

**UNIPHOS ENTERPRISES LIMITED**

**45th Annual Report 2013-14**

**BOARD OF DIRECTORS**

MR. R. D. SHROFF <i>Chairman &amp; Managing Director</i>	(DIN: 00180810)
MRS. S. R. SHROFF <i>Non-Executive Vice Chairman</i>	(DIN: 00189012)
MR. J. R. SHROFF	(DIN: 00191050)
MR. A. C. ASHAR	(DIN: 00192088)
MR. PRADEEP GOYAL	(DIN: 00008370)
MRS. SWATI S. MAYEKAR	(DIN: 00245261)

**COMPANY SECRETARY**

MR. K. M. THACKER

**AUDITORS**

S. V. GHATALIA & ASSOCIATES LLP  
*Chartered Accountants*

**BANKERS**

Canara Bank  
Yes Bank Ltd.

**ADMINISTRATIVE OFFICE**

UNIPHOS HOUSE,  
C.D.Marg, Khar (West),  
Mumbai- 400 052.  
Tel. : 2646 8000 Fax : 2604 1010

**REGISTERED OFFICE**

11, G.I.D.C., Vapi,  
Dist. Valsad, Gujarat.  
Pin - 396 195.  
Tel. : 0260-2400717 Fax : 0260-2401823

**SECRETARIAL DEPARTMENT**

Secretarial Department  
8, Shri Krishna Commercial Centre,  
Ground Floor, Opp. Raheja Solitaire,  
6, Udyog Nagar, Off S.V. Road,  
Goregaon (West), Mumbai- 400 062.  
Tel. : 2872 4862 Fax : 2875 3485

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**45<sup>TH</sup> ANNUAL GENERAL MEETING**

Date : 26th September, 2014  
Day : Friday  
Time : 9.15 a.m.  
Place : 11, G.I.D.C., Vapi, Dist. Valsad,  
Gujarat, Pin – 396 195.

**BOOK CLOSURE**

Saturday, 13th September, 2014  
to  
Friday, 26th September, 2014

For assistance regarding share transfers, transmission, change of address, duplicate/loss of shares and other related matters, please write to the Registrar & Share Transfer Agents :

**Sharepro Services(India) Pvt. Ltd.**  
**Unit : Uniphos Enterprises Limited**  
**13AB, Samhita Warehousing Complex,**  
**Second Floor, Sakinaka Telephone Exchange**  
**Lane, Off Andheri Kurla Road, Sakinaka,**  
**Andheri (E), Mumbai 400 072.**  
**Phone No(s) : 91-022-67720300/344/345**  
**Fax No. : 91-022-2859 1568**

## Notice

**NOTICE** is hereby given that **45th ANNUAL GENERAL MEETING** of the Members of **UNIPHOS ENTERPRISES LIMITED** will be held on Friday, 26th September, 2014 at 9.15 a. m. at the Registered Office of the Company at 11, G.I.D.C., Vapi, Dist. Valsad, Gujarat, Pin- 396 195, to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited Balance Sheet as at 31st March, 2014, Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jaidev Rajnikant Shroff (DIN: 00191050), who retires by rotation and being eligible, offers himself for re-appointment.

3. **To appoint Auditors and fix their remuneration**

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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the recommendation of the Audit Committee of Directors, Messrs. S R B C & CO LLP (ICAI Firm Registration No. 324982E), Chartered Accountants, be and are hereby appointed as Auditors of the Company, (in place of M/s. S.V. Ghatalia and Associates LLP, the retiring auditors, who have expressed their inability to continue) to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### **SPECIAL BUSINESS:**

4. **To appoint Mr. Pradeep Vedprakash Goyal (DIN: 00008370) as an Independent Director of the Company**

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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with Stock Exchanges, where the shares of the Company are listed, Mr. Pradeep Vedprakash Goyal (DIN: 00008370), a non-executive Director of the

Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 50th Annual General Meeting of the Company in the calendar year 2019.”

5. **To appoint Mrs. Swati Sandesh Mayekar (DIN: 00245261) as an Independent Director of the Company**

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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with Stock Exchanges, where the shares of the Company are listed, Mrs. Swati Sandesh Mayekar (DIN: 00245261), a non-executive Director of the Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 50th Annual General Meeting of the Company in the calendar year 2019.”

6. **To appoint Mr. Arun Chandrasen Ashar (DIN: 00192088) as an Independent Director of the Company**

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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement with Stock Exchanges, where the shares of the Company are listed, Mr. Arun Chandrasen Ashar (DIN: 00192088), a non-executive Director of the Company, who was appointed as a Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing

his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 50th Annual General Meeting of the Company in the calendar year 2019.”

**7. To increase the limit for borrowing by the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (“Board”) for borrowing from time to time any sum or sums of moneys which together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of the Company, shall not at any time exceed the limit of Rs. 500 crores (Rupees Five hundred crores only).”

RESOLVED FURTHER THAT Directors of the Company and/ or the Company Secretary, be and are hereby severally authorized to take all steps and do all such acts, matters, deeds and things and give such directions as may be required, necessary, expedient or desirable for giving effect to the aforesaid resolution, and also further to comply with the requirements, if any, under the Companies Act, 2013.”

**8. To alter Articles of Association of the Company**

To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) thereto or re-enactment thereof for the time being in force) and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, existing Article 116(2) of the Articles of Association of the Company be and is hereby amended partially by deleting a sentence **‘Rajju D. Shroff and Sandra R. Shroff shall be permanent Directors and not liable to retirement.’** as appearing immediately at the end of existing Article 116(2).”

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.** The instrument appointing proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of 45th Annual General Meeting.

3. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 13th September, 2014 to Friday, 26th September, 2014 (both days inclusive).

5. The Members are requested to kindly send all their correspondence relating to the change of address, transfer of shares, etc. directly to the Company’s Registrar & Transfer Agents – Sharepro Services (India) Pvt. Ltd., Unit : Uniphos Enterprises Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072, quoting their Folio Number and in case their shares are held in dematerialised form, the intimation of change of address should be passed on to their respective Depository Participants.

6. Members seeking any information with regard to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

7. Pursuant to the provisions of Section 205A of the Companies Act, 1956, dividend for the financial year 1994-95 and prior to that which remained unclaimed has been transferred to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978. Members who have not encashed the Dividend Warrants pertaining to the said period may make their claims to the Registrar of Companies, Gujarat at Ahmedabad by submitting an application in prescribed form.

8. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, as amended, Dividend for the years 1995-96 to 2003-04 which remained unclaimed for a period of seven years from the date of transfer of same to the respective unpaid dividend accounts of the Company have been transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.
9. In compliance with the provisions of section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide members facility to cast their votes at the 45th Annual General Meeting by electronic means, through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice as per instructions below:
  - A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):**
    - i. Open the e-mail and also open PDF file namely "UEL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
    - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
    - iii. Click on Shareholder – Login.
    - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
    - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
    - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
    - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
    - viii. Select "EVEN" (E-Voting Event Number) of Uniphos Enterprises Limited which is 100863. Now you are ready for e-voting as Cast Vote page opens.
    - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
    - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
    - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [uel.scrutinizer@gmail.com](mailto:uel.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - B. For Members whose email addresses are not registered with the Company/Depositories:**
    - i. E-Voting Particulars i.e. EVEN (E-Voting Event Number), user ID and password is provided in the attached E-Voting Particulars Slip.
    - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.
  - C. Other Instructions:**
    - i. The e-voting period commences on Saturday, September 20, 2014 (9.00 a.m. IST) and ends on Monday, September 22, 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
    - ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on August 22, 2014.
    - iii. Mr. Jawahar Thacker, Chartered Accountant (Membership No. FCA 30646), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
    - iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
    - v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.uelonline.com](http://www.uelonline.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the 45th Annual General Meeting of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

10. A brief profile and other details of Directors being appointed / re-appointed as required under Clause 49(VI) of the listing agreement with the Stock Exchanges:

