Amount in FC	Amount in ₹
Amount Receivable			
a) Trade Receivables	\$	8,500 (NIL)	525,300 (NIL)
b) EEFC A/c	\$	787,724 (698,523)	48,366,274 (41,548,171)
	£	76,475 (NIL)	5,043,526 (NIL)

There is no hedged foreign currency exposure.

Notes to Financial Statements (Contd.)

for the year ended March 31, 2015

49. Figures less than ₹ Fifty thousand which are required to be shown separately have been shown at actual in double brackets.
50. In the opinion of the Management there is no reduction in the value of any assets, hence no provisions is required in terms of Accounting Standard AS 28 "Impairment of Assessts".
51. In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
52. "There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Accounting Standard (AS)-29 'Provisions, Contingent Liabilities & Contingent Assets.'"
53. Due to adoption of depreciation rates on the basis of useful life as prescribed under Schedule II of the Companies Act' 2013, depreciation charged for the year is higher by Rs 1.58 Cr. as compared to the depreciation rates charged during previous year. Further, written down value of fixed assets whose lives have expired as at 1st April, 2014 amounting to Rs. 4.73 Cr. have been adjusted net of tax, from retained earnings in accordance with provisions of schedule II to the Companies Act, 2013.

54. PREVIOUS YEAR COMPARATIVES

Figures in brackets pertain to previous year. Previous year's figures have been regrouped where necessary to conform to this year's classification.

As per our report of even date

For and on behalf of the Board of Directors of
Dalmia Bharat Sugar and Industries Limited

For S.S. Kothari Mehta & Co.
Chartered Accountants

per **Arun K. Tulsian**
Partner
Membership No.: 89907

K V Mohan
Company Secretary

Anil Kataria
Chief Finance Officer

Director

Managing Director

Place : New Delhi
Date : May 14, 2015

Cash Flow Statement

for the year ended March 31, 2015

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and exceptional items	0.28	2.59
Adjustments		
Depreciation / Amortization	50.58	49.30
Provision for doubtful debts/ advances	0.19	0.27
Provision for diminution in value of Inventory	0.01	0.59
Bad Debts/ Advances written off	-	0.26
Dividend Income	(0.19)	(0.20)
Finance Cost	78.01	75.64
Interest Income	(6.14)	(1.95)
(Profit)/Loss on sale of Investments	(5.18)	(7.11)
(Profit)/Loss on sale of Fixed Assets and Assets written off	0.25	3.11
Operating Profit before working Capital Changes	117.81	122.50
Adjustments for working Capital changes :		
Inventories	(74.18)	90.08
Trade and Other Payables	15.32	24.81
Trade and Other Receivables	(90.95)	30.26
Cash Generated from Operations	(32.00)	267.65
Direct Taxes (Paid)/Refund	20.64	(1.01)
Net Cash from Operating activities	(11.36)	266.64
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed Assets(including Capital Reserve)	(50.35)	(180.40)
Proceeds from sale of Fixed Assets	0.37	4.74
(Purchase)/ Sale of Current Investments (net)	0.34	(12.40)
(Purchase)/ Sale of Non Current Investments (net)	-	2.08
Interest Received	6.59	1.05
Dividend Received from Current Investments	0.19	0.20
Dividend Received from Non Current Investments	-	-
Net Cash used in Investing Activities	(42.86)	(184.73)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (repayment) of Short term Borrowings	131.39	(188.93)
(Repayment) of Long term Borrowings	(11.77)	214.98
Finance Cost	(78.12)	(84.14)
Dividend Paid	-	(2.32)
Corporate Dividend tax paid	-	(0.34)
Net cash from / (used in) financing activities	41.50	(60.75)
Net increase in cash and cash equivalents (A+B+C)	(12.72)	21.16
Cash and cash equivalents (Opening Balance)	48.23	27.07
Cash and cash equivalents (Closing Balance)*	35.51	48.23
Change in Cash & Cash Equivalents	(12.72)	21.16

* includes Fixed deposit with banks shown under Other Non Current Assets ₹ 0.78 Cr (₹ 0.54 Cr)

Cash Flow Statement

for the year ended March 31, 2015

(₹ Crore)		
Components of Cash & Cash Equivalents	As at March 31, 2015	As at March 31, 2014
Cash in Hand	0.60	0.54
Cheques in Hand	4.93	8.61
Balances with Banks		
Current/CC Accounts	16.89	22.61
Unpaid Dividend Accounts	0.91	1.67
Deposits Accounts	11.40	14.26
Fixed Deposit with Banks	0.78	0.54
Net Cash & Cash Equivalents	35.51	48.23

Note:

- 1) Cash & cash equivalents components are as per Note 19 & 15.
- 2) Previous year figures have been regrouped/restated wherever considered necessary

As per our report of even date

For and on behalf of the Board of Directors of
Dalmia Bharat Sugar and Industries Limited

For S.S. Kothari Mehta & Co.
Chartered Accountants

per **Arun K. Tulsian**
Partner
Membership No.: 89907

K V Mohan
Company Secretary

Anil Kataria
Chief Finance Officer

Director

Managing Director

Place : New Delhi
Date : May 14, 2015

Consolidated Financial Statements

Independent Auditor's Report

To the Members of Dalmia Bharat Sugar and Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Dalmia Bharat Sugar and Industries Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (Collectively referred to as "the Group"), which comprise of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment

of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors, on the financial statements of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of ₹6.49 crores as at 31st March, 2015, total revenues of ₹0.05 crores and net cash flows amounting to ₹0.04 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company & its subsidiaries, we give in

the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received

from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, none of the directors of the Holding Company & its subsidiaries are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Group has disclosed the impact of pending litigation on its consolidated financial position in its consolidated financial statements as referred to in Note 31 to the consolidated financial statements;
 - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts; and
 - (iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding company & its subsidiaries.

For **S.S. KOTHARI MEHTA & Co.**
Chartered Accountants
FRN - 000756N

ARUN K. TULSIAN
Partner
Membership No. 89907

Date: May 14, 2015
Place: New Delhi

Annexure referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of Dalmia Bharat Sugar and Industries Limited on its consolidated financial statements as of and for the year ended March 31, 2015

1. (a) The Holding Company and its subsidiaries have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management of the holding company and its subsidiaries during the year but there is a regular programme of verification which, in our opinion and the opinion of the other auditors, is reasonable having regard to the size of the Company and the nature of its assets. According to the information & explanations given to us & the other auditors, no material discrepancies were noticed on such verification as compared to book records.
2. (a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.
- (b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
- (c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
3. The holding company and its subsidiaries have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, clauses 3(iii) (a) & (b) of the Order are not applicable.
4. According to the information and explanations given to us and the other auditors, there are adequate internal control systems commensurate with the size of the holding company and its subsidiaries and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our and the other auditors audit, no continuing failure to correct major weaknesses in such internal control systems has been observed.
5. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the holding company and its subsidiaries have not accepted any deposits in terms of the provisions of section 73 to 76 of the Act and / or as per directives issued by the Reserve Bank of India or any other relevant provision of the Act and the Rules framed there under.
6. According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the holding Company and its subsidiaries have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014(as amended) prescribed by the Central Government under sub-section (1) of Section 148 of the Act, wherever applicable. Neither we nor the other auditors are, however, required to make a detailed examination of such records.
7. According to the records of the Company and the information and explanations given to us and the other auditors, in respect of statutory dues of the Holding Company & its subsidiaries:
 - (a) The respective entities have generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities. There were no material undisputed amounts payable by the respective entities in respect of such dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - (b) According to the records of the Holding Company & its subsidiaries, details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes by the aforesaid entities and the forum where the dispute is pending are as follows :

Name of the Statute	Period to which the amount relates	Nature of Dues	Forum Where dispute is pending	Amount (in Crores)
Central Excise Act, 1944	2014-15	Cenvat Credit on Cement & Steel	Addl. Commissioner LTU, New Delhi	0.20
Central Excise Act, 1944	June 2005 to September 2005	Cenvat Credit on Cement & Steel	Allahabad High Court	0.04
Central Excise Act, 1944	September 2013 to July 2014	Cenvat Credit on Cement & Steel	Asst. Commissioner, LTU, New Delhi	0.07
Central Excise Act, 1944	March 2006 to March 2014	Cenvat Credit on Cement & Steel	CESTAT, New Delhi	6.28

Name of the Statute	Period to which the amount relates	Nature of Dues	Forum Where dispute is pending	Amount (in Crores)
Central Excise Act, 1944	September 2007 to March 2011	Cenvat Credit on Cement & Steel	Commissioner (A) LTU, New Delhi	0.42
Central Excise Act, 1944	March 2006 to March 2007	Cenvat Credit on Cement & Steel	Dy. Commissioner LTU, New Delhi	0.06
Central Excise Act, 1944	April 2011 to September 2012	Cenvat Credit on Cement & Steel	Dy. Commissioner LTU, New Delhi	0.09
Central Excise Act, 1944	February 2007 to June 2010	Demand of duty on Bagass & electricity sale	CESTAT, New Delhi	16.37
Central Excise Act, 1944	July 2002 to March 2003	Demand of duty on Bagass & electricity sale	CESTAT, New Delhi	0.19
Central Excise Act, 1944	April 2010 to June 2010	Demand of duty on Bagass & electricity sale	Dy. Commissioner LTU, New Delhi	0.05
Central Excise Act, 1944	July 2013 to March 2013	Demand of duty on Molasses	CESTAT, New Delhi	8.33
Central Excise Act, 1944	2014-15	Demand of duty on Multilayer Ceramic Chip capacitors	Addl. Commissioner LTU, New Delhi	0.02
Central Excise Act, 1944	2008-09	Demand of duty on Multilayer Ceramic Chip capacitors	Asst Commissioner, Bangalore	0.01
Central Excise Act, 1944	2006-07 to till date	Demand of duty on Multilayer Ceramic Chip capacitors	CESTAT, Bangalore.	0.04
Central Excise Act, 1944	July 2007 to March 2010	Demand on Storage Loss of finished goods	CESTAT, New Delhi	0.06
Central Excise Act, 1944	April 2007 to November 2008	Demand on Storage Loss of finished goods	Commissioner (A) LTU, New Delhi	0.13
Central Excise Act, 1944	2009-10	Demand on Storage Loss of finished goods	Dy. Commissioner LTU, New Delhi	0.07
Central Excise Act, 1944	March 2006 to August 2013	Disallowance of Cenvat Credit	CESTAT, Delhi	0.42
Central Excise Act, 1944	September 2004 to March 2011	Disallowance of Cenvat Credit	Commissioner (A) LTU, New Delhi	0.32
Central Excise Act, 1944	April 2010 to December 2014	Disallowance of Cenvat Credit	Commissioner, LTU, New Delhi	34.78
Central Excise Act, 1944	April 2010 to September 2012	Disallowance of Cenvat Credit	Dy. Commissioner LTU, New Delhi	0.38
Central Excise Act, 1944	April 2010 to July 2014	Disallowance of Cenvat Credit	Suptd, LTU New Delhi	0.06
Central Excise Act, 1944	2008-09, 2009-10	Loss on Reprocessing of Finished Goods	Allahabad High Court	0.03
Central Excise Act, 1944	2002-03, 2003-04	Loss on Reprocessing of Finished Goods	CESTAT, Delhi	0.02
Central Sale Tax	2007-08, 2008-09, 2010-11 & 2011-12	Entry Tax	Add. Comm (Appeal), Sitapur	0.68
Central Sale Tax	2006-07 & 2007-08	Entry Tax	Dy. Comm (Assessment)-II, Sitapur	0.34
Central Sale Tax	2011-12	Entry Tax	Dy. Commissioner, Lucknow	0.02
Central Sale Tax	2001-02	Entry Tax	Allahabad High Court	0.03
Central Sale Tax	2013-14	Entry Tax	Joint Commissioner, Bareilly	0.02
Central Sale Tax	2013-14	Entry Tax	Joint Commissioner, Muradabad	0.01
Central Sale Tax	2009-10	Entry Tax	Dy. Comm (Assessment)-II Sitapur	1.51
Central Sale Tax	2006-07	Entry Tax	Add. Commissioner (Appeal) - Sitapur	0.20

Name of the Statute	Period to which the amount relates	Nature of Dues	Forum Where dispute is pending	Amount (in Crores)
Central Sale Tax	2001-02, 2005-06	Purchase tax	Joint Commissioner (Sale Tax) Kolhapur	0.26
Central Sale Tax	2009-10	VAT assessment	Dy. Comm (Assessment)-II Sitapur	0.01
Finance Act, 1994	2008 to 2015	Service tax demand on incentive & Commission	Addl. Commissioner LTU, New Delhi	0.38
Finance Act, 1994	2014-15	Service tax demand on incentive	Asst. Commissioner LTU Delhi	0.05
Finance Act, 1994	2014-15	Service tax demand on tickets Cancelled	Addl. Commissioner LTU, New Delhi	0.11
Finance Act, 1994	2008 to 2013	Service tax demand on tickets Cancelled	Dy. Commissioner LTU, New Delhi	0.13
Finance Act, 1994	December 2008 to August 2013	Service tax demand on commission	Dy. Commissioner LTU, New Delhi	0.14
Finance Act, 1994	September 2013 to March 2015	Disallowance of Service tax credit	Asst. Commissioner, LTU New Delhi	0.19
Finance Act, 1994	2006 to 2014	Disallowance of Service tax credit	CESTAT, New Delhi	1.48
Finance Act, 1994	2006 to 2010	Disallowance of Service tax credit	Commissioner (A) LTU, New Delhi	0.09
Finance Act, 1994	2006 to 2014	Disallowance of Service tax credit	Dy. Commissioner LTU, New Delhi	0.65
Finance Act, 1994	2008 to 2013	Disallowance of Service tax credit	Suptd, LTU, New Delhi	0.13
Finance Act, 1994	2003 to 2010	Service tax demand on commission	CESTAT, New Delhi	0.05
Finance Act, 1994	April 2011 to December 2011	Service tax demand on commission	Suptd, LTU, New Delhi	0.02
Central Sale Tax	2007-08	VAT assessment	Dy. Comm (Assessment)-II Sitapur	0.39
Income Tax Act, 1961	2010-11	TDS related matter	CIT – Bareilly, U.P.	0.01

(c) According to the information and explanations given to us and the other auditors, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder has been transferred to such fund within time.

8. The Group does not have consolidated accumulated losses at the end of the financial year nor have it incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company & its subsidiaries have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
10. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the holding company and its subsidiaries have not given any guarantee for loans taken by others from bank or financial institutions.
11. In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, term loans taken by the holding company and its subsidiaries were applied for the purpose for which the loans were obtained, where such end use have been stipulated by the lender(s).
12. To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company & its subsidiaries and no fraud on the Holding Company & its subsidiaries has been noticed or reported during the year nor have we or other auditors been informed of such case by the management of the respective entities.