Name of the Director	Jaidev Rajnikant Shroff
Director Identification Number	00191050
Date of joining the Board	3rd February, 1994
Profile of the Director	Mr. Jaidev Rajnikant Shroff is a science graduate. He is Global CEO of the Group and he has worked with the Group for more than 21 years. He has substantial experience in various areas of the Group's operations.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	<ol style="list-style-type: none"> <li>1. UPL Ltd.</li> <li>2. Nivi Trading Ltd.</li> <li>3. Ventura Guaranty Ltd.</li> <li>4. Advanta Ltd., Member–Shareholders /Investors Grievance Committee</li> <li>5. Tatva Global Environment Ltd.</li> <li>6. Tatva Global Environment (Deonar) Ltd.</li> <li>7. Pradeep Metals Ltd.</li> </ol>
Name of the Director	Pradeep Vedprakash Goyal
Director Identification Number	00008370
Date of joining the Board	29th March, 2001
Profile of the Director	Mr. Pradeep Vedprakash Goyal is a Metallurgy Engineer from IIT and Master Graduate from MIT, USA. He has been the member of various associations such as All India Manufacturers Organisation, ASSOCHAM, Indo-German Chambers of Commerce, etc. He has authored a few articles relating to steel making. He is the Managing Director of Pradeep Metals Ltd.
No. of shares held in the Company	Nil
Directorships and Committee memberships in other companies*	<ol style="list-style-type: none"> <li>1. UPL Ltd., Member – Audit Committee and Shareholders / Investors Grievance Committee.</li> <li>2. Hind Rectifiers Ltd., Member – Audit Committee and Shareholders /Investors Grievance Committee.</li> <li>3. Jankalyan Sahakari Bank Ltd.</li> </ol>
Name of the Director	Swati Sandesh Mayekar
Director Identification Number	00245261
Date of joining the Board	28th January, 2010
Profile of the Director	Mrs. Swati Sandesh Mayekar is a member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and a Law Graduate. She is a Practising Chartered Accountant. She has many years of experience in the field of corporate laws.
No. of shares held in the Company	2224
Directorships and Committee memberships in other companies*	Nil

Name of the Director	Arun Chandrasen Ashar
Director Identification Number	00192088
Date of joining the Board	28th February, 1992
Profile of the Director	Mr. Arun Chandrasen Ashar is a Chartered Accountant. He was associated with the group in the capacity of consultant prior to his joining of the Board. He looks after the financial functions of the Company.
No. of shares held in the Company	1785000
Directorships and Committee memberships in other companies*	<ol style="list-style-type: none"> <li>1. UPL Limited</li> <li>2. Enviro Technology Ltd.</li> <li>3. Bharuch Enviro Infrastructure Ltd.</li> <li>4. Agri Net Solutions Ltd.</li> <li>5. Tatva Global Environment Limited</li> <li>6. Shivalik Solid Waste Management Limited</li> <li>7. Sharvak Environment Ltd.</li> <li>8. Entrust Environment Ltd.</li> <li>9. Latur Water Supply Management Co.Ltd.</li> <li>10. Kerala Enviro Infrastructure Limited</li> <li>11. Tatva Global Environment (Denoar)Limited</li> <li>12. Advanta Limited</li> </ol>

\* Directorships and Committee memberships in Uniphos Enterprises Limited and its Committees are not included in the aforesaid disclosure. Also, directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committees and Shareholders / Investors Grievance Committees of only public Companies have been included in the aforesaid table.

Mumbai  
25th April, 2014

Registered Office:  
11, G.I.D.C., Vapi,  
Dist. Valsad, Gujarat,  
Pin- 396 195.

By Order of the Board of Directors  
For **UNIPHOS ENTERPRISES LTD.**

**K. M. THACKER**  
Company Secretary  
CIN: L24219GJ1969PLC001588



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**

The Explanatory Statement for Item Nos. 4 to 8 of the accompanying Notice set out hereinabove is as under:

**Item Nos. 4 to 6**

Mr. Pradeep Vedprakash Goyal, Mrs. Swati Sandesh Mayekar and Mr. Arun Chandrasen Ashar are Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement with Stock Exchanges, where the shares of the Company are listed, *inter alia* stipulating the conditions for the appointment of Independent Directors by a listed company.

It is proposed to appoint Mr. Pradeep Vedprakash Goyal, Mrs. Swati Sandesh Mayekar and Mr. Arun Chandrasen Ashar as Independent Directors under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges, where the shares of the Company are listed, to hold office for 5 (five) consecutive years for a term up to the conclusion of the 50th Annual General Meeting of the Company in the calendar year 2019. They are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidatures of each of Directors for the office of Directors of the Company.

The Company has also received declarations from these Directors that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with Stock Exchanges, where the shares of the Company are listed.

In the opinion of the Board, these Directors fulfill the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, where the shares of the Company are listed. These Directors are independent of the management. The Board believes that in view of their long and varied experience, association of these Independent Directors will be beneficial for the Company.

Copy of the draft letters for respective appointments of Mr. Pradeep Vedprakash Goyal, Mrs. Swati Sandesh Mayekar and Mr. Arun Chandrasen Ashar as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

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

Mr. Pradeep Vedprakash Goyal, Mrs. Swati Sandesh Mayekar and Mr. Arun Chandrasen Ashar are interested in the resolutions set out respectively at Item Nos. 4 to 6 of the Notice with regard to their respective appointments.

The relatives of Mr. Pradeep Vedprakash Goyal, Mrs. Swati Sandesh Mayekar and Mr. Arun Chandrasen Ashar may be deemed to be interested in the resolutions set out respectively at Item Nos. 4 to 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 4 to 6 of the Notice for approval by the shareholders.

**Item No.7:**

Under Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow money except with the consent of the shareholders, where the money to be borrowed, together with the money already borrowed by the company is in excess of the aggregate of its paid-up share capital and free reserves of the Company, apart from temporary loans obtained from the company's bankers in the ordinary course of business.

The Ministry of Corporate Affairs, vide General Circular No. 04/2014 dated 25th March, 2014, has clarified that the resolution passed under section 293 of the Companies Act, 1956 prior to 12th September, 2013 with reference to borrowings (subject to the limits prescribed) and / or creation of security on assets of the company will be regarded as sufficient compliance of the requirements of section 180 of the Companies Act, 2013 for a period of one year from the date of notification of section 180 of the Companies Act, 2013.

In view of the above, it is proposed that the borrowing limit of Rs. 500 crores, as approved by the members at the Annual General Meeting of the members of the Company held on 16th September, 1992, be renewed to comply with the requirements of section 180 of the Companies Act, 2013. Hence, the Resolution is proposed.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested in the resolution.

The Board commends the Special Resolutions set out at Item No. 7 of the Notice for approval by the shareholders.



**Item No.8:**

In order to comply with applicable provisions of the Companies Act, 2013 relating to retirement of directors by rotation, it was considered appropriate to make suitable amendment partially in the existing Article 116(2) of the Articles of Association of the Company by deleting a sentence '**Rajju D. Shroff and Sandra R. Shroff shall be permanent Directors and not liable to retirement.**' as appearing immediately at the end of existing Article 116(2).

The resolution at Item No. 8 of the Notice is set out as a Special Resolution for approval by the members in terms of Section 14 of the Companies Act, 2013.

A copy of the Articles of Association of the Company showing proposed alterations is available for inspection at the Registered Office of the Company during office hours on all working days

except Saturday between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives, are in any way, concerned or interested in the resolution.

The Board of Directors recommends the Special Resolution as set out in item no.8 of the Notice for the approval of the members.

Mumbai  
25th April, 2014

By Order of the Board of Directors  
For **UNIPHOS ENTERPRISES LTD.**

Registered Office:  
11, G.I.D.C., Vapi,  
Dist. Valsad, Gujarat,  
Pin-396 195.

**K. M. THACKER**  
Company Secretary  
CIN: L24219GJ1969PLC001588

## Directors' Report

TO,  
THE MEMBERS OF  
**UNIPHOS ENTERPRISES LIMITED**

Your Directors have pleasure in presenting their report and audited accounts for the year ended 31st March, 2014.

### FINANCIAL RESULTS

	(₹ in lacs)	
	Year ended 31 <sup>st</sup> March, 2014	Year ended 31 <sup>st</sup> March, 2013
Profit/(Loss) before taxation	(163.11)	(1018.47)
Less: Provision for taxation	-	-
Profit/(Loss) after taxation	(163.11)	(1018.47)
Add: Balance brought forward	919.70	1938.17
Balance carried forward	756.59	919.70

### OPERATIONAL PERFORMANCE

During the year, the Company traded in chemicals of Hydrazine Hydrate and Yellow Phosphorus totaling to ₹907.50 lacs.

The Company has incurred loss of ₹163.11 lacs after tax as compared to loss of ₹1018.47 lacs in the previous year.

### FUTURE OUTLOOK

The Company continues to look at new opportunities of trading in chemicals in India and abroad.

### DIVIDEND

Your Directors do not recommend any dividend for the year under review.

### COMPLETION OF THE RIGHTS ISSUE OF 4,40,71,179 EQUITY SHARES AGGREGATING TO ₹7,492.10 LACS AND CHANGE IN CAPITAL STRUCTURE

During the year your Company has successfully completed the Rights Issue of 4,40,71,179 equity shares of ₹2/- each at a price of ₹17/- per equity share (including premium of ₹15/-), for an amount aggregating to ₹7,492.10 lacs, to the successful applicants who subscribed to the Rights Issue of the Company in the ratio of 173 (One Hundred and Seventy Three) fully paid up equity shares of ₹2/- each for every 100 (One Hundred) fully paid up equity shares of ₹2/- each held (i.e., 173:100) by the equity shareholders on the record date i.e. 19th September, 2013. The issue was opened on 27th September, 2013 and closed on 26th October, 2013. The Rights shares were allotted on 6th November, 2013. The Company has fully utilized the proceeds of Rights Issue of ₹7,492.10 Lacs for the objects of the issue as stated in the letter of offer.

Consequent to the aforesaid Rights Issue, the paid up Equity Share Capital of the Company stands increased from ₹5,09,49,340/-

(comprising of 2,54,74,670 fully paid-up equity shares of ₹2/- each) to ₹13,90,91,698/- (comprising of 6,95,45,849 fully paid-up equity shares of ₹2/- each). Post Rights Issue, shareholding of Promoters and Promoters' group has reached 66.78% (4,64,42,394 equity shares of ₹2/- each) of the post issue capital.

### AUDITORS AND AUDITORS' REPORT

M/s S. V. Ghatalia & Associates LLP, Chartered Accountants, the present statutory Auditors of the Company and who hold office up to the date of the Annual General Meeting have expressed their inability to continue as the statutory Auditors of the Company.

In view of the above, the members are requested to appoint M/s. S R B C & CO LLP, (Firm Registration No. 324982E), Chartered Accountants as the Auditors of the Company for the year 2014-15 and authorize the Board to fix their remuneration. M/s. S R B C & Co. LLP have expressed their willingness to take up the assignment of Statutory Audit of the Company. They have also confirmed that, if appointed, their appointment would be in accordance with the limits specified in Section 139(1) of the Companies Act, 2013.

The Board takes this opportunity to place on record its deep sense of appreciation to the outgoing Auditors M/s. S. V. Ghatalia & Associates LLP for the services rendered and guidance imparted by them during their tenure as Statutory Auditors of the Company.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

### DEPOSITORY SYSTEM

98.89 % of the total paid up equity shares of the Company are dematerialised as on 31st March, 2014.

## DIRECTORS

In accordance with the Provisions of Sections 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Jaidev Rajnikant Shroff (DIN: 00191050), Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible, offers himself for re-appointment.

In terms of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors and are not liable to retire by rotation. Accordingly, it is proposed to appoint Mr. Pradeep Vedprakash Goyal, Mrs. Swati Sandesh Mayekar and Mr. Arun Chandrasen Ashar as Independent Directors of your Company up to 5 (five) consecutive years for a term up to the conclusion of the 50th Annual General Meeting of the Company in the calendar year 2019.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

The brief resume of Mr. Jaidev Rajnikant Shroff, Mr. Pradeep Vedprakash Goyal, Mrs. Swati Sandesh Mayekar and Mr. Arun Chandrasen, Directors of the Company as required by Clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the notice convening the Annual General Meeting of the Company.

## INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

Information required under Section 217 (1) (e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, for the year ended 31st March, 2014 is furnished here below.

- I. **CONSERVATION OF ENERGY** – Not Applicable
- II. **TECHNOLOGY ABSORPTION** – Not Applicable
- III. **FOREIGN EXCHANGE EARNING AND OUTGO**

₹ in Lacs.

(a) Foreign Exchange earned	-
(b) Foreign Exchange outgo	882.69

## PARTICULARS OF EMPLOYEES

The Company has no employee who- (i) if employed throughout the financial year, was in receipt of remuneration, in aggregate, more than ₹60 lacs, or (ii) if employed for a part of the financial

year, was in receipt of remuneration, in aggregate, more than ₹5 lacs per month. Hence, the information required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of employees) Rules, 1975, as amended from time to time, is not applicable and hence not attached.

## DIRECTORS RESPONSIBILITY

Your Directors confirm the following Directors' Responsibility statements pursuant to provisions of Section 217(2AA) of the Companies Act, 1956:

- 1) in the preparation of Annual Accounts for the year ended 31st March, 2014, the Company has followed the applicable accounting standards with proper explanations relating to material departures, if any;
- 2) appropriate accounting policies have been selected and applied consistently and judgements and estimates are made prudently and reasonably so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the loss of the Company for that year;
- 3) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with applicable provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the annual accounts have been prepared on a going concern basis.

## CORPORATE GOVERNANCE

Your Company and its Board has been complying with Corporate Governance to the extent set out in this respect as a separate report, in pursuance of requirement of Clause 49 of the Listing Agreement. The Management Discussion and Analysis Report forms part of this Report. Auditors' Certificate regarding compliance of the conditions of Corporate Governance as stipulated under the said clause is also attached to this Report.

## LISTING OF THE COMPANY'S EQUITY SHARES

The Equity Shares of your Company continue to be listed at the BSE Ltd. and National Stock Exchange of India Ltd. There is no default in paying annual listing fees.

## ACKNOWLEDGEMENT

Your Directors are thankful to all the stakeholders and various government agencies and ministries for their continued support.

Mumbai  
25th April, 2014

By Order of the Board of Directors  
For **UNIPHOS ENTERPRISES LTD.**

Registered Office:  
11, G.I.D.C., Vapi,  
Dist. Valsad, Gujarat,  
Pin-396 195.

**R. D. SHROFF**  
Chairman & Managing Director  
CIN: L24219GJ1969PLC001588

# Corporate Governance

## 1. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on Corporate Governance relates to providing maximum service to all its stakeholders. It wants to enhance shareholder value by undertaking the best Corporate Governance practices. The high standard of Corporate Governance is maintained by being transparent, accountable and being continuously interactive with shareholders, employees, lending institutions, banks, governmental agencies and all the dealers.

The Company is conscious of the fact that to achieve success the management and the employees need to work ethically.

## 2. Board of Directors

The Board of Directors consists of 6 Directors.

During the year, five Board Meetings were held on 25<sup>th</sup> April, 2013, 24<sup>th</sup> July, 2013, 7<sup>th</sup> September, 2013, 6<sup>th</sup> November, 2013 and 24<sup>th</sup> January, 2014.