For **S.S. KOTHARI MEHTA & Co.**
Chartered Accountants
FRN - 000756N

ARUN K. TULSIAN
Partner
Membership No. 89907

Date: May 14, 2015
Place: New Delhi

Consolidated Balance Sheet

as at March 31, 2015

(₹ Crore)

	Notes	As at March 31, 2015	As at March 31, 2014
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	16.19	16.19
Reserves and Surplus	3	443.87	446.06
		460.06	462.25
Non- Current Liabilities			
Long-Term Borrowings	4	460.87	526.66
Deferred Tax Liability (Net)	5	62.43	78.80
Other Long-Term Liabilities	6	1.90	6.36
Long-Term Provisions	7	4.60	2.39
		529.80	614.21
Current Liabilities			
Short-term Borrowings	8	354.54	223.15
Trade Payables	9	301.08	282.77
Other Current Liabilities	10	186.70	133.22
Short-Term Provisions	11	2.14	2.45
		844.46	641.59
Total		1834.32	1718.05
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	742.75	763.78
Intangible Assets		3.47	3.64
Capital Work-in-Progress		27.78	13.64
		774.00	781.06
Non-Current Investments	13	15.97	15.97
Long Term Loans and Advances	14	81.73	112.25
Other Non-Current Assets	15	3.60	2.29
		101.30	130.51
Current Assets			
Current Investments	16	68.32	63.48
Inventories	17	703.48	629.31
Trade Receivables	18	77.40	18.18
Cash and Cash Equivalents	19	34.82	47.74
Short-Term Loans and Advances	20	50.51	31.64
Other Current Assets	21	24.49	16.13
		959.02	806.48
Total		1834.32	1718.05
Significant Accounting Policies	1		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For S.S. Kothari Mehta & Co.

Chartered Accountants

 per **Arun K. Tulsian**

Partner

Membership No.: 89907

K V Mohan

Company Secretary

Anil Kataria

Chief Finance Officer

Director

Managing Director

 For and on behalf of the Board of Directors of
Dalmia Bharat Sugar and Industries Limited

Place : New Delhi

Date : May 14, 2015

Consolidated Statement of Profit and Loss

for the year ended March 31, 2015

(₹ Crore)

	Notes	For the year ended March 31, 2015	For the year ended March 31, 2014
INCOME			
Revenue from Operations (Gross)	22	1189.80	1235.12
Less: Excise Duty		39.75	43.62
Revenue from Operations (Net)		1150.05	1191.50
Other Income	23	16.00	19.75
Total		1166.05	1211.25
EXPENSES			
Cost of Raw Materials consumed	24	899.44	824.69
(Increase)/ Decrease in inventories of Finished Goods, Work in Progress and Traded Goods	25	(72.41)	86.14
Employee Benefit Expenses	26	74.65	65.16
Other Expenses	27	135.49	107.71
Finance Costs	28	78.01	75.64
Depreciation and Amortization Expenses	12	50.58	49.49
Less: Transferred from Revaluation Reserve		-	0.19
Net Depreciation and Amortization Expenses		50.58	49.30
Total		1165.76	1208.64
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		0.29	2.61
Less : Exceptional Items (Net-Gain/(Loss))		-	-
PROFIT BEFORE TAX		0.29	2.61
Tax Expense:			
Current tax		0.09	0.62
Mat Credit (Entitlement) / Charge		12.58	(0.62)
Deferred Tax		(13.87)	(0.56)
Prior Year Tax Charge / (written back)		-	0.12
Total of Tax Expense		(1.20)	(0.44)
PROFIT AFTER TAX		1.49	3.05
Earning per Share	29	0.18	0.38
Basic and Diluted Earning per Share (in ₹) [Nominal Value of Share ₹ 2 (₹ 2) each]			
Significant Accounting Policies	1		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors of
Dalmia Bharat Sugar and Industries Limited

For S.S. Kothari Mehta & Co.
Chartered Accountants

per **Arun K. Tulsian**
Partner
Membership No.: 89907

K V Mohan
Company Secretary

Anil Kataria
Chief Finance Officer

Director

Managing Director

Place : New Delhi
Date : May 14, 2015

Notes to Consolidated Financial Statements

for the year ended March 31, 2015

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

The Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The Consolidated Financial Statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The CFS relates to Dalmia Bharat Sugar and Industries Limited (hereinafter referred as the "Company") and its Subsidiaries, Associate and Joint Venture (hereinafter referred as the "Group").

B. PRINCIPLES OF CONSOLIDATION

In the preparation of these Consolidated Financial Statements, investment in Subsidiaries, Associate and Joint Venture have been accounted for in accordance with Accounting Standard (AS) 21 – Consolidated Financial Statements, Accounting Standard (AS) 23 – Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27 – Financial Reporting of Interests in Joint Ventures. The Consolidated Financial Statements have been prepared on the following basis.

- a) Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and also unrealised profits or losses, except where cost cannot be recovered.
- b) Minorities' interest in net profit of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the Holding Company.
- c) Interests in the assets, liabilities, income and expenses of the joint venture are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealised profits/losses are eliminated to the extent of Company's proportionate share.
- d) The difference of the cost to the Company of its investment in subsidiaries and joint venture over its proportionate share in the equity of the Investee Company as at the date of acquisition of stake is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the case may be.

- e) Investment in entities in which the Group has significant influence but not controlling interest, are reported according to the equity method i.e. the investment is initially recorded at cost adjusted thereafter for post-acquisition change in the Company's share of net assets of the associates. The Consolidated Statement of Profit and Loss includes the Company's share of the result of the operations of the associate.

Unrealised profits and losses resulting from transactions between the investor (or its consolidated subsidiaries) and the associate have been eliminated to the extent of the investor's interest in the associate. Unrealised losses have not been eliminated if and to the extent the cost of the transferred asset cannot be recovered.

- f) Goodwill/capital reserve arising on the acquisition of an associate by an investor is included in the carrying amount of investment in the associate and is disclosed separately.
- g) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Consolidated Financial Statements. Differences in accounting policies have been disclosed separately.
- h) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiary.
- i) The accounts of all the Group Companies are drawn up to the same reporting date as the parent entity (i.e. financial year ended March 31, 2014).

C. USE OF ESTIMATES

The preparation of Consolidated Financial Statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Consolidated Financial Statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialized.

D. FIXED ASSETS

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets are recognised on the basis of recognition criteria as set out in the relevant Accounting Standard.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

E. DEPRECIATION/AMORTISATION

Depreciation on fixed assets is calculated on the basis of useful lives as prescribed under Schedule II to the Companies Act, 2013. The following methods of depreciation are used for fixed assets:

"Plant and machinery" at Salem (excluding earth moving machinery) and on all fixed assets at Wind Farm Unit, Bangalore Works and DalmiaChini Mills (Sugar Units) excluding Boiler machinery in Power Plants.	Straight Line Method
Leasehold Land	Amortised over the period of lease, i.e., 99 years
Remaining Tangible Fixed Assets	Written Down Value Method
Computer Software	Amortised over a period of 3-5 years on a Straight line basis.
Other Intangible Assets	Amortised over a period of maximum 10 years on a straight line basis.

F. IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each Consolidated Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Previously recognised impairment losses are reversed to the extent the recoverable amount exceeds the carrying amount.

G. GOODWILL ON CONSOLIDATION

Goodwill represents the difference between the Group's share in the net worth of the investee companies and the cost of acquisition at the date of investment. For this purpose, the Groups' share of equity in the investee companies is determined on the basis of the latest Consolidated Financial Statements of the respective companies available as on the date of acquisition, after making necessary adjustments for material events between the date of such Consolidated Financial Statements and the date of acquisition.

H. LEASES

Where the Company is the Lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the Lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

I. GOVERNMENT GRANTS AND SUBSIDIES

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

J. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

K. SEGMENT REPORTING

Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products manufactured and services provided, with each segment representing a strategic business unit that offers different products. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter Segment Transfers

The Company accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of Common Costs

Common allocable costs are allocated to each segment on reasonable basis.

Unallocated Items

Includes general corporate income and expense items which are not allocable to any business segment.

Segment Policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Consolidated Financial Statements of the company as a whole.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

L. EMPLOYEE BENEFITS

- a. Employee benefits in the form of the Company's contribution to provident fund, pension fund, superannuation fund and ESI are considered as defined contribution plan and charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.
- b. Retirement benefits in the form of gratuity and provident fund contribution to Dalmia Cement Provident Fund Trust are defined benefit plans. Gratuity is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Contributions to Dalmia Cement Provident Fund Trust are charged to the Statement of Profit and Loss of the year when the contributions to the fund is due. Shortfall in the funds, if any, is adequately provided for by the Company.
- c. Leave encashment including compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method.
- d. Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.
- e. Payments made under the Voluntary Retirement Scheme are charged to the Statement of Profit and Loss in the year in which the same are incurred.

M. INVENTORIES

- a. Finished goods are valued at lower of cost or net realisable value. In case of Dead Burnt Magnesite Dust Stocks to the extent these are considered saleable, valuation is done at raw materials cost plus packing charges or net realizable value, whichever is lower. By-products are valued at net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.
- b. Work in progress is valued at lower of cost or net realisable value. Cost is determined on a weighted average basis.
- c. Stores, Spares and Raw Materials are valued at lower of cost or net realisable value. However materials & other items of inventories held for use in the production are not written below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

N. INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year are classified as current

investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined for each category separately. Long-term investments are carried at cost on individual investment basis. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments in case of long term investments.

O. REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty deducted from turnover (gross) are the amount that is included in the amount of turnover (gross) and not the entire amount of liability that arose during the year. Sale is net of trade discount and sales tax.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the Consolidated Balance Sheet date.

Insurance Claim

Claims lodged with the insurance companies are accounted on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

P. FOREIGN CURRENCY TRANSACTIONS

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the Consolidated Financial Statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

during the year, or reported in previous Consolidated Financial Statements, are recognized as income or as expenses in the year in which they arise.

(iv) Forward Exchange Contracts not intended for Trading or Speculation Purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Consolidated Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

Q. INCOME TAXES

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Consolidated Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Consolidated Balance Sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each Consolidated Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Consolidated Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

R. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

S. PROVISIONS

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Consolidated Balance Sheet date. These are reviewed at each Consolidated Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are shown by way of note in the Notes to Accounts in respect of obligations where based on the evidence available, their existence at the Consolidated Balance Sheet date is considered not probable. Contingent assets are neither recognized in the accounts nor disclosed.

T. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

2. SHARE CAPITAL

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
AUTHORISED :		
11,47,26,820 (11,47,26,820) Ordinary Shares of ₹ 2 /- each	22.95	22.95
8,52,73,180 (8,52,73,180) Unclassified Equity Shares of ₹ 2/- each	17.05	17.05
	40.00	40.00
ISSUED, SUBSCRIBED AND FULLY PAID UP :		
8,09,39,303 (8,09,39,303) Ordinary Shares of ₹ 2/- each	16.19	16.19
	16.19	16.19

(a) Reconciliation of Ordinary Shares outstanding at the beginning and at the end of the reporting period

(₹ Crore)

	2014-15		2013-14	
	No. of Shares	₹ Cr	No. of Shares	₹ Cr
At the beginning of the period	80,939,303	16.19	80,939,303	16.19
Issued during the period	-	-	-	-
At the end of the period	80,939,303	16.19	80,939,303	16.19

(b) Terms/ rights attached to Ordinary Equity shares

The Company has only one class of ordinary shares having a face value of ₹2 per share. Each ordinary shareholder is entitled to one vote per share.

In the event of winding-up of the company, the ordinary shareholders shall be entitled to be repaid remaining assets of the company, in the ratio of the amount of capital paid up on such ordinary shares.

(c) Details of shareholders holding more than 5% shares in the company

(₹ Crore)

	2014-15		2013-14	
	No. of Shares	% holding	No. of Shares	% holding
Ordinary Equity shares of ₹2 each fully paid up				
Mayuka Investment Limited	15,736,537	19.44%	14,736,537	18.21%
Sita Investment Company Limited	5,876,800	7.26%	5,876,800	7.26%
Ankita Pratisthan Limited	5,829,070	7.20%	5,829,070	7.20%
Dalmia Bharat Limited	14,829,764	18.32%	14,829,764	18.32%
Puneet Trading and Investment Co. Pvt. Ltd.	9,792,775	12.10%	-	-
Shri Yadu Hari Dalmia	-	-	4,541,880	5.61%

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

3. RESERVES AND SURPLUS

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
CAPITAL RESERVE		
Opening Balance as per last financial statements	2.44	1.76
Add: Addition during the year (Refer note no. 41)	1.63	0.68
Closing Balance	4.07	2.44
REVALUATION RESERVE		
Opening Balance as per last financial statements	4.33	4.52
Less: Amount adjusted against depreciation charged to retained earnings	0.58	0.19
Closing Balance	3.75	4.33
GENERAL RESERVE		
Opening Balance as per last financial statements	0.54	0.54
Add: Amount transferred from surplus balance in Statement of Profit & Loss	-	-
Closing Balance	0.54	0.54
RESERVE FUND AS PER RBI		
Opening Balance as per last financial statements	0.35	0.34
Add: Amount transferred from surplus balance in Consolidated Statement of Profit & Loss	0.01	0.01
Closing Balance	0.36	0.35
DEBENTURE REDEMPTION RESERVE		
Opening Balance as per last financial statements	25.00	21.87
Add: Amount transferred from surplus balance in the Consolidated Statement of Profit & Loss	-	3.13
Closing Balance	25.00	25.00
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
Balance as per last financial statements	413.40	413.49
Less: Depreciation on a account of change in useful lifes of assets as per Companies Act 2013	7.23	-
Deferred Tax relating to depreciation charged	(2.50)	-
Profit for the year	1.49	3.05
Less: Appropriations		
(i) Transfer to Debenture Redemption Reserve	-	3.13
(ii) Transfer to General Reserve	-	-
(iii) Transfer to Reserve Fund as per RBI	0.01	0.01
(iv) Proposed Dividend on Ordinary Shares	-	-
(v) Dividend Distribution Tax	-	-
Total Appropriations	0.01	3.14
Net Surplus in the Statement of Profit and Loss	410.15	413.40
Total Reserves and Surplus	443.87	446.06

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

4. LONG TERM BORROWINGS

(₹ Crore)

	As at March 31, 2015		As at March 31, 2014	
Secured				
A Redeemable Non-Convertible Debentures	66.67		100.00	
Less: Shown in Current Maturities of Long Term Borrowings	33.33	33.34	33.33	66.67
B Term Loans:				
i. From Banks	475.93		435.66	
Less: Shown in Current Maturities of Long Term Borrowings	64.00	411.93	10.00	425.66
ii. From Others	34.33		53.04	
Less: Shown in Current Maturities of Long Term Borrowings	18.73	15.60	18.71	34.33
		460.87		526.66

1) Debentures referred to in A above to the extent of:

10.42%, Series XII ₹ 66.67 crore (₹ 100 crore) are secured by mortgage and first charge on pari-passu basis on all the immovable and movable assets (both current and future) excluding current assets of the sugar units of the company at Jawaharpur and Nigohi, redeemable in three yearly equal installments of ₹ 33.33 crore commencing from September 30, 2014.

2) Term Loans from Banks referred to in B (i) above to the extent of :

- ₹ 180 crore (₹ 190 crore) is secured by subservient charge on entire fixed assets excluding vehicles of company's sugar units at Jawaharpur and Nigohi and subsequent charge on plant & machinery at Ramgarh Sugar unit. The same is repayable in five yearly unequal installments ranging from ₹ 10 crore to ₹ 60 crore each, commencing from December 2013, carrying interest @ Base rate + 1% (Presently 11.20%).
- ₹ 217.73 crore (₹ 167.46 crore) is secured by mortgage on immovable property being Land & Building, structure, plant & machinery of Shri Datta Sakhar Karkhana (unit Asurle Porle). The same is repayable in thirty unequal installments ranging from ₹ 4 crore to ₹ 5.50 crore each, commencing from March 2016, carrying interest @ Base rate + 1.5% (Presently 11.75%).
- ₹ 78.20 Crore (₹ 78.20 Crore), interest free loan (availed under "Scheme for Extending Financial Assistance to Sugar Undertaking 2014" of Govt of India) is secured by second charge on pari passu basis with SDF lenders and Allahabad Bank on entire fixed assets of the company's sugar units. The same is repayable in twelve quarterly equal installments commencing from June 2016.

3) Term Loan from others referred to in B (ii) above:

₹ 34.33 crore (₹ 54.04 crore) which consist of various loans and are secured by second exclusive charge on movable and immovable properties of the sugar units at Ramgarh, Jawaharpur and Nigohi. The same is repayable in unequal installments in the range of ₹ 1.33 crore to ₹ 20.08 crore per year till FY 2018-19 and carry interest in the range of 4% to 7.50%.

5. DEFERRED TAX

Deferred Tax Assets/ Liabilities are attributable to the following items:

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
LIABILITIES		
Depreciation*	108.99	95.16
	108.99	95.16
ASSETS		
Voluntary retirement expenses	0.23	0.19
Expenses allowable for tax purpose when paid	7.05	16.17
Unabsorbed depreciation	39.28	-
	46.56	16.36
Net	62.43	78.80

* Includes Rs 2.50 Cr (NIL) relating to depreciation adjusted against retained earnings. (Refer note no. 3)

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

6. OTHER LONG TERM LIABILITIES

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
Other Liabilities	1.90	6.36
	1.90	6.36

7. LONG TERM PROVISIONS

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits	4.60	2.39
	4.60	2.39

8. SHORT TERM BORROWINGS

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
SECURED		
Working Capital Loan from Banks	304.54	157.15
UNSECURED		
Short Term Loan from Related Parties	50.00	66.00
	354.54	223.15

- (i) Working capital Loan from Banks are secured by hypothecation of Inventories and other assets in favour of the participating banks ranking pari passu on inter-se-basis, repayable during next one year and carrying interest in the range of 10.50% to 11.25%.
- (ii) Short term Loans from Related Parties are repayable on demand and carry interest @ 10%.

9. TRADE PAYABLES

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
TRADE PAYABLES		
- Micro and Small Enterprises (to the extent information available)*	0.12	0.77
- Others	300.96	282.00
* Refer note no. 34	301.08	282.77

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

10. OTHER CURRENT LIABILITIES

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Current Maturities of Long Term Borrowings	116.06	62.05
Interest Accrued but not due on Borrowings	2.20	0.50
Interest Accrued and due on Borrowings	1.40	3.21
Advances from Customers	2.83	4.98
Security Deposits Received	0.72	0.74
Unclaimed Dividend *	0.91	1.67
Other Liabilities		
Excise Duty Payable on Closing Stock	26.44	20.13
Statutory Dues	1.78	2.49
Accrued salaries & benefits	2.58	2.07
Others	31.78	35.38
	186.70	133.22

* Amount payable to Investor Education and Protection Fund is NIL (₹ NIL)

11. SHORT TERM PROVISIONS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits	2.14	2.45
	2.14	2.45

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

Particulars	Tangible Assets							Intangible Assets			Total
	Land Freehold	Land Lease hold	Buildings	Plant and equipment	Furniture and Fixtures	Vehicles	Office equipment	Operating Rights	Computer Software		
Cost											
as at 1st April, 2013	55.65	0.58	130.41	876.66	6.55	2.17	3.82	-	0.22		1,076.06
Additions	4.03	-	9.16	170.20	0.54	1.52	0.35	3.58	-		189.38
Disposals	-	-	0.33	12.32	0.02	0.38	0.01	-	-		13.06
as at 31st March, 2014	59.68	0.58	139.24	1,034.54	7.07	3.31	4.16	3.58	0.22		1,252.38
Additions	11.52	-	14.76	10.56	0.49	0.06	0.45	0.16	0.20		38.21
Disposals	0.00	-	-	0.93	0.00	0.03	0.03	0.13	-		1.12
as at 31st March, 2015	71.20	0.58	154.00	1,044.17	7.56	3.34	4.58	3.61	0.42		1,289.47
Depreciation											
as at 1st April, 2013	-	0.12	29.88	403.62	3.89	0.98	2.02	-	0.08		440.60
Charge for the year @	0.01	-	3.11	45.36	0.31	0.24	0.38	0.04	0.04		49.49
Disposals	-	-	-	4.89	0.02	0.21	0.01	-	-		5.13
as at 31st March, 2014	0.01	0.12	32.99	444.09	4.18	1.01	2.39	0.04	0.12		484.96
Charge for the year @	-	0.01	8.53	40.51	0.80	0.35	0.60	0.35	0.05		51.20
Disposals	-	-	-	0.11	-	0.01	0.02	-	-		0.14
Charged to opening reserves	-	-	5.43	1.15	0.05	-	0.59	-	-		7.23
as at 31st March, 2015	0.01	0.13	46.95	485.64	5.03	1.35	3.56	0.39	0.17		543.25
Net Block											
as at 31st March, 2014	59.67	0.46	106.25	590.45	2.89	2.30	1.77	3.54	0.10		767.42
as at 31st March, 2015	71.19	0.45	107.05	558.53	2.53	1.99	1.02	3.22	0.25		746.22
Capital Work in Progress*											
as at 31st March, 2014											13.64
as at 31st March, 2015											27.78

@ includes depreciation charged to opening revaluation reserves ₹ 0.59 Cr (NIL) and capitalised during the year ₹ 0.03 Cr (NIL)

* Includes preoperative expenditure pending capitalisation of ₹ 7.77 Cr (NIL)

(Refer Note No. 39)

12. FIXED ASSETS

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

13. NON-CURRENT INVESTMENTS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
UNQUOTED		
Shares of Co-operative Societies (Unquoted)		
DMC Employees Co-op Stores Limited	((2500))	((2500))
Government or Trust Securities (Unquoted)		
National Saving Certificates	((2000))	((23000))
Equity Shares		
942567 (942567) Equity shares of ₹ 2 each fully paid up in Dalmia Bharat Limited	9.90	9.90
203,655 (203,655) equity shares of ₹ 10 each, fully paid up of Poddar Pigments Limited	0.67	0.67
Mutual Funds		
Quoted - Debt Based Scheme	5.40	5.40
	15.97	15.97
Quoted Investments :		
Book Value	10.57	10.57
Aggregate Market Value	42.53	24.73
Book Value of Unquoted Investments	((4500))	((25500))

14. LONG TERM LOANS AND ADVANCES (CONSIDERED GOOD UNLESS OTHERWISE STATED)

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Capital Advances	4.74	1.22
Security Deposits	0.68	0.89
Loans and Advances to		
Employees		
Unsecured	0.11	0.20
Others	25.78	26.06
Advances recoverable in cash or in kind or for value to be received	1.58	1.74
Advance Income tax (net of provisions of ₹ 10.37 crore (₹ 15.12 crore))	12.59	33.32
MAT Credit entitlement	36.24	48.82
Others (Considered doubtful)	1.30	1.50
Less : Set off with provision for doubtful debts/ advances	1.29	0.01
	81.73	112.25

15. OTHER NON-CURRENT ASSETS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Fixed Deposits with Banks (with original maturity of more than 12 months)	0.78	0.54
Others	2.82	1.75
	3.60	2.29

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

16. CURRENT INVESTMENTS

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
UNITS OF MUTUAL FUNDS (QUOTED)		
Debt Based Schemes	68.32	63.48
Total	68.32	63.48
Quoted :		
Book Value	68.32	63.48
Market Value	70.84	64.05

17. INVENTORIES

(Mode of valuation - Refer Note No. 1(M) on Inventories)

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
Raw Materials		
On hand	7.45	12.24
Work in Progress	11.82	16.09
Finished Goods	658.60	580.13
Stores, Spares etc		
On hand	23.68	20.57
In transit	1.79	0.09
Loose tools	0.14	0.19
	703.48	629.31

18. TRADE RECEIVABLES

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
A) RECEIVABLES OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS		
Considered good		
Unsecured	2.02	2.14
Considered doubtful	-	0.02
Less: Provision for Bad and Doubtful receivables	-	0.02
B) OTHER RECEIVABLES		
Considered good		
Secured		
Unsecured	75.38	16.04
	77.40	18.18

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

19. CASH AND CASH EQUIVALENTS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Cash on Hand	0.60	0.54
Cheques in Hand	4.93	8.61
Balances with Banks :		
- On Current accounts	16.05	16.78
- On Cash Credit accounts	0.93	5.88
- Deposits with Original maturity of less than 3 months	10.06	12.16
- Unpaid Dividend Account	0.91	1.67
- Deposits with original Maturity of more than 3 months but less than 12 months	1.34	2.10
	34.82	47.74

20. SHORT TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD UNLESS OTHERWISE STATED)

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Loans and Advances to Employees	0.18	0.12
Advances recoverable in cash or in kind or for value to be received	43.77	18.19
Deposit and Balances with Government Departments and Other Authorities	6.56	13.33
Others (Considered doubtful)	0.02	0.07
Less: Provision for Doubtful Loans and advances	0.02	0.07
	50.51	31.64

21. OTHER CURRENT ASSETS

(₹ Crore)

	As at March 31, 2015	As at March 31, 2014
Interest Receivable	7.71	1.11
Unbilled Revenue	16.08	13.27
Others	0.70	1.75
	24.49	16.13

22. REVENUE FROM OPERATIONS (GROSS)

(₹ Crore)

	2014-15	2013-14
Sales of Products		
Sugar and Molasses Sales	889.58	1,019.02
Power Sales	150.53	108.37
Refractory Products Sales	21.30	24.01
Other Sales	99.75	75.95
	1161.16	1227.35
Sales of Services	2.41	2.32
Other Operating Revenue	26.23	5.45
	1189.80	1235.12

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

23. OTHER INCOME

	(₹ Crore)	
	2014-15	2013-14
Dividend income		
from non current Investments	0.23	0.24
Interest Income from Bank deposits and others	1.99	0.90
Interest on Income Tax refund	4.15	1.05
Profit on sale of Current Investments	5.18	7.11
Less: Loss on sale of Current Investments	-	-
Profit on sale of Fixed Assets	-	0.08
Gain on Foreign Exchange Fluctuation	0.02	0.70
Miscellaneous Receipts	4.43	9.67
	16.00	19.75

24. CONSUMPTION OF RAW MATERIALS

	(₹ Crore)	
	2014-15	2013-14
Sugar Cane	889.87	815.21
Raw Magnesite	4.28	3.31
Others	7.34	6.17
	901.49	824.69
Less: Raw material cost capitalised	2.05	-
	899.44	824.69

25. (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS

	(₹ Crore)	
	2014-15	2013-14
Finished Goods		
- Closing stock	658.60	580.13
- Opening stock	580.13	670.80
	(78.47)	90.67
Work-in-Process		
- Closing stock	11.82	16.08
- Opening stock	16.08	11.55
	4.26	(4.53)
	(74.21)	86.14
Less: Capitalised	(1.80)	-
	(72.41)	86.14

26. EMPLOYEE BENEFIT EXPENSES

	(₹ Crore)	
	2014-15	2013-14
Salaries, Wages and Bonus	66.05	58.03
Contribution to Provident Fund and Other Funds	5.96	4.63
Workmen and Staff Welfare expenses	2.91	3.28
	74.92	65.94
Less: Employee expenses Capitalised	0.27	0.78
	74.65	65.16

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

27. OTHER EXPENSES

	(₹ Crore)	
	2014-15	2013-14
Power and Fuel	32.48	12.96
Packing Materials	12.98	13.95
Consumption of Stores and Spares Parts (after allocating ₹ 24.22 crore (₹ 32.65 crore) to other accounts)	13.04	9.84
Excise duty variation on opening/closing stock	6.42	(3.86)
Repairs and Maintenance :		
- Plant & Machinery	23.42	25.10
- Buildings	2.37	2.87
- Others	1.49	1.35
Rent	0.75	0.52
Rates and Taxes	1.28	1.18
Insurance	1.10	0.98
Travelling	0.79	1.43
Advertisement and Publicity	0.16	0.17
Freight and Forwarding Charges	0.04	0.75
Cane Development Expenses	4.26	2.90
Management Service Charges	10.63	9.43
Selling Expenses	0.10	0.01
Commission paid to Other Selling Agents	1.16	1.46
Rebates, Discount and Allowances	0.02	1.05
Director's Sitting Fees	0.20	0.07
Charity and Donation	0.49	0.12
Assets written off / Loss on sale of Fixed Assets	0.25	3.45
Provision for Doubtful Debts	0.19	0.27
Provision for diminution in value of Inventory	0.01	0.59
CSR Expenses	0.45	0.11
Miscellaneous Expenses	28.41	27.06
	142.49	113.76
Less: Expenses Capitalised	7.00	6.05
	135.49	107.71

28. FINANCE COSTS

	(₹ Crore)	
	2014-15	2013-14
Interest		
- On Term loans and Debentures	64.40	63.36
- On Borrowing from Banks	4.06	6.42
- Others	9.55	11.13
	78.01	80.91
Less: Interest cost Capitalised	-	5.27
	78.01	75.64

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

29. EARNING PER SHARE

	2014-15	2013-14
Net profit for calculation of basic and diluted EPS (₹ Crores)	1.49	3.05
Total number of equity shares outstanding at the end of the year	80939303	80939303
Weighted average number of equity shares in calculating basic and diluted EPS	80939303	80939303
Basic and Diluted EPS (₹)	0.18	0.38

30. THE GROUP COMPRISES OF THE FOLLOWING ENTITIES:

The subsidiaries, associates and joint ventures considered in the Consolidated Financial Statements are:

Name of the Company	Country of incorporation	Percentage of Ownership held as at March 31, 2015	Percentage of Ownership held as at March 31, 2014
Subsidiaries			
Himshikhar Investment Limited (HIL)	India	100%	100%
Dalmia Solar Power Limited (DSPL)	India	100%	100%
Dalmia Sugar Ventures Limited (DSVL)	India	100%	100%

31. CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF:

S. No.	Particulars	2014-15	2013-14
		(₹ Crore)	
a)	Claims against the Company not acknowledged as debts	0.51	0.51
b)	Demand raised by Income tax authorities under dispute	7.44	56.62
c)	Demand raised by custom, excise, entry tax, service tax and sales tax authorities under dispute	76.15	53.25
d)	Other money for which the Company is contingently liable	0.15	0.15
e)	Guarantee issued by the Company's banker on behalf of the company	13.54	2.98
i)	The Company assesses its obligation arising in the normal course of business including pending litigations, proceedings with tax authorities and other contracts including derivative & long-term contracts. A provision for material foreseeable losses is recognised in accordance with the applicable accounting standards. Disclosure of contingent liabilities is made as applicable.		
ii)	Based on favourable decisions in similar cases, legal opinion taken by the Company, discussions with the solicitors etc, the Company believes that there is a fair chance of favourable decisions in respect of the items listed above and hence no provision is considered necessary against the same.		