**Composition and other details of Directors are as follows:**

Name of the Director	Category	Attendance Particulars		No. of other directorships and Committee memberships/ chairmanships*		
		Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. R. D. Shroff	Promoter & Chairman & Managing Director	4	Present	9	-	1
Mrs. S. R. Shroff	Promoter & Non-Executive Vice Chairman	3	Absent	8	-	-
Mr. J. R. Shroff	Promoter & Non-Executive Director	3	Present	8	1	-
Mr. A. C. Ashar	Independent & Non-Executive Director	4	Absent	12	-	-
Mr. Pradeep Goyal	Independent & Non-Executive Director	3	Present	4	4	-
Mrs. Swati S. Mayekar	Independent & Non-Executive Director	3	Absent	-	-	-

**Notes: \* Excludes Directorship in private limited companies and foreign companies.**

## 3. Information supplied to the Board

Following information was provided to the Board as part of the agenda papers in advance of the Board Meetings or presented at the time of the Board Meetings:

- Financial Results of the Company,
- Approval of Directors Report and Notice of Annual General Meeting,
- General Notice of Disclosure of interest of Directors,
- Written representation of Directors pursuant to section 274(1)g of the Companies Act, 1956,
- Issue of Rights shares,
- Allotment of equity shares in respect of Rights Issue,
- Material show cause notices, legal judgments among others,
- Review of the procedure for risk assessment and minimization,
- Approval for any contracts entered into with parties covered in the register under Section 301 of the Companies Act, 1956,
- Consideration of any disclosure made by the senior management relating to any transaction having potential conflict with interests of the Company,

- Availing facility of Bank Guarantee from Bank,
- Minutes of the meetings of Audit Committee and other committees of the Board,
- Adoption of Share Transfer Committee's Report,
- Reconciliation of share capital audit.

#### 4. Subsidiary companies

The Company has no subsidiary company during the year.

#### 5. Disclosures

The particulars of transactions between the Company and related parties as per the Accounting Standards are mentioned separately in note no. 23 of notes to financial statements of the Annual Accounts. However, these transactions are not likely to have any conflict with the Company's interest.

No strictures or penalties have been imposed on the Company by the Stock Exchanges or The Securities and Exchange Board of India (SEBI) or any other regulatory body on any matter relating to capital markets in the last three years.

The Securities and Exchange Board of India (SEBI) vide notification dated 20<sup>th</sup> February, 2002, has amended the SEBI (Insider Trading) Regulations, 1992. As per these regulations, the Company has appointed Mr. K. M. Thacker as a Compliance Officer, who will be responsible for formulating policies, procedures, monitoring adherence to the rules for the preservation of price sensitive information, preclearance of trades, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board. The Company also has framed its own code of internal procedure and conduct for prevention of Insider Trading which provides for "Trading Window" restrictions, disclosure requirements and also preclearance of trades in the Company's securities.

Shareholding of the Directors as on 31<sup>st</sup> March, 2014 was as under:

Name of the Director	Shareholding
Mr. R. D. Shroff	Nil
Mrs. S. R. Shroff	Nil
Mr. J. R. Shroff	Nil
Mr. A. C. Ashar	17,85,000
Mr. Pradeep Goyal	Nil
Mrs. Swati S. Mayekar	2,224

#### 6. Code of Conduct

The Board of Directors has adopted the Code of Conduct for the Board Members and the Senior Management. The said Code has been communicated to the Board Members and the Senior Management. The Code has also been posted on the Company's website [www.uelonline.com](http://www.uelonline.com).

#### 7. Audit Committee

The Board of the Company has constituted an Audit Committee, comprising of three Independent & Non-Executive Directors viz. Mr. Pradeep Goyal, Chairman, Mr. A. C. Ashar and Mrs. Swati S. Mayekar. Four meetings of the Audit Committee were held on 25<sup>th</sup> April, 2013, 24<sup>th</sup> July, 2013, 6<sup>th</sup> November, 2013 and 24<sup>th</sup> January, 2014.

##### Composition of members of Audit Committee is as follows:

Composition	Mr. Pradeep Goyal Chairman	Mr. A. C. Ashar	Mrs. Swati S. Mayekar
Meetings attended during the year	3	3	3

The constitution of Audit Committee also meets with the requirements under Section 292A of the Companies Act, 1956. Mr. A. C. Ashar has financial and accounting knowledge.

The role and terms of reference stipulated by the Board to the Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 besides other terms as may be referred by the Board of Directors.

Mr. K. M. Thacker, Company Secretary acts as the Secretary to the Audit Committee.

## 8. Remuneration Committee

The Board of the Company has constituted a Remuneration Committee, comprising of three Independent & Non-Executive Directors viz. Mr. Pradeep Goyal, Chairman, Mr. A. C. Ashar and Mrs. Swati S. Mayekar.

The Remuneration Committee has been constituted to recommend / review the remuneration package of the Directors based on their performance and predefined criteria.

No meeting of the Remuneration Committee was held during the year.

### Details of the remuneration to all the Directors for the year:

No Director was paid salary and/or perquisites for the year ended 31<sup>st</sup> March, 2014.

The Company has paid the sitting fees for the year ended 31<sup>st</sup> March, 2014 to two Independent & Non-Executive Directors for attending Board Meetings, Audit Committee Meetings and Shareholders' / Investors' Grievances Committee Meeting as follows:

Mr. Pradeep Goyal ₹10,000/- and Mrs. Swati S. Mayekar ₹ 9,000/-.

## 9. Shareholders'/Investors' Grievance Committee

The Board of the Company has constituted a Shareholders'/Investors' Grievance Committee, comprising of three Independent & Non-Executive Directors to look into the Shareholders' and Investors' Grievances. One meeting of the Shareholders'/Investors' Grievance Committee was held on 24<sup>th</sup> January, 2014.

### Composition of members of Shareholders'/Investors' Grievance Committee is as follows:

Composition	Mr. Pradeep Goyal Chairman	Mr. A. C. Ashar	Mrs. Swati S. Mayekar
Meeting attended during the year	1	1	-

The Company also has its separate shares transfer committee consisting of Mrs. S. R. Shroff and Mr. A. C. Ashar, Directors and two other senior executives. This committee normally meets twice a month to approve transfer of shares, issue of duplicate certificates, redressal of Shareholders' and Investors' Grievances, among others. Share certificates submitted for dematerialisation and request for rematerialisation were also approved by the committee.

The total number of complaints received during the year under review were 9 and all the complaints were replied to the satisfaction of shareholders on or before 31<sup>st</sup> March, 2014.

No request for transfer of shares was pending for approval as on 31<sup>st</sup> March, 2014.

## 10. General Body Meetings

Location and time for last three Annual General Meetings were:

Year	AGM	Location	Date	Time
2010-2011	42 <sup>nd</sup> AGM	Hotel Green View Hall N. H. No. 8, Vapi, Gujarat - 396 195.	26/07/2011	9.30 a.m.
2011-2012	43 <sup>rd</sup> AGM	11, G. I. D. C., Vapi, Dist. Valsad, Gujarat-396 195.	28/09/2012	9.15 a.m.
2012-2013	44 <sup>th</sup> AGM	Hotel Green View Hall N. H. No. 8, Vapi, Gujarat - 396 195.	19/07/2013	9.15 a.m.

The following special resolutions were passed by the members during the last three Annual General Meetings:

2010-11

- No special resolution was passed at the 42<sup>nd</sup> Annual General Meeting.

2011-12

- One special resolution was passed for Alteration of Articles of Association of the Company at the 43<sup>rd</sup> Annual General Meeting.

2012-13

- No special resolution was passed at the 44<sup>th</sup> Annual General Meeting.

2013-14

- No special resolution was passed through Postal Ballot.

- None of the resolutions proposed to be passed in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.



**11. (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, among others that may have potential conflict with the interests of the Company at large.**

During the year, the Company had no materially significant related party transactions, which were considered to have potential conflict with the interests of the Company at large.

**(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.**

None.

**12. Means of communication**

The quarterly and annual results are published by the Company in the English and Gujarati editions of the 'Western Times' and are also displayed on corporate website, [www.uelonline.com](http://www.uelonline.com). The Company's website also contains a separate dedicated section called 'Financials' wherein shareholder related information like the Annual Report of the Company, shareholding pattern among others, are available. Official news releases are sent to the Stock Exchanges at BSE Ltd. and National Stock Exchange of India Ltd., where the equity shares of the Company are listed. During the year, no presentations were made to analysts or Institutional Investors.