32. CAPITAL AND OTHER COMMITMENTS:

Particulars	2014-15	2013-14
	(₹ Crore)	
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	46.42	0.58
Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	-	3.92

33. REMUNERATION PAID TO AUDITORS (INCLUDED IN MISCELLANEOUS EXPENSES) :

Particulars	2014-15	2013-14
	(₹ Crore)	
a) Statutory Auditor		
i) Audit Fee	0.08	0.08
ii) For Tax Audit and Other services	0.05	0.05
iii) For Expenses	0.05	0.04
b) Cost Auditor		
i) Audit Fee	0.02	0.04

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

34. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006 TO THE EXTENT OF INFORMATION AVAILABLE WITH THE COMPANY:

Particulars	(₹ Crore)	
	2014-15	2013-14
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	0.12	0.77
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-
Total	0.12	0.77

35. In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

36. OPERATING LEASE

Assets taken on Lease

Office premises are taken on operating lease. There is no escalation clause in the lease agreement.

Particulars	(₹ Crore)	
	2014-15	2013-14
Lease payments for the year	0.75	0.52
Total	0.75	0.52

There are no non-cancellable operating leases.

37. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS:

Gratuity

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the plan.

Statement of Profit and Loss

Net employee benefit expense (recognised in Employee Benefit Expenses)

Particulars	(₹ Crore)	
	2014-15	2014-15
Current Service Cost	1.38	1.24
Interest Cost	1.19	1.13
Expected return on plan assets	(1.35)	(1.39)
Net Actuarial (Gain)/ Loss	0.57	0.14
Past Service cost	-	-
Total Expense	1.80	1.12
Actual return on plan assets	1.33	1.28

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

Consolidated Balance Sheet

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Present value of obligation as at year-end	17.22	14.91
Fair value of plan assets as at year-end	15.78	15.23
Less : Unrecognised past service cost	-	-
Funded status ((Surplus/(Deficit))	(1.44)	0.31
Net Asset/(Liability) as at year end	(1.44)	0.31

Changes in the Present Value of the Defined Benefit Obligation are as follows:

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Opening defined benefit obligation	14.92	14.08
Interest cost	1.19	1.13
Current service cost	1.38	1.24
Benefits paid out of funds	(0.83)	(1.56)
Actuarial (gains)/ losses on obligation	0.56	0.03
Closing defined benefit obligation	17.22	14.92

Changes in the Fair Value of Plan Assets are as follows:

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Opening fair value of plan assets	15.23	14.81
Expected return	1.35	1.39
Contribution by employer	0.05	0.70
Benefits paid	(0.83)	(1.56)
Actuarial gains/ (losses) on obligation	(0.01)	(0.12)
Closing fair value of plan assets	15.78	15.23

The Company expects to contribute ₹ 1.50 Crore (Nil) to gratuity in 2015-16

The Major Categories of Plan Assets as a Percentage of the Fair Value of Total Plan Assets are as follows:

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Qualifying Insurance Policy	100%	99%
Bank Balance	-	1%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

The Principal Assumptions used in determining Gratuity for the Company's plans are shown below:

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Discount Rate	7.75%	8.00%
Expected rate of return on assets	9.00%	8.85%
Mortality Table	LIC (2006-08)	LIC (1994-96)
Salary Escalation	7.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the Current and previous four years in respect of Gratuity are as follows:

Particulars	Gratuity				
	2014-15	2013-14	2012-13	2011-12	2010-11
Defined benefit obligation	17.22	14.92	14.08	12.66	10.84
Plan assets	15.78	15.23	14.81	13.49	12.33
Surplus/ (deficit)	(1.44)	0.31	0.73	0.83	1.49
Experience adjustment on plan assets	(0.01)	(0.12)	0.15	0.04	(0.40)
Experience adjustment on plan liabilities	(0.56)	(0.03)	0.11	(0.28)	(11.69)

Provident and Other Funds

Contribution to Defined Contribution Plans:

Particulars	Contribution	
	2014-15	2013-14
Pension Fund/Superannuation funds/ESI/PF	4.08	3.54

Provident Fund

The Guidance note issued by Accounting Standard Board (ASB) on implementing AS 15, Employee Benefit (Revised 2005) states that provident funds set up by the employers, which require interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The fund does not have any existing deficit or interest shortfall.

38. SEGMENT INFORMATION

Primary Segment: Business Segment

The Company's operating businesses are organized and managed separately according to the nature of products manufactured and services provided. The identified reportable segments are Own Manufactured Sugar, Power and Others.

The "Own Manufactured Sugar Segment" includes manufacture and marketing of Sugar.

The "Power Segment" includes generation and sale of Power. Power is also used for captive consumption by the Company.

The 'Others' segment' includes Magnesite, Distillery, Travel, and Electronics activities of the Company.

The company caters mainly to the needs of the domestic market. The export turnover is not significant in the context of total turnover. As such there are no reportable Geographical Segments.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

Segment Information

The following table presents segment revenues, results, assets & liabilities in accordance with AS-17 as on March 31, 2015:

(₹ Crore)

Segment	Sugar	Power	Others	Total
Particulars				
Revenue				
Gross Revenue	1,040.92	277.58	128.65	1,447.15
	(1,139.52)	(210.12)	(107.27)	(1,456.91)
Less: Inter/ Intra Segment Revenue	137.82	119.53	-	257.35
	(120.50)	(99.55)	(1.74)	(221.79)
Less: Excise Duty	33.56	-	6.19	39.75
	(40.35)	-	(3.27)	(43.62)
Net Revenue	869.54	158.05	122.46	1,150.05
	(978.67)	(110.57)	(102.26)	(1,191.50)
Results				
Segment result	(70.17)	120.36	28.11	78.30
	(-57.30)	(66.25)	(69.30)	(78.25)
Less: Finance Cost				78.01
				(75.64)
Less: Exceptional Items				-
				-
Profit before tax				0.29
				(2.61)
Tax expenses				(1.20)
				(0.44)
Profit after tax				1.49
				(3.05)
Assets	1,216.35	352.52	99.65	1,668.52
	(1,122.61)	(316.72)	(102.13)	(1,541.46)
Non Segments Assets				165.80
				(176.59)
Total Assets				1,834.32
				(1,718.05)
Liabilities	677.05	1.23	6.59	684.87
	(510.80)	(2.86)	(8.64)	(522.30)
Non Segments liabilities				689.39
				(733.50)
Total Liabilities				1,374.26
				(1,255.80)
Depreciation	24.41	21.30	4.87	50.58
	(24.57)	(20.44)	(4.48)	(49.49)
Capital Expenditure	32.17	3.89	2.15	38.21
	(72.61)	(116.09)	(0.68)	(189.38)

Note: Revenue in respect of captive power consumption produced from co-generation plant has been arrived at based on the rates at which the same would have been purchased from State Electricity Board.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

39. The Company had incurred some expenditure related to acquisition/construction of fixed assets and therefore accounted for the same under Capital work in progress. Details of the expenses capitalised and carried forward as capital work in progress are given below:

PARENT GROUP

Particulars	(₹ Crore)	
	2014-15	2013-14
Carried forward as part of Capital Work in Progress (A)	-	0.52
Expenditure incurred during the year		
Personnel Expenses		
Salary and Wages	0.27	0.78
Operating and Other Expenses		
Cost of material including change in Produced goods stock	0.25	-
Power & Fuel	0.42	-
Packing	0.02	-
Stores & Spares	0.04	-
Repair and Maintenance	2.85	-
Depreciation and amortisation	0.03	-
Finance Cost	-	5.27
Consultancy Charges	0.33	2.33
Miscellaneous Expenses	3.34	1.96
Expenditure incurred during Trial Run	-	1.75
Total Expenditure incurred during the year (B)	7.55	12.09
Total Pre-operative Expenditure (A + B)	7.55	12.61
Less : Revenue during Trial Run	-	0.54
Less : Capitalised as Fixed Assets	-	12.07
Carried forward as part of Capital Work in Progress	7.55	-

SUBSIDIARIES

Particulars	(₹ Crore)	
	2014-15	2013-14
Carried forward as part of Capital Work in Progress		
Expenditure incurred during the year	0.20	0.38
Other Expenses		
Miscellaneous Expenses	0.02	0.02
Grand Total	0.22	0.40
Less: Charged in Profit & Loss Account	-	0.20
Carried forward as part of Capital Work in Progress	0.22	0.20

40. For the Season 2014-15, the Government of Uttar Pradesh has announced certain financial assistance including ₹ 28.60 (per quintal of cane) linked to average selling price of sugar and its by products during 1st October, 2014 to 31st May, 2015.

Based on the prevailing selling price, the Company has accounted for financial assistance of ₹ 18.48 Crore @ 8.60 (per quintal of cane) (P.Y. ₹ Nil) for the year.

41. The company has acquired immovable and movable properties of "Ninaidevi Sahakari Sakhar Karkhana Ltd.", Valued by the valuer at ₹ 28.46 Crores, having a capacity of 1750 TCD, under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, on payment of consideration of ₹ 24.30 Crores. Besides this outstanding liabilities of ₹ 2.53 crores was also taken over and incorporated in the books of accounts and classified under current & non-current liabilities based upon the nature. Correspondingly amount of ₹ 1.63 Crores has been transferred to capital reserve.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

42. Related Party Disclosure as required by Accounting Standard-18.

a) List of related parties along with nature and volume of transactions is given below:

Key Management Personnel of the Company

Shri Jai Hari Dalmia– Vice-Chairman, Shri Yadu Hari Dalmia – Vice-Chairman (till 31-10-2013), Shri Gautam Dalmia - Managing Director, Shri Puneet Yadu Dalmia – Managing Director (till 31-10-2013).

Relatives of Key Management Personnel

Shri V.H. Dalmia (Brother of Vice-Chairman), Shri J. H. Dalmia (HUF), Smt. Kavita Dalmia (Wife of Vice- Chairman) Shri Y. H. Dalmia (HUF), Smt. Bela Dalmia (Wife of Vice-Chairman), Shri Gautam Dalmia (HUF), Smt. Anupama Dalmia (Wife of Managing Director), Smt. Avantika Dalmia (Wife of Managing Director), Kumari Shrutipriya Dalmia (Daughter of Vice-Chairman), Kumari Sukeshi Dalmia (Daughter of Managing Director), Kumari Vaidehi Dalmia (Daughter of Managing Director), Kumari Sumana Dalmia (Daughter of Managing Director), Kumari Avanee Dalmia (Daughter of Managing Director), Mst. Priyang Dalmia (Son of Managing Director) Shri M. H. Dalmia (Brother of Vice-Chairman) and Smt. Abha Dalmia (Wife of Brother of Vice-Chairman).

Enterprises controlled by the Key Management Personnel of the Company

Rama Investment Company Private Limited, Puneet Trading & Investment Company Private Limited, Kavita Trading & Investment Company Private Limited, Sita Investment Company Limited, Mayuka Investment Limited, Ankita Pratisthan Limited, Himgiri Commercial Limited, Valley Agro Industries Limited, Dalmia Refractories Limited (formerly known as Shri Nataraj Ceramic and Chemical Industries Limited, Shri Chamundeswari Minerals Limited, Shree Nirman Limited, Keshav Power Limited, Avanee and Ashni Securities Private Limited, ZipAhead.Com Limited, Alirox Abrasives Limited, Shri Investments, Sukeshi Trust, Vaidehi Trust, Sumana Trust, Shrutipriya Dalmia Trust, Priyang Trust, Avanee Trust, New Habitat Housing Finance and Development Limited, Dalmia Bharat Limited, Dalmia Power Limited, Kanika Investment Limited, Arjuna Brokers & Minerals Limited, Dalmia Cement Ventures Limited (amalgamated into Dalmia Cement Bharat Ltd w.e.f. 9-12-2013), D.I. Properties Limited, Dalmia Minerals & Properties Limited, Geetee Estates Limited, Hemshila Properties Limited, Ishita Properties Limited, ShriRadha Krishna Brokers & Holdings Limited, Shri Rangam Properties Limited, Sri Dhandauthapani Mines and Minerals Limited, Sri Madhusudana Mines and Properties Limited, Sri Shanmugha Mines & Minerals Limited, Sri Subramanya Mines & Minerals Limited, Sri Swaminatha Mines & Minerals Limited, Sri Trivikrama Mines and Properties Limited, Adhunik Cement Limited, Calcom Cement India Limited, Adhunik MSP Cement (Assam) Limited, Vinay Cements Limited, RCL Cements Limited, SCL Cements Limited, Golden Hills Resort Private Limited, Rajputana Properties Private Limited, Cosmos Cements Limited, Sutnga Mines Private Limited, DCB Power Ventures Limited, OCL India Limited and Dalmia Cement (Bharat) Limited, Dalmia Bharat Cements Holdings Limited, Shri Rangam Securities & Holdings Limited, Khappa Coal Co. Pvt. Ltd., YHD Trusteeship Services Pvt. Limited, Shri Yadu Hari Trusteeship Services Pvt. Ltd., Vastalaya Developers Pvt. Limited, Yadu Hari Dalmia Parivar Trust, Respect Elders & Co., Love Children & Co., Respect Nature & Society, Shri Brahma Creation Trust, Shri Vishnu Preservation Trust, Shubh Homes Realtors LLP.

b) The following transactions were carried out with the related parties in the ordinary course of business:

			(₹ Crore)
Nature of Transaction	Key Management Personnel	Key Management Personnel controlled enterprises	Total
Sale of goods and services	-	7.88	7.88
	-	(7.64)	(7.64)
Reimbursement of expenses – receivable	-	0.16	0.16
	-	(0.08)	(0.08)
Reimbursement of expenses – payable	-	0.32	0.32
	-	(0.29)	(0.29)
Purchase of goods and services	-	12.57	12.57
	-	(11.03)	(11.03)
Rent payment	-	-	-
	-	(0.01)	(0.01)
Loans Taken	-	-	-
	-	(90.50)	(90.50)
Loans Repaid	-	16.00	16.00
	-	(88.50)	(88.50)

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

(₹ Crore)

Nature of Transaction	Key Management Personnel	Key Management Personnel controlled enterprises	Total
Sale of Assets	-	-	-
	-	(0.12)	(0.12)
Receipt of fund on their behalf and transfer	-	0.07	0.07
	-	(0.06)	(0.06)
Interest paid on Loans	-	5.35	5.35
	-	(10.32)	(10.32)
Salary and Perquisites	0.59	-	0.59
	(1.59)	-	(1.59)
Dividend Received	-	0.19	0.19
	-	(0.19)	(0.19)
Dividend Paid	-	-	-
	-	(0.37)	(0.37)

- Sale of goods and services includes transaction with Dalmia Cement (Bharat) Limited ₹ 0.84 Crore (₹ 2.15 Crore), OCL India Limited ₹ Crore 0.82 (₹ 0.29 Crore), Dalmia Bharat Limited ₹ 3.85 Crore (₹ 3.64 Crore), Adhunik Cement Limited ₹ 1.31 Crore (₹ 0.88), Dalmia Refectories Limited ₹ 0.30 Crore, Calcom Cement Limited ₹ 0.40 Crore and Dalmia Cement East Limited ₹ 0.36 Crore.
- Reimbursement of expenses – receivable includes transaction with Dalmia Bharat Limited ₹ 0.16 Crore (₹ 0.04 Crore) and Dalmia Cement (Bharat) Limited ₹ Nil (₹ 0.04 Crore).
- Reimbursement of expenses – payable includes transaction with Dalmia Bharat Limited ₹ 0.32 Crore (₹ 0.22), Dalmia Cement (Bharat) Limited ₹ Nil (₹ 0.02 Crore) and DCB Power Ventures Limited ₹ Nil (₹ 0.05).
- Purchase of goods & services includes transaction with Dalmia Bharat Limited ₹ 10.69 Crore (₹ 9.58 Crore), Dalmia Cement (Bharat) Limited ₹ 1.86 Crore (₹ 1.40 Crore) and Dalmia Refectories Limited ₹ 0.02 Crore.
- Rent payment includes transaction with Ishita Properties Limited ₹ Nil Crore (₹ 0.01 Crore).
- Loans taken includes transaction with Dalmia Bharat Limited ₹ Nil (₹ 75.50 Crore) and DCB Power Ventures Limited ₹ Nil (₹ 15.00 Crore).
- Loans repaid includes transaction with Dalmia Bharat Limited ₹ 16 Crore (₹ 70.50 Crore) and DCB Power Ventures Limited ₹ Nil (₹ 18.00 Crore).
- Sale of fixed assets includes transaction with Dalmia Cement (Bharat) Limited ₹ Nil (₹ 0.09) and Dalmia Bharat Limited ₹ Nil Crore (₹ 0.03 Crore).
- Receipt of fund on their behalf and transfer includes transaction with Dalmia Bharat Limited ₹ 0.07 Crore (₹ 0.06 Crore).
- Interest paid on loans includes transaction with Dalmia Bharat Limited ₹ 3.75 Crore (₹ 7.82 Crore) and DCB Power Ventures Limited ₹ 1.60 Crore (₹ 2.50 Crore).
- Salary and perquisites includes transaction with Shri J. H. Dalmia ₹0.52 Crore (₹ 0.39 Crore), Shri Y. H. Dalmia ₹ Nil (₹ 1.11 Crore), Shri Gautam Dalmia ₹ 0.07 (₹ 0.04 Crore) and Shri Puneet Yadu Dalmia ₹ Nil (₹ 0.05 Crore).
- Dividend received represent dividend from Dalmia Bharat Limited ₹ 0.19 Crore (₹ 0.19 Crore).
- Dividend paid represent dividend paid to Dalmia Bharat Limited ₹ Nil (₹ 0.37).

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

c) Balances Outstanding at Year End:

			(₹ Crore)
Nature of Transaction	Key Management Personnel / Promoters	Key Management Personnel / Promoter controlled enterprises	Total
Loans Payable	-	50.00	50.00
	-	(66.00)	(66.00)
Interest Payable	-	0.23	0.23
	-	(1.81)	(1.81)
Amounts receivable	-	0.63	0.63
	-	(0.15)	(0.15)
Amounts payable	-	0.50	0.50
	-	(2.34)	(2.34)

- Loans payable includes Dalmia Bharat Limited ₹ 34.00 Crore (₹ 50.00 Crore) and DCB Power Ventures Limited ₹ 16.00 Crore (₹ 16.00 Crore).
- Interest payable includes Dalmia Bharat Limited ₹ Nil (₹ 1.44 Crore) and DCB Power Ventures Limited ₹ 0.23 Crore (₹ 0.37 Crore).
- Amount receivable includes Dalmia Cement (Bharat) Limited ₹ 0.19 Crore (₹ 0.15 Crore), Dalmia Bharat Limited 0.19 Crore (₹ Nil), Dalmia Refectories Limited ₹ 0.03 Crore (₹ Nil), Calcom Cement Limited ₹ 0.09 Crore (₹ Nil), Adhunik Cement Limited ₹ 0.09 Crore (₹ Nil) and Dalmia Cement East Limited ₹ 0.04 Crore (₹ Nil)
- Amount payable includes Dalmia Cement (Bharat) Limited ₹ Nil (₹ 0.01 Crore), Dalmia Bharat Limited ₹ 0.50 Crore (₹ 2.27 Crore) and DCB Power Ventures Limited ₹ Nil Crore (₹ 0.06 Crore).

43 Disclosure required under Section 186 (4) of the Companies Act 2013

- Particulars of Loans given: NIL
- Particulars of Guarantee given: NIL
- Particulars of Investments made:

							(₹ Crore)
Sr. No	Name of the Loanee	Opening Balance	Investment made	Investment redeemed	Outstanding Balance	Purpose	
1	Dalmia Bharat Limited	9.90	-	-	9.90	Long term Investment	

- Particulars of Security Deposit: NIL

44. FOREIGN CURRENCY EXPOSURES

“The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:

Particulars	Foreign Currency (FC)	Amount in FC	Amount in ₹
Amount Receivable			
a) Trade Receivables	\$	8,500 (NIL)	525,300 (NIL)
b) EEFC A/c	\$	787,724 (698,523)	48,366,274 (41,548,171)
	£	76,475 (NIL)	5,043,526 (NIL)

There is no hedged foreign currency exposure.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2015

45. Figures less than ₹ Fifty thousand which are required to be shown separately have been shown at actual in double brackets.
46. In the opinion of the Management there is no reduction in the value of any assets, hence no provisions is required in terms of Accounting Standard AS 28 "Impairment of Assets".
47. There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Accounting Standard (AS)-29 'Provisions, Contingent Liabilities & Contingent Assets.
48. Due to adoption of depreciation rates on the basis of useful life as prescribed under Schedule II of the Companies Act' 2013, depreciation charged for the year is higher by Rs 1.58 Cr. as compared to the depreciation rates charged during previous year. Further, written down value of fixed assets whose lives have expired as at 1st April, 2014 amounting to ₹4.73 Cr. have been adjusted net of tax, from retained earnings in accordance with provisions of schedule II to the Companies Act, 2013.

49. PREVIOUS YEAR COMPARATIVES

Figures in brackets pertain to previous year. Previous year's figures have been regrouped where necessary to conform to this year's classification.

As per our report of even date

For **S.S. Kothari Mehta & Co.**
Chartered Accountants

per **Arun K. Tulsian**
Partner
Membership No.: 89907

K V Mohan
Company Secretary

Anil Kataria
Chief Finance Officer

For and on behalf of the Board of Directors of
Dalmia Bharat Sugar and Industries Limited

Director Managing Director

Place : New Delhi
Date : May 14, 2015

Cash Flow Statement

for the year ended March 31, 2015

	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and exceptional items	0.29	2.61
Adjustments		
Depreciation / Amortization	50.58	49.30
Provision for doubtful debts/ advances	0.19	0.27
Provision for diminution in value of Inventory	0.01	0.59
Bad Debts/ Advances written off	-	0.20
Dividend Income	(0.23)	(0.24)
Finance Cost	78.01	75.64
Interest Income	(6.14)	(1.95)
(Profit)/Loss on sale of Investments	(5.18)	(7.11)
(Profit)/Loss on sale of Fixed Assets and Assets written off	0.25	3.17
Operating Profit before working Capital Changes	117.78	122.48
Adjustments for working Capital changes :		
Inventories	(74.18)	90.07
Trade and Other Payables	15.32	24.81
Trade and Other Receivables	(90.94)	30.27
Cash Generated from Operations	(32.02)	267.43
Direct Taxes (Paid)/Refund	20.64	(1.02)
Net Cash from Operating activities	(11.38)	266.41
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed Assets(including Capital Reserve)	(50.32)	(180.19)
Proceeds from sale of Fixed Assets	0.37	4.74
(Purchase)/ Sale of Current Investments (net)	0.34	(12.40)
(Purchase)/ Sale of Non Current Investments (net)	-	2.08
Interest Received	6.58	1.05
Dividend Received from Current Investments	0.23	0.24
Dividend Received from Non Current Investments	-	-
Net Cash used in Investing Activities	(42.80)	(184.48)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (repayment) of Short term Borrowings	131.40	(188.92)
(Repayment) of Long term Borrowings	(11.78)	214.98
Finance Cost	(78.12)	(84.13)
Dividend Paid	-	(2.33)
Corporate Dividend tax paid	-	(0.34)
Net cash from / (used in) financing activities	41.50	(60.74)
Net increase in cash and cash equivalents (A+B+C)	(12.68)	21.19
Cash and cash equivalents (Opening Balance)	48.28	27.09
Cash and cash equivalents (Closing Balance)*	35.60	48.28
Change in Cash & Cash Equivalents	(12.68)	21.19

* includes Fixed deposit with banks shown under Other Non Current Assets ₹ 0.78 Cr (₹ 0.54 Cr)

Cash Flow Statement

for the year ended March 31, 2015

Components of Cash & Cash Equivalents	(₹ Crore)	
	As at March 31, 2015	As at March 31, 2014
Cash in Hand	0.60	0.54
Cheques in Hand	4.93	8.61
Balances with Banks		
Current/CC Accounts	16.98	22.66
Unpaid Dividend Accounts	0.91	1.67
Deposits Accounts	11.40	14.26
Fixed Deposit with Banks	0.78	0.54
Net Cash & Cash Equivalents	35.60	48.28

Note:

- 1) Cash & cash equivalents components are as per Note 19 & 15.
- 2) Previous year figures have been regrouped/restated wherever considered necessary

As per our report of even date

For S.S. Kothari Mehta & Co.
Chartered Accountants

per **Arun K. Tulsian**
Partner
Membership No.: 89907

K V Mohan
Company Secretary

Anil Kataria
Chief Finance Officer

Director

Managing Director

For and on behalf of the Board of Directors of
Dalmia Bharat Sugar and Industries Limited

Place : New Delhi
Date : May 14, 2015

Annexure Forming Part of the Directors' Report

ANNEXURE – 1

WORKING RESULTS

	FY – 15	FY – 14	FY – 13
SUGAR DIVISION ('000 MT)			
Cane Crushed	3093	2783	2792
Sugar Production	338	292	277
Sugar Sales	287	319	244
Molasses Production	147	143	145
MAGNESITE DIVISION ('000 MT)			
Refractory Products production	17	15	12
Refractory Products Sales and Self Consumption	15	17	17
ELECTRONICS DIVISION ('000 nos.)			
Chip Capacitors Production	110	146	260
Chip Capacitors Sales	110	146	260
Chip Resistors Production	-	-	-
Chip Resistors Sales	-	-	-
WIND FARM			
Installed Capacity (MW)	16.5	16.5	16.5
Production (Million Units)	25	29	32
Plant Load Factor	17.2%	19.8%	21.9%
GOVAN TRAVELS			
Business Handled (₹ crores)	23.1	24.7	27.5
CO-GENERATION			
Installed Capacity (MW)	102	94	79
Production (Million Units)	417	354	364

ANNEXURE – 2

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹'s Crore)

1	SL. No.	1	2	3
2	Name of the subsidiary	HIMSHIKHAR INVESTMENT LIMITED	DALMIA SUGAR VENTURES LIMITED	DALMIA SOLAR POWER LIMITED
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company (31 March of every year)	Same as Holding Company (31 March of every year)	Same as Holding Company (31 March of every year)
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable
5	Share capital	0.45	0.05	0.05
6	Reserves & surplus	5.70	(0.05)	(0.08)
7	Total assets	6.16	0.01	0.32
8	Total Liabilities	0.01	0.01	0.35
9	Investments	6.07	Nil	Nil
10	Turnover	0.05	Nil	Nil
11	Profit before taxation	0.04	0.00	0.00
12	Provision for taxation	Nil	Nil	Nil
13	Profit after taxation	0.04	0.00	0.00
14	Proposed Dividend	Nil	Nil	Nil
15	% of shareholding	100%	100%	100%

- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been liquidated or sold during the year : NIL

Part “B”: Associates and Joint Ventures: Not Applicable

K.V. Mohan
Company Secretary

Anil Kataria
Chief Financial Officer

J.S. Baijal
Director

Gautam Dalmia
Managing Director

Place: New Delhi

Date : May 14, 2015

ANNEXURE – 3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

on the financial year ended on 31-03-2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	L26942TN1951PLC000640
ii)	Registration Date	1-11-1951
iii)	Name of the Company	DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED
iv)	Category/ Sub- Category of the Company	Public Limited Company
v)	Address of the Registered office and Contact Details	Dalmiapuram-621651, Distt. Tiruchirapalli, Tamil Nadu. Ph No. – 04329-235132 Fax No.- 04329-235111
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No.31-32 ,Gachibowli, Financial District - Nanakramguda Hyderabad 500 032

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No	Name and Description of main products/ services	NIC Code of the Product/ Service	% of total turnover of the Company
1	Sugar	1072	75.55
2	Power	3510	13.56