The Management Discussion and Analysis (MD&A) forms a part of the annual report.

**13. General Shareholder Information**

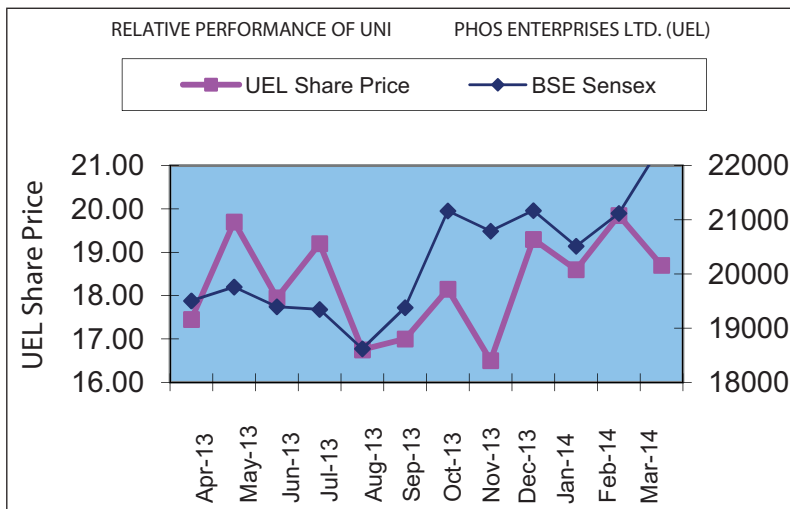
- 13.1. Annual General Meeting :**
- Date : 26<sup>th</sup> September, 2014 at 9.15 a.m.
  - Venue : Registered Office of the Company at 11, G.I.D.C., Vapi, Dist. Valsad, Gujarat, Pin- 396 195.
- 13.2. Financial calendar :**
- Annual General Meeting –** 26<sup>th</sup> September, 2014
  - Results for quarter ending June 30, 2014**
  - On or before 14<sup>th</sup> August, 2014
  - Results for quarter ending September 30, 2014**
  - On or before 14<sup>th</sup> November, 2014
  - Results for quarter ending December 31, 2014**
  - On or before 14<sup>th</sup> February, 2015
  - Results for quarter/ year ending March 31, 2015**
  - Last week of April, 2015/May 2015.
- 13.3 Book closure date :** 13/09/2014 to 26/09/2014  
(Both days inclusive)
- 13.4 Dividend payment date :** Not Applicable
- 13.5 (a) Listing of Equity Shares on Stock Exchanges at :** BSE Ltd. and National Stock Exchange of India Ltd.
- (b) Listing of GDR on the Stock Exchanges at :** Luxembourg Stock Exchange
- 13.6 (a) Stock Code :**
- |                                       |   |          |
|---------------------------------------|---|----------|
| BSE Ltd.                              | : | 500429   |
| National Stock Exchange of India Ltd. | : | UNIENTER |
- (b) Demat ISIN Number in NSDL & CDSL for Equity Shares :** INE037A01022

**13.7 Stock Market Data**

MONTH	BSE Ltd. (BSE)		National Stock Exchange of India Ltd. (NSE)	
	Month's High Price (In ₹)	Month's Low Price (In ₹)	Month's High Price (In ₹)	Month's Low Price (In ₹)
April 2013	20.70	15.30	19.95	14.60
May 2013	21.25	18.00	21.00	18.20
June 2013	20.50	16.60	20.45	17.50
July 2013	19.20	17.20	19.95	16.65
August 2013	19.00	16.35	18.25	16.05
September 2013	18.50	16.25	18.30	16.20
October 2013	18.15	16.85	18.50	16.85
November 2013	18.00	16.00	18.80	16.30
December 2013	19.50	16.20	19.50	16.30
January 2014	24.50	18.25	24.80	18.25
February 2014	26.50	17.85	25.20	18.00
March 2014	21.15	18.30	21.10	18.60

**13.8. Share price performance in comparison to broad-based indices – BSE Sensex.**

UEL closing share price performance relative to BSE Sensex based on share price during the year.


**13.9. Registrar and Transfer Agents**

(Share transfer and communication regarding share certificate, dividends and change of address).

Also, for the benefit of the Shareholders, the documents will continue to be accepted at the Secretarial Department of the Company:

Sharepro Services (India) Pvt. Ltd.  
 Unit : Uniphos Enterprises Limited  
 13AB, Samhita Warehousing Complex, Second Floor,  
 Sakinaka Telephone Exchange Lane,  
 Off Andheri Kurla Road, Sakinaka,  
 Andheri (E), Mumbai 400 072.

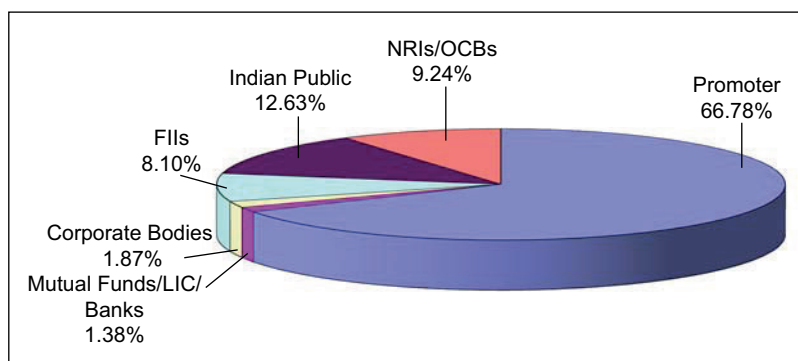
Uniphos Enterprises Limited  
 Secretarial Department  
 8, Shri Krishna Commercial Centre  
 Ground Floor, Opp. Raheja Solitaire  
 6 Udyog Nagar, Off S. V. Road  
 Goregaon (West), Mumbai 400 062.

**13.10 Share Transfer System**

: Presently, the share transfers which are received in physical form are processed and the share certificates returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects.

**13.11 Distribution of shareholdings as on 31<sup>st</sup> March, 2014:**

Shareholding of Nominal Value of (₹)	Shareholders		Share Amount	
	Numbers	% of Total Nos.	In (₹)	% of Total Amt.
1 – 5,000	14,300	97.06	85,65,166	6.16
5,001 – 10,000	213	1.44	15,74,084	1.13
10,001 – 20,000	110	0.75	16,00,378	1.15
20,001 – 30,000	31	0.21	7,73,834	0.56
30,001 – 40,000	15	0.10	5,45,020	0.39
40,001 – 50,000	9	0.06	4,14,834	0.30
50,001 – 1,00,000	26	0.18	19,33,878	1.39
1,00,001 and above.	29	0.20	12,36,84,504	88.92
<b>Total</b>	<b>14,733</b>	<b>100</b>	<b>13,90,91,698</b>	<b>100</b>

**13.12 Shareholding pattern as on 31<sup>st</sup> March, 2014:**

**13.13 Dematerialisation of shares**

: 98.89% of the outstanding equity shares have been dematerialised up to 31<sup>st</sup> March, 2014. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 17<sup>th</sup> January, 2000 as per notification issued by the Securities and Exchange Board of India (SEBI).