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shares Held	Applicable Section
1	Dalmia Sugar Ventures Limited	U24233DL2007PLC166943	SUBSIDIARY	100	2 (87)
2	Dalmia Solar Power Limited	U40102TN2005PLC057328	SUBSIDIARY	100	2 (87)
3	Himshikhar Investment Limited	U67190TN1997PLC038989	SUBSIDIARY	100	2 (87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	13090155	0	13090155	16.17	3405460	0	3405460	4.20	(11.97)
b) Central Govt./ State Govt(s)	47458302	0	47458302	58.63	57141997	0	57141997	70.60	11.97
c) Bodies Corp	0	0	0	0	0	0	0	0	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any Other... Trusts	86665	0	86665	0.11	86665	0	86665	0.11	0
Sub-total (A) (1):-	60635122	0	60635122	74.91	60634122	0	60634122	0	74.91

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
(2) Foreign									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other...	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A) (1)+(A)(2)	60635122	0	60635122	74.91	60634122	0	60634122	74.91	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	2500	2500	0	0	2500	2500	0	0
b) Banks/FI	3972932	21826	3994758	4.94	3972932	21826	3994758	4.94	0
c) Central Govt./ State Govt(s)	59200	68955	128155	0.16	59200	68955	128155	0.16	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
e) Insurance Companies	185110	0	185110	0.23	128491	0	128491	0.16	(0.07)
f) FIs	0	0	0	0	768756	0	768756	0.95	0.95
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
h) Other (specify)	0	0	0	0	0	0	0	0	0
Sub- total (B)(I):-	4217242	93281	4310523	5.33	4929379	93281	5022660	6.21	0.88
2. Non Institutions									
a) Bodies Corp.	2790308	29874	2820182	3.48	2441506	29824	2471330	3.05	(0.43)
b) Individuals									
i. Individual Shareholders holding nominal share capital upto ₹ 1 Lakh	6753712	2731980	9485692	11.72	6146796	2688687	8835483	10.92	(0.80)
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	3267921	0	3267921	4.04	3569903	0	3569903	4.41	0.37
c) Other (specify)									
Clearing Member	9978	0	9978	0.01	2357	0	2357	0	(0.01)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
Directors And Their Relatives	6260	0	6260	0.01	6260	0	6260	0.01	0.00
Enemy Individuals	0	188303	188303	0.23	0	188303	188303	0.23	0
Foreign Nationals	0	19655	19655	0.02	0	19655	19655	0.02	0
Non Resident Indians	78221	58376	136597	0.17	77117	58376	135493	0.17	0
Trusts	38150	20920	59070	0.07	32817	20920	53737	0.06	(0.01)
Sub- total (B)(2):-	12944550	3049108	15993658	19.76	12276756	3005765	15282521	18.88	(0.88)
Total Public Shareholding (B)=(B)(1)+(B)(2)	17161792	3142389	20304181	25.09	17206135	3099046	20305181	25.09	0
C. Shares Held By Custodian For GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	77796914	3142389	80939303	100.00	77840257	3099046	80939303	100.00	0

ii) Shareholding Of Promoters

S. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% Of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% Of Shares Pledged/ encumbered to total shares	
	Smt. Abha Dalmia	1000	0	NIL	0	0	NIL	0
	Shri Jai Hari Dalmia	1635010	2.02	NIL	1635010	2.02	NIL	0
	Smt. Kavita Dalmia	376670	0.47	NIL	376670	0.47	NIL	0
	Shri Gautam Dalmia	751990	0.93	NIL	751990	0.93	NIL	0
	Smt. Anupama Dalmia	11250	0.01	NIL	11250	0.01	NIL	0
	Ku. Vaidehi Dalmia	37180	0.05	NIL	37180	0.05	NIL	0
	Ku. Sukeshi Dalmia	37180	0.05	NIL	37180	0.05	NIL	0
	Shri Jai Hari Dalmia C/o J. H. Dalmia (HUF)	315175	0.39	NIL	315175	0.39	NIL	0
	Shri Yadu Dalmia	4541880	5.61	NIL	0	0	NIL	(5.61)
	Smt. Bela Dalmia	553495	0.68	NIL	0	0	NIL	(0.68)
	Shri Puneet Yadu Dalmia	3928055	4.85	NIL	0	0	NIL	(4.85)
	Smt. Avantika Dalmia	660265	0.82	NIL	0	0	NIL	(0.82)
	Shri YaduHari Dalmia C/o Y. H. Dalmia (HUF)	241005	0.30	NIL	241005	0.30	NIL	0
	Mayuka Investment Limited	14736537	18.21	NIL	15736537	19.44	NIL	1.23
	Shree Nirman Limited	130	0.00	NIL	130	0.00	NIL	0
	Sita Investment Company Limited	5876800	7.26	NIL	5876800	7.26	NIL	0
	Keshav Power Limited	2268241	2.80	NIL	1268241	1.57	NIL	(1.23)
	Ankita Pratisthan Limited	5829070	7.20	NIL	5829070	7.20	NIL	0
	Rama Investment Company Private Limited	2644985	3.27	NIL	2644985	3.27	NIL	0

S. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% Of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% Of Shares Pledged/ encumbered to total shares	
	Himgiri Commercial Limited	738265	0.91	NIL	738265	0.91	NIL	0
	Kavita Trading & Investment Co. Pvt. Ltd.	300570	0.37	NIL	300570	0.37	NIL	0
	Puneet Trading and Investment Co. Pvt. Ltd.	109080	0.13	NIL	9792775	12.10	NIL	11.97
	Alirox Abrasives Limited	120360	0.15	NIL	120360	0.15	NIL	0
	Valley Agro Industries Limited	3500	0.00	NIL	3500	0.00	NIL	0
	Shri Nataraj Ceramic and Chemical Industries Ltd. (now known as Dalmia Refractories Ltd.)	1000	0.00	NIL	1000	0.00	NIL	0
	Dalmia Bharat Limited	14829764	18.32	NIL	14829764	18.32	NIL	0
	Total	80939303	100	NIL	80939303	100	NIL	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Datewise Changes In Top Promoters' Shareholding

Sl. no	Name of the Share Holder	Reason	Date	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares held	% of total shares of the company	No of Shares	% of total shares of the company
1	Smt. Abha Dalmia	Opening Balance	1/04/2014	1000	0	0	0
		D classification from the promoter Group	31/03/2015			1000	0
2	Mayuka Investment Limited	Opening Balance	1/04/2014	14736537	18.21	0	0
		Inter –se transfer (Purchase)	15/12/2014	1000000	1.23	15736537	19.44
3	Keshav Power Limited	Opening Balance	1/04/2014	2268241	2.80		
		Inter –se transfer (Sale)	15/12/2014	(1000000)	(1.23)	1268241	1.57
4	Puneet Trading and Investment Co. Pvt. Ltd.	Opening Balance	1/04/2014	109080	0.13		
		Gift (Inter se- transfer)	10/07/2014	9683695	11.96	9792775	12.10
5	Shri Yadu Dalmia	Opening Balance	1/04/2014	4541880	5.61		
		Gift (Inter se- transfer)	10/07/2014	4541880	5.61	0	0
6	Smt. Bela Dalmia	Opening Balance	1/04/2014	553495	0.68		
		Gift (Inter se- transfer)	10/07/2014	553495	0.68	0	0
7	Shri Puneet Yadu Dalmia	Opening Balance	1/04/2014	3928055	4.85		
		Gift (Inter se- transfer)	10/07/2014	3928055	4.85	0	0
8	Smt. Avantika Dalmia	Opening Balance	1/04/2014	660265	0.82		
		Gift (Inter se- transfer)	10/07/2014	660265	0.82	0	0

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. no	For each of top ten Shareholder	Shareholding as 1-4-2014		Shareholding as 31-3-2015		% Change in shareholding during the year
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
	At the beginning of the year					
1	Axis Bank Limited	2335227	2.89	2335227	2.89	0
2	Life Insurance Corporation Of India	1259685	1.56	1259685	1.56	0
3	Gagandeep Credit Capital Pvt Ltd	742500	0.92	742500	0.92	0
4	Harsh Jain	586683	0.72	586683	0.72	0
5	Ankit Jain	558850	0.69	558850	0.69	0
6	Anil Kumar Goel	522464	0.65	520000	0.64	0.01
7	Gaurav Jain	463350	0.57	463350	0.57	0
8	Dynamic Equities Pvt Ltd	456672	0.56	674475	0.83	(0.27)
9	General Insurance Corporation Of India	341561	0.42	341561	0.42	0
10	Hemanth Dhandapani	306567	0.38	357532	0.44	0.06
11	Morgan Stanley Asia (Singapore) PTE.	0	0	740557	0.91	100

Datewise Changes In Top Ten Shareholders

Sl. no	Name of the Share Holder	Reason	Date	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares held	% of total shares of the company	No of Shares	% of total shares of the company
1	Axis Bank Limited	Opening Balance	1/04/2014	2335227	2.89	2335227	2.89
		Closing Balance	31/03/2015			2335227	2.89
2	Life Insurance Corporation Of India	Opening Balance	1/04/2014	1259685	1.56	1259685	1.56
		Closing Balance	31/03/2015			1259685	1.56
3	Gagandeep Credit Capital Pvt Ltd	Opening Balance	1/04/2014	742500	0.92	742500	0.92
		Closing Balance	31/03/2015			742500	0.92
4	Harsh Jain	Opening Balance	1/04/2014	586683	0.72	586683	0.72
		Closing Balance	31/03/2015			586683	0.72
5	Ankit Jain	Opening Balance	1/04/2014	558850	0.69	558850	0.69
		Closing Balance	31/03/2015			558850	0.69
6	Anil Kumar Goel	Opening Balance	1/04/2014	522464	0.65	522464	0.65
		Purchase	25/04/2014	522464	0.65	1044928	1.29
		Sale	25/04/2014	522464	0.65	522464	0.65
		Sale	23/05/2014	2464	0.00	520000	0.64
		Closing Balance	31/03/2015			520000	0.64
7	Gaurav Jain	Opening Balance	1/04/2014	463350	0.57	463350	0.57
		Closing Balance	31/03/2015			463350	0.57
8	Dynamic Equities Pvt Ltd	Opening Balance	1/04/2014	456672	0.56	456672	0.56
		Purchase	4/04/2014	50	0.00	456722	0.56
		Purchase	18/04/2014	2060	0.00	458782	0.57
		Purchase	25/04/2014	350	0.00	459132	0.57
		Purchase	2/05/2014	28283	0.03	487415	0.60
		Purchase	9/05/2014	15557	0.02	502972	0.62

Datewise Changes In Top Ten Shareholders

Sl. no	Name of the Share Holder	Reason	Date	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No of Shares held	% of total shares of the company	No of Shares	% of total shares of the company
		Purchase	16/05/2014	67672	0.08	570644	0.71
		Purchase	23/05/2014	52242	0.06	622886	0.77
		Purchase	30/05/2014	31589	0.04	654475	0.81
		Purchase	6/06/2014	20000	0.02	674475	0.83
		Closing Balance	31/03/2015			674475	0.83
9	General Insurance Corporation Of India	Opening Balance	1/04/2014	341561	0.42	341561	0.42
		Closing Balance	31/03/2015			341561	0.42
10	Hemanth Dhandapani	Opening Balance	1/04/2014	306567	0.38	306567	0.38
		Purchase	22/08/2014	2792	0.00	309359	0.38
		Purchase	7/11/2014	4500	0.01	313859	0.39
		Purchase	14/11/2014	4444	0.01	318303	0.39
		Purchase	12/12/2014	2265	0.00	320568	0.40
		Purchase	13/02/2015	4248	0.01	324816	0.40
		Purchase	31/03/2015	28142	0.03	352958	0.44
		Closing Balance	31/03/2015			357532	0.44
11	Morgan Stanley Asia (Singapore) PTE.	Opening Balance	01/04/2014	0	0	0	0
		Purchase	19/12/2014	599999	0.74	599999	0.74
		Purchase	31/12/2014	71170	0.08	671169	0.82
		Purchase	2/01/2015	4991	0.01	676160	0.83
		Purchase	9/01/2015	27996	0.03	704156	0.86
		Purchase	16/01/2015	21508	0.03	725664	0.89
		Purchase	27/02/2015	13126	0.02	738790	0.91
		Closing Balance	6/03/2015	1767	0.00	740557	0.91
			31/03/2015			740557	0.91

V) Shareholdings of Directors and Key Managerial Personnel:

S. No	For Each of the Directors and KMP	Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
	Shri Jai H. Dalmia	1635010	2.02	1635010	2.02
	Shri Gautam Dalmia	751990	0.93	751990	0.93
	Shri K.V. Mohan	1310	0	1310	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	No Change	No Change	No Change	No Change
	At the End of the Year				
	Shri Jai H. Dalmia	1635010	2.02	1635010	2.02
	Shri Gautam Dalmia	751990	0.93	751990	0.93
	Shri K.V. Mohan	1310	0	1310	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

₹ Crore

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
i. Principal amount	745.85	66	-	811.85
ii. Interest due but not paid	3.21	-	-	3.21
iii. Interest accrued but not due	0.50	-	-	0.50
Total (i+ii+iii)	749.56	66	-	815.56
Change in Indebtedness during the Financial Year				
• Addition	197.71	-	-	197.71
• Reduction	62.21	16	-	78.21
Net Change	135.50	(16)	-	119.50
Indebtedness at the end of the Financial Year				
i. Principal amount	881.46	50	-	931.46
ii. Interest due but not paid	1.40	-	-	1.40
iii. Interest accrued but not due	2.20	-	-	2.20
Total (i+ii+iii)	885.06	50	-	935.06

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

₹ Crore

S. No	Particulars of Remuneration	Name of the MD / WTD / Manager		Total Amount
		Shri Jai H. Dalmia (Managing Director)	Shri Gautam Dalmia (Managing Director & CEO)	
1.	Gross Salary			
	(a) Salary as per the Provisions contained in section 17(1) of the Income Tax Act, 1961	0.42	0.01	0.43
	(b) Value Of Perquisites u/s 17(2) Income Tax Act, 1961	0.04	0.06	0.10
	(c) Profits in Lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- As % of profit			
	- Others, specify....			
5.	Others, (Retrial)	-	-	-
	Total (A)	0.46	0.07	0.53
	Ceiling as per the Act			1.30

B. Remuneration to the Directors:

₹ Crore

S. No	Particulars of Remuneration	Name of the Directors			Total Amount
		Shri J.S. Baijal	Shri M. Raghupathy	Shri P. Kannan	
	1. Independent Directors				
	• Fee for attending Board / Committee Meeting	0.05	0.05	0.05	0.15
	• Commission				
	• Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	0.05	0.05	0.05	0.15

₹ Crore

S. No	Particulars of Remuneration	Shri T. Venkatesan	Shri B.B. Mehta	Smt. Himmi Gupta *	Total Amount
	• Fee for attending Board / Committee Meeting	0.02	0.03	NIL	0.05
	• Commission				
	• Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	0.02	0.03	NIL	0.05
	Total (B)= (1+2)	0.07	0.08	0.05	0.20
	Total Managerial Remuneration				0.53
	Overall Ceiling as per the Act				1.30