**Liquidity:**

Relevant data for the **average daily turnover** for the financial year 2013 – 2014 is given below:

	BSE Ltd. <b>(BSE)</b>	National Stock Exchange of India Ltd. <b>(NSE)</b>	<b>BSE+NSE</b>
In number of shares	5,497	5,988	<b>11,485</b>

(Source: This information is compiled from the data available from the websites of BSE and NSE)

- 13.14 Outstanding GDR/Warrants and their conversion dates and their likely impact on the equity** : Outstanding GDRs as on 31<sup>st</sup> March, 2014 represent 44,962 shares (0.06%). There are no further outstanding instruments, which are convertible into equity in the future.
- 13.15 Plant locations** : The Company has no manufacturing unit.
- 13.16 Address for Correspondence**
- (i) Investor correspondence** : **For Shares held in Physical Form**  
 Sharepro Services (India) Pvt. Ltd.  
 Unit: Uniphos Enterprises Limited  
 13AB, Samhita Warehousing Complex,  
 Second Floor, Sakinaka Telephone Exchange Lane,  
 Off Andheri Kurla Road, Sakinaka,  
 Andheri (E), Mumbai 400 072.  
 Telephone No(s): 91-022-67720300/344/345  
 Fax No.: 91-022-28591568
- Also, for the benefit of the Shareholders, the documents will continue to be accepted at the following office of the Company:
- Uniphos Enterprises Limited  
 Secretarial Department  
 8, Shri Krishna Commercial Centre  
 Ground Floor, Opp. Raheja Solitaire  
 6 Udyog Nagar, Off S. V. Road  
 Goregaon (West), Mumbai 400 062.  
 Telephone No.: 91-022-28724862
- (ii) Any query on Annual Report** : **For Shares held in Demat form**  
 To the Depository Participant(s)  
 Mr. K. M. Thacker, Company Secretary  
 Uniphos Enterprises Limited  
 Secretarial Department  
 8, Shri Krishna Commercial Centre  
 Ground Floor, Opp. Raheja Solitaire  
 6 Udyog Nagar, Off S. V. Road  
 Goregaon (West), Mumbai 400 062.  
 E-mail : [thackerkm@uniphos.com](mailto:thackerkm@uniphos.com)
- (iii) Exclusive e-mail ID of the grievance redressal division** : [uel.investors@uniphos.com](mailto:uel.investors@uniphos.com)
- (iv) Corporate website** : [www.uelonline.com](http://www.uelonline.com)

On behalf of the Board of Directors

**R. D. Shroff**  
 (Chairman & Managing Director)

Mumbai,  
 25<sup>th</sup> April, 2014

## DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct laid down by the Company for the year ended 31<sup>st</sup> March, 2014.

On behalf of the Board of Directors of  
Uniphos Enterprises Limited

Mumbai,  
25<sup>th</sup> April, 2014

**R. D. Shroff**  
(Chairman & Managing Director)

## AUDITORS' CERTIFICATE

To

### The Members of Uniphos Enterprises Limited

We have examined the compliance of the conditions of Corporate Governance by Uniphos Enterprises Limited, for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforementioned 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.V. GHATALIA & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 103162W

### Per Sudhir Soni

Partner

Membership No.: 41870

Mumbai,

Date: April 25, 2014

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENT:

The Company is engaged only in trading activities.

### SEGMENTWISE PERFORMANCE:

The Company operates in a single segment, viz. trading activities.

### BUSINESS OUTLOOK:

This has been dealt with in the Directors' Report.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has a proper and adequate system of internal controls to see that all its assets are safeguarded and protected against loss from any unauthorized use or disposition, and all financial records are maintained properly. The group has its own internal audit team.

### FINANCIAL AND OPERATIONAL PERFORMANCE:

This has been dealt with in the Directors' Report.

### HUMAN RESOURCES DEVELOPMENT:

The relationship with the employees continued to be cordial throughout the year.

### CAUTIONARY STATEMENT:

Certain statements in this section relating to estimates, projections and expectations may be forward looking within the meaning of applicable laws and regulations. The actual results could differ materially from what the directors envisage in terms of the future performance and outlook. The factors that may affect the performance of the company will be drought or shortfall in rains, change in government policies, tariff barriers, delay in registrations, changes in local and overseas markets and the related factors.

# INDEPENDENT AUDITOR'S REPORT

To  
**The Members of Uniphos Enterprises Limited**  
**Report on the Financial Statements**

We have audited the accompanying financial statements of Uniphos Enterprises Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013;
- (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For S.V. Ghatalia & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 103162W

**per Sudhir Soni**

Partner

Membership Number: 41870

Place of Signature: Mumbai

Date: April 25, 2014

**Annexure referred to in paragraph 1 under the heading “Report on Other Legal and regulatory Requirements” of our report of even date**

Re: Uniphos Enterprises Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The Company has not disposed a substantial part of fixed assets during the year.
- (ii) The Company did not have any inventory during the year. Accordingly, provisions of clauses 4(ii)(a), 4(ii)(b) and 4(ii)(c) of the Companies (Audit Report) Order, 2003 (as amended), in respect of physical verification of inventory, procedure of physical verification followed by the Company and maintenance of proper records of the inventory, are not applicable to the Company.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (e) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system 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, 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) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, for the products of the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax and other material statutory dues applicable to it. The provisions relating to provident fund, investor education and protection fund, employees' state insurance, wealth-tax, customs duty, excise duty, cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	297.89	AY 01-02	Income tax appellate tribunal
Income Tax Act, 1961	Income tax	11.90	AY 02-03	Income tax appellate tribunal
Income Tax Act, 1961	Income tax	407.15	AY 03-04	Income tax appellate tribunal
Income Tax Act, 1961	Income tax	193.03	AY 10-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	6.27	AY 11-12	Commissioner of Income Tax (Appeals)

- (x) The Company has no accumulated losses at the end of the financial year, *however it has incurred cash losses in the current year and in the immediately preceding financial year.*
- (xi) 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 a financial institution or bank. The Company did not have any outstanding debentures during the year.
- (xii) According to the information and explanation given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks and financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) We have verified that the end use of money raised by public issue is as disclosed in the notes to the financial statements.
- (xxi) 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.

**For S.V. Ghatalia & Associates LLP**

Chartered Accountants

Firm Registration Number: 103162W

**per Sudhir Soni**

Partner

Membership Number: 41870

Place : Mumbai

Date : April 25, 2014

## Balance Sheet as at 31st March, 2014

	Notes	31-Mar-14	31-Mar-13
Rs. in Lakhs			
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,390.92	509.49
Reserves and surplus	4	24,921.19	18,584.74
		<b>26,312.11</b>	<b>19,094.23</b>
<b>Current liabilities</b>			
Short-term borrowings	5	1,020.00	9,020.00
Trade payables	24	8.37	13.49
Other current liabilities	6	732.77	117.07
		<b>1,761.14</b>	<b>9,150.56</b>
<b>TOTAL</b>		<b>28,073.25</b>	<b>28,244.79</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	7	17,393.63	17,393.63
Non-current investments	8	8,388.03	8,392.97
Non-current loans and advances	9	2,191.82	2,180.64
		<b>27,973.48</b>	<b>27,967.24</b>
<b>Current assets</b>			
Cash and bank balances	10	59.59	240.71
Current loans and advances	9	38.67	0.30
Other current assets	11	1.51	36.54
		<b>99.77</b>	<b>277.55</b>
<b>TOTAL</b>		<b>28,073.25</b>	<b>28,244.79</b>
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For S.V.Ghatalia & Associates LLP**

Chartered Accountants  
Firm registration number: 103162W

**per Sudhir Soni**

Partner  
Membership no. : 41870

Place: Mumbai

Date: 25th April, 2014

For and on behalf of the Board of Directors of  
**Uniphos Enterprises Limited**

**R. D. Shroff**

Chairman  
and Managing Director

Place: Mumbai

Date: 25th April, 2014

**Arun Ashar**

Director

**K. M. Thacker**

Company Secretary

## Statement of Profit and Loss for the year ended 31st March, 2014

		Rs. in Lakhs	
	Notes	31-Mar-14	31-Mar-13
<b>Income</b>			
Revenue from operations	12	907.50	110.76
Other income	13	718.33	223.86
<b>Total revenue (I)</b>		<b>1,625.83</b>	<b>334.62</b>
<b>Expenses</b>			
Purchase of traded goods	14	879.77	107.57
Employee benefits expense	15	34.72	29.57
Other expenses	16	51.89	130.34
<b>Total (II)</b>		<b>966.38</b>	<b>267.48</b>
<b>Profit before interest, tax, depreciation and amortisation (I) – (II)</b>		<b>659.45</b>	<b>67.14</b>
Depreciation and amortisation expense	17	4.94	5.31
Finance costs	18	817.62	1,080.30
<b>Loss before tax</b>		<b>(163.11)</b>	<b>(1,018.47)</b>
<b>Tax Expenses</b>		-	-
<b>Loss for the year</b>		<b>(163.11)</b>	<b>(1,018.47)</b>
<b>Earnings per equity share [nominal value of share Rs. 2 (31 March 2013: Rs. 2)]</b>	<b>19</b>	<b>(0.38)</b>	<b>(4.00)</b>
Basic and Diluted (Rs.)			
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