* Smt. Himmi Gupta was appointed as an Additional Director on 26-03-2015

C. Remuneration to Key Managerial Personnel Other than MD / Manager / WTD

₹ Crore

S. No	Particulars of Remuneration	Key Managerial Personnel		
		K.V. Mohan (Company Secretary)	Anil Kataria (CFO)	Total Amount
1.	Gross Salary			
	(a) Salary as per the Provisions contained in section 17(1) of the Income Tax Act, 1961	0.65	0.67	1.33
	(b) Value Of Perquisites u/s 17(2) Income Tax Act, 1961	0.03	0.01	0.03
	(c) Profits in Lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- As % of profit			
	- Others, specify.			
5.	Others, please specify	-	-	-
	Total	0.68	0.68	1.36

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
COMPANY					
Penalty					
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE – 4

DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED

Regd. Office: Dalmiapuram – 621651, Dist: Tiruchirapalli, Tamil Nadu

[CIN: L26942TN1951PLC000640]

Tel. No.: (04329) 235132 Website: www.dalmiasugar.com; E-mail: invhelp@dalmiasugar.com

NOMINATION AND REMUNERATION POLICY

- 1) **Objective:** This Policy is laid down to comply with the provisions of section 178 of the Companies Act, 2013 read along with the Rules made thereunder, and the amended Clause 49(IV) of the Listing Agreement.
- 2) **Definitions:**
 - a. “Act” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
 - b. “Board” means the Board of Directors of the Company.
 - c. “Directors” means the Directors of the Company as may be appointed from time to time.
 - d. “Independent Director” means a Director who has been appointed as such and who satisfies the criteria and conditions laid down in S.149(6) of the Companies Act, 2013
 - e. “Key Managerial Personnel” (KMP) means the following persons as defined in S.2(51) of the Companies Act, 2013 and (i) Managing Director or Manger or Chief Executive Officer; (ii) Company Secretary; (iii) Whole-time Director; (iv) Chief Financial Officer; and (iv) such other officer as may be prescribed.
 - f. “Senior Management Persons” (SMP) means the following persons, as defined in Explanation to S.178(8) of the Companies Act, 2013, being personnel of the Company who are members of its core management team, excluding Board of Directors, comprising all members of management, one level below the executive directors including all functional heads.
- 3) **Constitution of the Committee and matters relating there to:**
 - (a) **Constitution:**
 - (i) The Committee shall consist of minimum 3 Non-Executive Directors, majority of them being Independent Director.
 - (ii) Minimum two members shall constitute a quorum for the meeting.
 - (iii) Constitution and membership of the Committee shall be disclosed in the Annual Report of the Company.
 - (iv) The Chairman of the Committee shall be an Independent Director.
 - (v) The Chairman of the Company may be nominated as a member of the Committee but shall not be its Chairman.
 - (vi) The Chairman of the Nomination and Remuneration Committee is required to be present at the Annual General Meeting or he may nominate some other member to answer the shareholders’ queries.
 - (b) **Frequency of Meetings:**

The meeting of the Committee shall be held at such regular intervals as may be required.
 - (c) **Secretary:**

The Company Secretary of the Company shall act as the Secretary of the Committee.
 - (d) **Procedure to be followed in meetings of the Committee:**
 - (i) A member of the Committee is not entitled to be present when his or her own remuneration is being discussed at the meeting or when his or her own performance is being evaluated.
 - (ii) All matters shall be decided by a majority of votes cast by the members present and such decision shall for all purposes be treated as the decision of the Committee. In case of equality of votes, the Chairman shall have the casting vote.
 - (iii) Head HR or a representative nominated by him shall be present at all meetings of the Committee to provide clarifications, if any, sought by the Committee.
 - (iv) The Committee is also entitled to engage professionals to assist it in the performance of its duties and such costs shall be borne by the Company.

- (v) Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

4) Role of the Committee:

The Committee shall :-

- (a) Formulate the criteria for determining qualifications, positive attributes and independence of a director. [S.178(3), Clause 49(IV)(B) of Listing Agreement]
- (b) Recommend to the Board, a Policy relating to Remuneration of Directors, KMPs, and other employees. [S.178(3)]. This Policy has to be disclosed in the Board's Report [S.178(4)]. As per S.178(4), while formulating this policy, Committee has to ensure that:-
 - (i) Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors of the quality required,
 - (ii) Relationship of remuneration to performance is clear, and meets appropriate performance bench marks,
 - (iii) Remuneration to Directors, KMPs, and SM, involves a balance between fixed and incentive pay, reflecting short and long term performance objectives, appropriate for the Company.
- (c) Carry out evaluation of every Director's performance. [S.178(2)]
- (d) Devise a policy on Board Diversity. [Clause 49(IV)(B)(3) of Listing Agreement]
- (e) Identify persons who are qualified to become Directors, and who may be appointed as KMPs / SMPs in accordance with the criteria laid down in this policy. [S.178(2)]
- (f) Recommend to the Board the appointment and removal of KMPs and SMPs, in accordance with the criteria laid down. [S.178(2)]

5) Policy on Remuneration:

- (a) Directors (including MDs and WTDs):
 - (i) It would have to be within the ceiling as may be prescribed by law from time to time.
 - (ii) It would have to be with such approvals as may be prescribed by law.
 - (iii) In case of MDs / WTDs, it shall involve a balance between fixed and incentive pay, reflecting short term and long term performance objectives
 - (iv) In case of non WTDs, total remuneration payable in accordance with law, be distributed amongst themselves, keeping in view (a) Responsibilities (e.g Chairmanship / Membership of important committees), (b) Tenure on the Board, (c) Devoting of time outside Board meetings, for Company's work etc, as may be decided by the Board.
- (b) KMPs and other employees:
 - (i) It would be based on TCTC concept. Within this TCTC, it could be made flexible, as per the needs of employees, in a fair and transparent manner.
 - (ii) It would be based on Annual Compensation Surveys, followed by industry benchmarks, position benchmarks, performance benchmarks, comparative, and percentile position analysis.
 - (iii) It would be in compliance with laws and regulations.

6) Policy on Board Diversity

The Board would comprise of persons having diverse qualifications, experience and exposure in any area including but not limited to finance, accounts, human relations, marketing, selling, administrative, engineering, economic, legal, tax and manufacturing functions.

7) Criteria for determining qualifications, positive attributes and independence of Directors:

- (a) Criteria for determining independence would be as laid down in S.149(6) of the Act.
- (b) No academic qualification is envisaged, but should be able to contribute positively to the deliberations at Board Meetings.

8) Criteria for identifying persons for appointment as SMPst: -

- (a) Should fulfill the Job Description, for the relevant position, as may be in force from time to time.
- (b) Should clear the Dalmia BEI (Behavioural Evaluation Interview)

9) Evaluation of every Director's performance (Suggested Criteria):

- (a) % attendance at Board Meetings.
- (b) Participation in discussions
- (c) Preparedness for Board Meetings, by reading of the relevant papers.
- (d) Contribution in terms of improving Business performance.
- (e) Proactive availability for Company's business, besides Board meetings.

10) General:

- (a) The persons selected for the positions of KMPs and SMPs should have the desired qualifications, expertise and experience for the position he/she is considered for appointment. The Committee shall have the discretion to decide whether the qualifications, expertise and experience possessed by a person is sufficient for the concerned position.
- (b) The Committee shall approve the selection of candidates to the position of Key Managerial Personnel and Senior Management persons as given by the HR Department and recommend to the Board, his or her appointment.
- (c) The Committee shall not recommend the appointment or continuation of appointment of any person to the above positions who have attained the age of seventy five years. In the event it is decided by the Committee to breach the above age limit, the Committee shall make such recommendation subject to approval of shareholders by way of a Special Resolution. [Sec 196(3)(a) and proviso thereto]
- (d) Term/Tenure of appointment of Directors:

(i) Managing Director/Manager/Whole-time Director:

The term of appointment or re-appointment of any person as a Managing Director/Whole-time Director or Manager shall not exceed five years at a time. The re-appointment shall not be made earlier than one year before the expiry of the current term of appointment. [Sec 196(3)]

(ii) Independent Directors:

An Independent Director shall hold office for a term upto five consecutive years and can be reappointed on passing of a Special Resolution by the Shareholders of the Company for a further term of five years. [sec 149(10)]

No Independent Director shall hold office for more than two consecutive terms. An Independent Director who has completed the two consecutive terms of appointment of five years each, can however be appointed as an Independent Director after the expiry of three years of his ceasing to become an Independent Director provided he otherwise qualifies for being appointed as an Independent Director. [sec 149(11)]

At the time of appointment of an Independent Director it should be ensured that he is not an Independent Director of more than seven listed companies. If however, the Independent Director is serving as a Whole-time Director of a listed company, then it should be ensured that he is not an Independent Director of more than three listed Companies. [Clause 49(ii)(B)(2) of Listing Agreement]

(iii) Key Managerial Personnel/Persons in Senior Management persons:

The term of appointment to the above positions, except that of Managing Director, Manager or Whole time Director, shall be determined by the Nomination and Remuneration Committee at its own discretion and may vary from position to position.

(e) Evaluation of Key Managerial Personnel and person in Senior Management persons:

The Committee shall carry out evaluation of performance of every Director preferably at regular yearly intervals. For this purpose, the Board may engage the services of a professional for advising it on the process of evaluation, etc, and the cost of such professional shall be borne by the Company.

The Committee shall go through the recommendations of the evaluations by the HR Department of the persons holding Key Managerial Personnel (excluding the Managing Director and Whole time Director) and Senior Management persons and approve the same with or without modifications.

(f) Removal:

The Committee may recommend to the Board with reasons recorded in writing the removal of a Director, Key Managerial Personnel or a Senior Management person for reasons of misconduct or negligence of duties.

A Director can be removed from his office if the shareholders pass an ordinary resolution pursuant to the provisions of section 169 of the Companies Act, 2013.

A Director shall also be required to continue to qualify as a Director in terms of section 164 of the Act and is not liable to vacate his office in terms of section 167 of the Act.

(g) Retirement:

The Director, Key Managerial Personnel and Senior Management Persons shall retire as per the provisions of the Act and the policy of the Company. Subject to the provisions of Clause 4(B), the Board will, however, have the discretion to retain the Director, Key Managerial Personnel and Senior Management Persons in the same position, including remuneration or otherwise even after his attaining the age of retirement in the interest of the Company.

(h) The Remuneration policy will be disclosed in the Annual Report of the Company.

(i) This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Personnel and Board of Directors. In other respects, the Remuneration Policy shall be of guidance for the Board.

(j) Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the Listing Agreement on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors. However, any such amendment shall be annexed to this Policy and put on the website of the Company for ready reference of all concerned persons and placed before the Nomination and Remuneration Committee.

ANNEXURE – 5

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2014-15

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CORPORATE SOCIAL RESPONSIBILITY

Dalmia Bharat Sugar and Industries Limited is a part of Dalmia Bharat Group which was founded in 1935 and has been following the concept of giving back and sharing with the under privileged sections of the society for more than seven decades. The CSR of the company is based on the principal of Gandhian Trusteeship. For over seven decades the company has addressed the issues of health and sanitation, education, rural infrastructure, women empowerment and other social development issues.

The prime objective of our CSR Policy is to hasten social, economic and environmental progress. We remain focussed on generating systematic and sustainable improvement for local communities surrounding our plants and project sites.

In the recent years company has realigned its CSR to focus on issues material to the company and its stakeholders. The approach is to make significant and sustainable difference through our programmes in the lives of beneficiaries by working in partnership with our stakeholders. Stakeholder engagements and baseline studies highlighted the issues of erratic power supply, unemployment amongst rural youths and basic rural infrastructure needs in our neighbouring community. The company realized that these issues were more material to their Group's businesses as well as to the communities around their facilities. Dalmia Bharat Group thus planned their CSR programmes in sectors of Energy conservation and climate change mitigation; Skill development & livelihood Training and Social Development and started aiming at creation of shared values for all stakeholders.

Our CSR Policy can be accessed on <http://www.dalmiasugar.com/upload/policies/DBSIL-CSR-POLICY.pdf>.

Presently, Dalmia Bharat Sugar and Industries Limited is working in two states of Uttar Pradesh and Maharashtra.

PROGRAMME OUTREACH DURING FY 2014-15

Our Key Focus Areas

1. Renewable Energy: Promoting energy conservation
Energy is another major concern in Indian Villages, with majority of the populations dependent on depleting fuel wood and erratic electricity supply. We are thus trying to promote more energy efficient and sustainable solutions in our community. We promote

fuel-efficient chulhas, bio gas plants, Solar lighting systems like lanterns, street lights, study lamps and home lighting systems. These solutions also help in reduction of CO2 emissions.

2. Livelihood & Skill Development: Capacity building through vocational training

Unemployment amongst the youth in the neighbouring communities is high. Aiming at long term benefits for the youths and their family, the company has started many Skill Development programmes and provided training in areas like Para-military training, Driver Training, Computer Course, and many others. For women, the company has enabled formation of many SHGs and helped them get loans and also provided them trainings on many livelihood alternatives.

3. Social Development: Addressing health & sanitation, education, rural infrastructure development and social campaigns

The stakeholder engagement highlighted the issue of poor basic infrastructure which hinders the daily life as well as development of these villages. The company is helping in building the basic infrastructure needs of the community like School Sanitation blocks, low cost toilets, community halls, school buildings etc. Health is another concern among the community and company has pitched in by arranging General as well as Specialized Health Camps, providing medicines, Immunizations, Maternal and Child health Care.

2. The Composition of the CSR Committee.

Composition of the CSR Committee of Dalmia Bharat Sugar and Industries Limited is:

1. Shri J.S. Baijal, Chairman, Independent Director
2. Shri B.B. Mehta, Member, Non-Executive Director
3. Shri Gautam Dalmia, Member, Executive Director

3. Average net profit of the company for last three financial years – ₹ 7.11 crore
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)- ₹ 0.14 crore
5. Details of CSR spent during the financial year:
 - (a) Total amount to be spent for the financial year; ₹ 0.14 crore
 - (b) Amount unspent, if any;
 - (c) Manner in which the amount spent during the financial year is detailed below attached in Annexure 5A.

Remarks -

1. The above mentioned expenditures for the year 2014-15 is based out of unaudited statement of expenses.
2. Item no I, iii, x mentioned in serial no 3 to 5 are covered under social development head of CSR.
6. In case the company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

The implementation and monitoring of Dalmia Bharat Sugar and Industries Limited CSR programmes is in compliance with the CSR objectives and policy of the Company.