**For S.V.Ghatalia & Associates LLP**

Chartered Accountants  
Firm registration number: 103162W

**per Sudhir Soni**

Partner  
Membership no. : 41870

Place: Mumbai

Date: 25th April, 2014

For and on behalf of the Board of Directors of  
**Uniphos Enterprises Limited**

**R. D. Shroff**

Chairman  
and Managing Director

Place: Mumbai

Date: 25th April, 2014

**Arun Ashar**

Director

**K. M. Thacker**

Company Secretary

## Cash Flow Statement for the year ended 31st March , 2014

	Rs. in Lakhs	
	<b>31-Mar-14</b>	<b>31-Mar-13</b>
<b>Cash flow from operating activities</b>		
Profit / (Loss) before tax from operations	(163.11)	(1,018.47)
Non-cash adjustment to reconcile profit before tax to net cash flows :		
Depreciation and amortization expense	4.94	5.31
Finance costs	817.62	1,080.30
Profit on sale of Fixed assets	-	(0.88)
Interest income (Including Interest on Income Tax Refund)	(84.88)	(96.29)
Dividend income	(633.45)	(126.69)
<b>Operating profit before working capital changes</b>	<b>(58.88)</b>	<b>(156.72)</b>
Movements in working capital :		
Increase/ (decrease) in trade payables and other current liability	616.37	(825.78)
Decrease / (increase) in trade receivables	-	938.88
Decrease / (increase) in loans and advances	(38.40)	0.39
Decrease / (increase) in other current assets	-	506.74
Cash generated from / (used in) operations	519.09	463.51
Direct taxes paid (net of refunds)	(11.15)	(96.30)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>507.94</b>	<b>367.21</b>
<b>Cash flows from investing activities</b>		
Sale of Fixed Assets	-	1.42
Interest received	83.37	96.29
Dividends received	633.45	126.69
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>716.82</b>	<b>224.40</b>
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	-	18,755.00
Proceeds from issuance of equity share capital (Right Issue) (Refer Note 26)	7,492.10	-
Repayment of short-term borrowings	(8,000.00)	(18,365.00)
Share Issue Expenses	(74.58)	(5.62)
Interest paid	(823.40)	(1,117.07)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>(1,405.88)</b>	<b>(732.69)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(181.12)</b>	<b>(141.08)</b>
Cash and cash equivalents at the beginning of the year	240.71	381.79
<b>Cash and cash equivalents at the end of the year</b>	<b>59.59</b>	<b>240.71</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.09	0.06
With banks - on current account	22.04	240.65
- on deposit account (Margin money)	37.46	-
	<b>59.59</b>	<b>240.71</b>
<b>Total cash and cash equivalents (note 10)</b>	<b>59.59</b>	<b>240.71</b>
Summary of significant accounting policies	<b>2.1</b>	

As per our report of even date

**For S.V.Ghatalia & Associates LLP**

Chartered Accountants

Firm registration number: 103162W

**per Sudhir Soni**

Partner

Membership no. : 41870

Place: Mumbai

Date: 25th April, 2014

For and on behalf of the board of directors of

**Uniphos Enterprises Limited****R.D.Shroff**Chairman and  
Managing Director

Place: Mumbai

Date: 25th April, 2014

**Arun Ashar**

Director

**K.M.Thacker**

Company Secretary



# Notes to Financial Statements

for the year ended 31st March, 2014

## 1. Corporate information

Uniphos Enterprises Limited is a public limited company incorporated under the provision of the Companies Act, 1956. The Company is engaged in the business of trading of chemicals and other products. Its shares are listed on two stock exchanges in India and GDRs are listed on Luxembourg Stock exchange.

## 2. Basis of preparation

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards notified under section 211(3C) of Companies Act, 1956, section 133 of the Companies Act, 2013 read with general circular dated 12th September, 2013 and the relevant provisions thereof. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of Land, which is accounted based on revaluation as indicated in 2.1.b below. The accounting policies applied by the Company are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/ noncurrent classification of assets and liabilities.

### 2.1 Summary of significant accounting policies

#### (a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### (b) Tangible fixed assets

Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

During the year 2010-11, the Company had revalued its land assets appearing in Fixed Asset note to recognise its fair market value as on 31st March, 2011. The revaluation is carried out based on valuation reports of independent valuers and the appreciation in the value of the assets is credited to Revaluation Reserve in the accounts.

#### (c) Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on written down value basis in accordance with Section 205(2)(a) of the Companies Act, 1956 at the rates specified in Schedule XIV to the Companies Act, 1956. Assets costing Rs 5,000 or less have been depreciated at the rate of 100%. Depreciation in respect of additions to/deletions from the Fixed Assets, is provided on pro-rata basis with reference to the month of addition/deletion of the Assets.

#### (d) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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.

#### (e) Impairment of tangible 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.

#### (f) Government grants and subsidies

Government grants / subsidies in the nature of promoters' contribution, given with reference to the total investment in an

## Notes to Financial Statements for the year ended 31st March, 2014

undertaking or by way of contribution towards its total capital outlay, are treated as capital reserve. 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.

### (g) Investments

#### **Presentation and Disclosure :**

Investments, which are readily realizable and intended to be held for not more than one year from balance sheet date are classified as current investments. All other investments are classified as non-current investments.

#### **Recognition and Measurement :**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are recognised as current investments. All other investments are recognised as long-term investments and carried at cost of acquisition. However, the carrying amount is reduced to recognise a decline, other than temporary, in the value of long-term investments by a charge to the statement of profit and loss. Current investments are stated at lower of cost and fair value determined on individual investment basis.

#### **Investment property**

Investment in buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on investments in property has been provided on written down value basis in accordance with Section 205(2) (a) of the Companies Act, 1956 at the rates prescribed in Schedule XIV to the Companies Act, 1956.

### (h) Inventories

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

### (i) 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 from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales tax and value added tax (VAT) on behalf of the government and, hence, they are excluded from revenue.

#### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

#### Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

### (j) Foreign currency translation

Transactions in foreign currency are recorded by applying the exchange rate at the date of the transaction. Monetary items denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates, prevailing on the Balance Sheet date. 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. Exchange differences arising as a result of the above are recognised as income or expense in the statement of profit and loss. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

### (k) Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective

## Notes to Financial Statements for the year ended 31st March, 2014

tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

### (l) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

### (m) Provisions

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

### (n) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### 3. Share capital

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
<b>Authorized shares</b>		
15,00,00,000 (Previous Year : 15,00,00,000) equity shares of Rs. 2/- each	3,000.00	3,000.00
70,00,00,000 (Previous Year : 70,00,00,000) preference shares of Rs. 100/- each	7,000.00	7,000.00
<b>Issued, subscribed and fully paid-up shares</b>		
6,95,45,849 (Previous Year : 2,54,74,670) equity shares of Rs. 2/- each fully paid up. (Refer Note 26)	1,390.92	509.49
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>1,390.92</b>	<b>509.49</b>

### (a) Reconciliation of shares at the beginning and at the end of the reporting period

Equity Shares Particulars	No. Lakhs		Rs. Lakhs	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	Number	Amount	Number	Amount
At the beginning of the reporting period	254.75	509.49	254.75	509.49
Add: Issued during the year - Rights Issue (Refer Note 26)	440.71	881.43	-	-
<b>At the end of the reporting period</b>	<b>695.46</b>	<b>1,390.92</b>	<b>254.75</b>	<b>509.49</b>

### (b) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity and preference shares issued by the Company, shares held by its holding company, ultimate holding company are as below:

	Rs. Lakhs	
	31-Mar-14	31-Mar-13
Nerka Chemicals Private Limited, the holding company*		
4,60,22,121 (31 March 2013: 1,36,69,179) equity shares of 2 each fully paid	920	273
*Became holding Company during the previous year 2012-13.		