Sd/-

(Gautam Dalmia)
Executive Director

Date: 14-05-2015

Sd/-

(J.S. Bajjal)
Chairman of CSR Committee

ANNEXURE – 5A

₹ Crore

Dalmia Bharat Sugar and Industries Limited

S. No.	CSR project or activity identified.	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Energy Conservation (Bio Gas Plants, Fuel efficient Cookstoves, Solar products and grids)	<u>Schedule VII / item No. IV</u> Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	1. The project was implemented in local area 2. Area of programme: Uttar Pradesh, District Sitapur and Shahjahanpur	0.09	0.08	0.08	
2	Education and Livelihood (Education in schools, Bag making, Mobile Repair Training, Computer Training, etc.)	<u>Schedule VII / item No. II</u> Promotion of education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled & livelihood enhancement project	1. The project was implemented in local area 2. Area of programme: Uttar Pradesh, District Sitapur and Shahjahanpur; Maharashtra, District Kolhapur	0.04	0.03	0.03	
3	Women Empowerment (SHG formation and Training)	<u>Schedule VII / item No. III</u> promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;	1. The project was implemented in local area 2. Area of programme: Uttar Pradesh, District Sitapur and Shahjahanpur				Implementing agency - Dalmia Bharat Group Foundation
4	Health and Sanitation (Health Camps, Low Cost Toilets, Awareness Programs on health issues, school toilet units)	<u>Schedule VII / item No. I</u> Eradicating extreme hunger and poverty and malnutrition, promoting health care including preventive health care promoting preventive health care and sanitation and making available drinking water	1. The project was implemented in local area 2. Area of programme: Uttar Pradesh, District Sitapur and Shahjahanpur; Maharashtra, District Kolhapur	0.32	0.29	0.29	
5	Rural development (Infrastructure, Sports Events, Awareness programs on Social issues)	<u>Schedule VII / item No. X</u> Rural development projects	1. The project was implemented in local area 2. Area of programme: Uttar Pradesh, District Sitapur and Shahjahanpur				
6	Overhead			0.05	0.04	0.04	
	Total			0.50	0.44	0.44	

ANNEXURE – 6

FORM MR-3 SECRETARIAL AUDIT REPORT (For the Financial Year ended 31st March, 2015)

To,

The Members,

Dalima Bharat Sugar and Industries Limited

Dalmiapuram, Tiruchirapalli Distt.,

Tamil Nadu

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dalmia Bharat Sugar and Industries Limited, (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, e-Forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minute books, e-forms and returns filed and other records maintained by Dalmia Bharat Sugar and Industries Limited (“the Company”) for the financial year ended on 31st March, 2015 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- 6) Being first year of the Secretarial Audit, our scope of Audit was restricted to compliances under the Companies Act, 2013 and rules made there under and other Acts, as specified above, which are applicable to the Company.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange;

However, has not examined the provisions of Secretarial Standards issued by The Institute of Company Secretaries of India, as these were not in place till 31st March, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, however, we have been informed that there was no transaction reported under the provisions of FEMA relating to point no. 4 supra, during the year under report.

We further report that the Company has received three show cause notices from the Registrar of Companies, Chennai under the Companies Act, 1956 and the Company has challenged these notices by way of filing petition before the Hon'ble High Court of Tamil Nadu at Chennai, matter has been stayed by the Hon'ble High Court till the final disposal of the application.

Place: Delhi

Date :14-05-2015

Signature:

Harish Khurana & Associates
Company Secretaries
FCS No. 4835
C P No.: 3506

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

“Annexure A”

To
The Members,
Dalima Bharat Sugar and Industries Limited
Dalmiapuram, TiruchirapalliDistt.,
Tamil Nadu

Our report of even date is to be read along with this letter.

- (1) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- (2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- (4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither as assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Delhi

Date : 14-05-2015

Signature:

Harish Khurana & Associates
Company Secretaries
FCS No. 4835
C P No.: 3506

ANNEXURE – 7

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO AND EARNINGS

a) A consolidated statement relating to your unit with respect of:

(A) Conservation of Energy:

I. The steps taken/impact on conservation of energy:-

- a) Replacement of Mill drives with high efficiency ACVF drives.
- b) Replacement of chain Conveyors with Belts Conveyors.
- c) Installation of AC Variable frequency drives at pumps & Fans.

II. The steps taken by your unit for utilizing alternate sources of energy.

The company is primarily using the renewable source of energy. Also the company is planning to take measures to install solar heating & Lighting system in near future.

III. The capital investment on energy conservation equipments.

Company has invested around ₹ 1 Crore during the F Y 2014-15 to conserve the energy.

(B) Technology Absorption :

I. The efforts made towards technology absorption.

- Development of Neutral Ramming mass for use in Induction Furnaces.
- Development of Low Cement castables for Steel and Cement Industries.
- Development of Ramming Mix for Continuous Steel Casting Applications.
- Development of Dry Vibro Mass for use in Tundishes in Steel Industry.
- Development of very high reliability multi-layer ceramic chip capacitors for space application.
- Cane Varietal Development.

II. The benefits derived like product improvement, cost reduction, product development, import substitution, etc

The Company as a result of the efforts made has achieved lower stoppage days, which has resulted in better crush rates and consistent improvement in the utility of sugar manufactured.

III. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished :

- (a) Details of technology imported.
- (b) Year of import.
- (c) Whether the technology been fully absorbed
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

No technology has been imported for the last five years.

iv. Expenditure incurred on Research and Development

₹ 0.13 Crores

(C) Foreign Exchange Earnings and Outgo

i. Foreign Exchange earned in terms of actual inflows during the year

₹ 1.34 Crores

ii. Foreign Exchange outgo during the year in terms of actual outflows

₹ 0.05 Crore

ANNEXURE – 8

Details pertaining to remuneration as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2014-15 and the ratio of remuneration of each Director to the median remuneration of the employees of the Company are as under:

Name of the Director/KMP and Designation	Remuneration of Director/KMP for the F.Y. 2014-15 ₹ crores	% increase in the remuneration in the F.Y. 2014-15	Ratio of remuneration of each Director to median remuneration of employees of the Company
Shri J. S. Bajjal Chairman Non-Executive Independent	0.05	187.30	2.90
Shri Jai H. Dalmia Managing Director	0.52	32.80	28.90
Shri Gautam Dalmia Managing Director	0.07	93.03	4.06
Shri T. Venkatesan Non-Executive	0.02	233.34	1.11
Shri M. Raghupathy Non-Executive Independent	0.05	174.24	2.79
Shri B.B. Mehta Non-Executive	0.03	225	1.45
Shri Panchapakesan Kannan Non-Executive Independent	0.05	165.19	2.68
Smt. Himmi Gupta# Non-Executive	---	---	----
Shri Anil Kataria Chief Financial Officer	0.79	21	43.79
Shri K.V. Mohan Company Secretary	0.78	20	43.43

Note: As regards Non-Executive Directors and Independent Directors, apart from the increase in sitting fees, there is no increase in the remuneration.

Details not given as Smt. Himmi Gupta was a Director only for part of the Financial Year 2014-15, i.e. appointed on 26-3-2015.

- The Median remuneration of employees of the Company during the financial year was ₹ 179272. The percentage increase in the median remuneration of employees in the financial year was 7.5%.
- The number of permanent employees on the rolls of the Company at the end of the financial year was 2116 including Key Managerial Personnel and Managing Directors.
- Relationship between average increase in remuneration and Company performance: The average increase in remuneration is based on the trend prevailing in similar type of manufacturing company while the profit before tax has decreased by 89% (approx.)
- Comparison of Remuneration of Key Managerial Personnel(s) against the performance of the Company: The remuneration of the Managing Directors is based on the minimum remuneration payable under Schedule XIII of the Companies Act, 1956 (Schedule V of the Companies Act, 2013). The remuneration of the other Key Managerial Personnels has gone up by about 20% during the Financial Year 2014-15 while the Profit before tax has come down by about 89%. The increase granted is in line with the practice prevailing in the industry.
- (i) Variation in the market capitalisation of the Company: The market capitalisation as on 31st March 2015 was ₹ 140.83 crores while the same was ₹127.88 crores as on 31st March 2014.

- (ii) Price Earnings Ratio as on 31st March, 2015 was 96.67 and the ratio as on 31st March, 2014 was 42.07.
 - (iii) The Company has not come out with any public offer of shares hence there is no increase over/ decrease in the market quotation of the shares of the Company as compared to the rate at which the Company came out with the last public offer.
7. The average percentage increase in the salaries of employees other than the managerial personnel was 6%-8% during the financial year 2014-15 and the percentage increase in the remuneration of managerial personnel during the said financial year was about 20%.
 8. Comparison of the Remuneration of each KMP against the performance of the Company: As stated earlier, the remuneration of the KMPs is based on the industry benchmark while the profit before Tax has decreased by 89.19%.
 9. The Directors other than Managing Directors were only paid sitting fees for attending to the meetings of the Board and Committees. There is no variable component in the remuneration paid to the Directors and the Managing Directors.
 10. The ratio of remuneration of the highest paid Director is 0.63 times of that paid to an employee who is not a Director.
 11. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

ANNEXURE – 9

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name, Designation, Gross Remuneration, Qualification, Experience (Years), Date of Commencement of employment, Age, Previous Employment, Percentage of Equity Shares held, Relation with Director / Manager.

Shri Naresh Paliwal, Dy. Executive Director, ₹ 0.81 crore, B.Com, FCA, 29 years, 24-6-2010, 58 years, Oudh Sugar Mills Limited, Nil %, No.

Shri K.V. Mohan, Company Secretary, ₹ 0.78 crore, B.A., FCA, FCS, 39 years, 1-8-1988, 64 years, Shri Nataraj Ceramic & Chemical Industries Limited, 0.002 %, No.

Shri K.P. Singh, Executive Director, ₹ 0.82 crore, B.Sc. (Agriculture), 37 years, 12-11-1999, 62 years, DCM Shriram Industries Limited, Nil%, No.

Shri Anil Kataria, Chief Financial Officer, ₹ 0.79 crore, B.Com., FCA, 32 years, 6-4-2009, 55years, Escorts Automotives Limited, Nil%, No.

Corporate Information

BOARD OF DIRECTORS

J. S. Bajjal
Chairman

Jai Hari Dalmia
Vice Chairman

Gautam Dalmia –
Managing Director

M. Raghupathy

T. Venkatesan

B. B. Mehta

Kannan Panchapakesan

Himmi Gupta

MANAGEMENT TEAM

Gautam Dalmia
Managing Director

B. B. Mehta –
Business CEO

Jayesh Doshi –
Group Finance & Strategy

Anil Kataria
Chief Finance Officer

Pankaj Rastogi
Chief Operations Officer

COMPANY SECRETARY

K.V. Mohan

STATUTORY AUDITORS

S. S. Kothari Mehta & Co.

BANKERS

Allahabad Bank
Axis Bank Limited
Canara Bank
Corporation Bank
DBS
IDBI
Punjab National Bank
Yes Bank
Bank of Baroda

DEBENTURE TRUSTEE

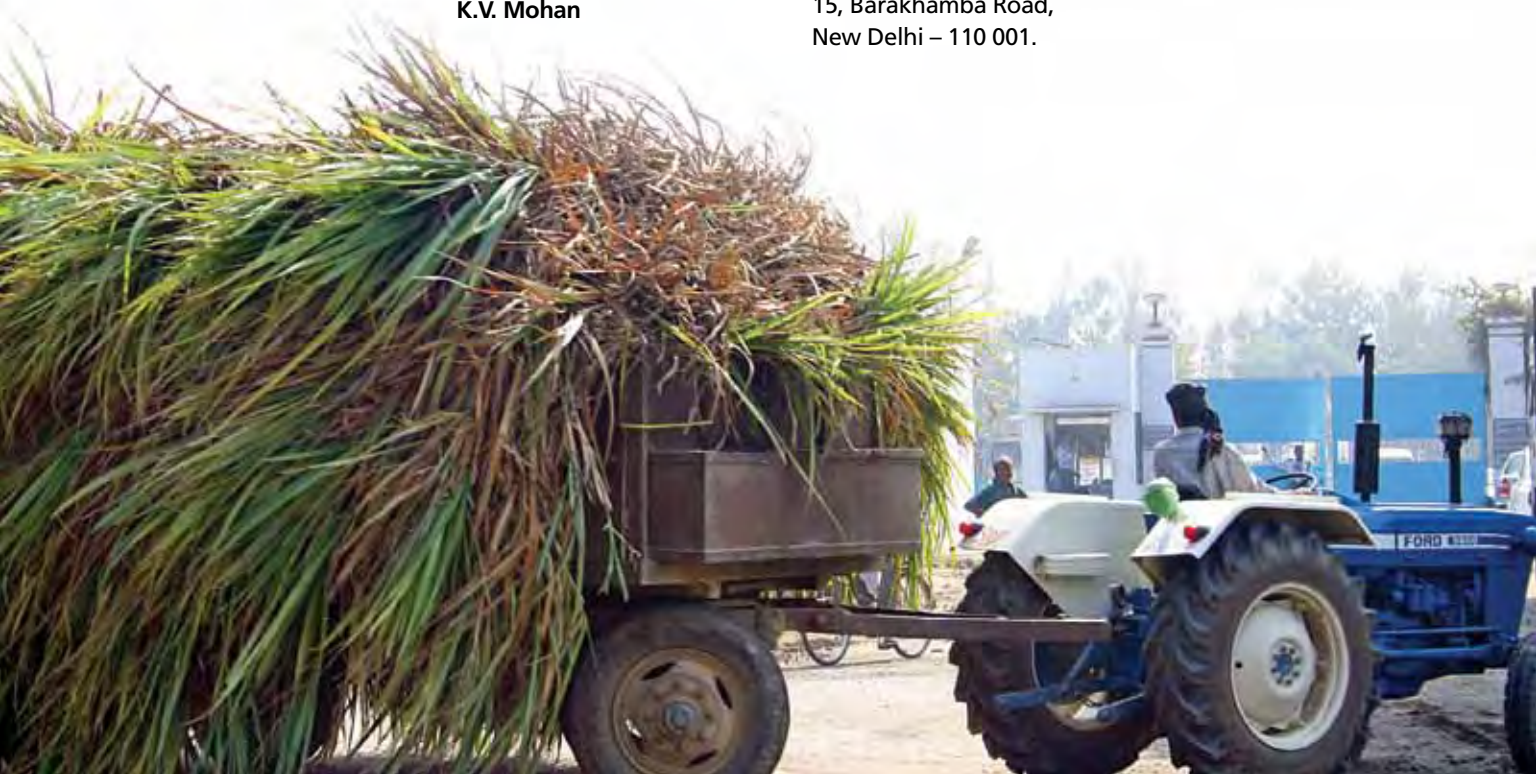
IL&FS Trust Co. Ltd.
The IL&FS Financial Centre,
Plot C-22, G Block,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051.

REGISTERED OFFICE

Dalmiapuram – 621651,
Dist. Tiruchirapalli,
Tamil Nadu.

CORPORATE OFFICE

Hansalaya Building,
11th & 12th Floor,
15, Barakhamba Road,
New Delhi – 110 001.





Corporate Office

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