## Notes to Financial Statements for the year ended 31st March, 2014

### (c) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31-Mar-14	31-Mar-13
<i>Equity shares of Rs. 2 each fully paid</i>		
<b>a) Nerka Chemicals Private Limited</b>		
No. of Shares	46,022,121	13,669,179
% of total Share capital	66.18%	53.66%
<b>b) Vinod Mohan Nair</b>		
No. of Shares	5,748,108	1,248,108
% of total Share capital	8.27%	4.90%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

- (e) The rights in respect of 1,015 (Previous year : 1015) Equity Shares of Rs. 10 each arising out of part conversion of 17% Secured Redeemable Partly Convertible Debentures and 1,015 (Previous year : 1015) Equity Shares arising as a result of issue of Bonus Shares have been kept in abeyance under Section 206A of the Companies Act, 1956.
- (f) There are 44,962 (Previous Year : 44,962) underlying Equity Shares of the Company in respect of GDR's listed on Luxembourg Stock Exchange. Every GDR are issued against 2 Equity shares.

### 4. Reserves and surplus

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
<b>Capital reserve</b>		
a) Central and State Subsidies for a project in backward area	60.00	60.00
b) Capital Reserve arising on amalgamation of Shroffs Industrial Chemicals Private Limited with the Company	3.01	3.01
c) Profit on reissue of Forfeited Shares / Debentures	1.38	1.38
<b>Closing Balance</b>	<b>64.39</b>	<b>64.39</b>
<b>Revaluation reserve {Refer Note 2.1(b) }</b>		
Balance as per the last financial statements	14,500.00	14,500.00
<b>Closing Balance</b>	<b>14,500.00</b>	<b>14,500.00</b>
<b>General reserve</b>		
Balance as per the last financial statements	3,100.65	3,100.65
<b>Closing Balance</b>	<b>3,100.65</b>	<b>3,100.65</b>
<b>Securities Premium</b>		
Balance as per the last financial statements	-	-
Add : Premium received pursuant to rights issue of Equity shares (Refer note 26)	6,610.68	-
Less : Expenses incurred towards Rights Issue of equity shares (Refer Note 26)	(111.12)	-
	<b>6,499.56</b>	-

## Notes to Financial Statements for the year ended 31st March, 2014

### 4. Reserves and surplus (Contd..)

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
<b>Surplus in the statement of profit and loss</b>		
Balance as per last financial statements	919.70	1,938.17
loss for the year	(163.11)	(1,018.47)
<b>Net surplus in the statement of profit and loss</b>	<b>756.59</b>	<b>919.70</b>
<b>Total Reserves and Surplus</b>	<b>24,921.19</b>	<b>18,584.74</b>

### 5. Short-term borrowings

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
(i) Loans (Secured)		
From Non Banking Financial companies [Refer Note (a) below]	1,000.00	9,000.00
(ii) Other Loans (Unsecured) [Refer note b) below]	20.00	20.00
	<b>1,020.00</b>	<b>9,020.00</b>
<b>The above amount includes</b>		
Secured borrowings	1,000.00	9,000.00
Unsecured borrowings	20.00	20.00

#### Notes :

#### a) Loans from Non Banking Financials Companies includes the following :

- 1) Loan amounting to NIL (Previous Year: Rs.500 Lakhs) was secured by way of pledge of 9,40,000 equity shares on UPL Limited (Formerly known as United Phosphorus Limited) ('UPL'). The loan carried interest of 13.25 % p.a. and was repaid in July 2013. Equity shares pledged have been released on repayment of the above loan.
  - 2) Loan amounting to NIL (Previous Year: 7500 Lakhs) was secured by way of pledge of 1,31,75,000 equity shares on UPL Limited (Formerly known as United Phosphorus Limited) ('UPL'). The loan carried interest of 12.25 % p.a. and was repaid in December 2013. Equity shares pledged have been released on repayment of the loan except for 22,000 equity shares which have been released subsequent to the balance sheet date.
  - 3) Loan amounting to Rs. 1,000 Lakhs (Previous Year: 1,000 Lakhs) is secured by way of pledge of 20,00,000 equity shares on UPL Limited (Formerly known as United Phosphorus Limited) ('UPL'). The loan carries interest of 12.00 % p.a. and is repayable in March 2015.
- b) Other loan from a private limited company of Rs. 20 Lakhs (Previous Year : Rs. 20 Lakhs) is interest free Loan repayable on demand.

### 6. Other current liabilities

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
a) Interest accrued but not due on short term borrowings	9.00	14.78
b) Dividend in abeyance	0.02	0.02
c) Statutory Liabilities	2.01	102.27
d) Advance from customer	721.74	-
	<b>732.77</b>	<b>117.07</b>

## Notes to Financial Statements for the year ended 31st March, 2014

7. Tangible assets	Rs. in Lakhs		
	Land	Vehicles	TOTAL
<b>Cost or valuation</b>			
<b>At 1st April 2012</b>	17,393.63	5.41	17,399.04
Deletion (2012-13)	-	(5.41)	(5.41)
<b>At 31st March 2013</b>	<b>17,393.63</b>	-	<b>17,393.63</b>
Additions (2013-14)	-	-	-
Deletion (2013-14)	-	-	-
<b>At 31st March 2014</b>	<b>17,393.63</b>	-	<b>17,393.63</b>
<b>Depreciation</b>			
<b>At 1st April 2012</b>	-	4.77	4.77
Charge for the year (2012-13)	-	0.11	0.11
Deletion for the year (2012-13)	-	(4.88)	(4.88)
<b>At 31st March 2013</b>	-	-	-
Charge for the year (2013-14)	-	-	-
Deletion (2013-14)	-	-	-
<b>At 31st March 2014</b>	-	-	-
<b>Net Block</b>			
<b>At 31st March 2013</b>	<b>17,393.63</b>	-	<b>17,393.63</b>
<b>At 31st March, 2014</b>	<b>17,393.63</b>	-	<b>17,393.63</b>
<b>8. Non-current investments</b>			Rs. in Lakhs
	<b>31-Mar-14</b>	<b>31-Mar-13</b>	
1) <b>Investment property (at cost less accumulated depreciation)</b>			
Cost of building	134.41	134.41	
Less: Accumulated depreciation	40.54	35.60	
<b>Net value [A]</b>	<b>93.87</b>	<b>98.81</b>	
2) <b>Trade investments (valued at cost unless stated otherwise)</b>			
<i>Unquoted equity instruments</i>			
1,000 (Previous Year : 1,000) Equity Shares of no par value in Kaw Valley, Inc.	0.98	0.98	
250 (Previous Year : 250) Equity Shares of no par value in Midland Fumigant, Inc.	4.91	4.91	
Less: Provision for Diminution in value of Long-Term Investments	(5.89)	(5.89)	
<b>Net value [B]</b>	<b>-</b>	<b>-</b>	
3) <b>Non-trade investments (valued at cost unless stated otherwise)</b>			
(i) <b>Investment in equity instruments (quoted)</b>			
a) 2,53,37,060 (Previous Year : 2,53,37,060) Equity shares of Rs. 2 each fully paid-up in UPL Limited (Formerly known as United Phosphorus Limited) (Refer note "f" below)	8,121.53	8,121.53	
b) 200,000 (Previous Year : 40,000) Equity shares of Rs. 2 (Previous year Rs.10) each fully paid-up in Advanta Limited (formerly known as Advanta India Limited) (Refer Note "g" below)	145.27	145.27	

## Notes to Financial Statements for the year ended 31st March, 2014

### 8. Non-current investments (Contd..)

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
<b>(ii) Investment in equity instruments (unquoted)</b>		
1,00,000 (Previous Year : 1,00,000) Equity Shares of Rs. 10 each fully paid-up in Harsora Hotels Private Limited.	25.00	25.00
100 (Previous Year 100) Equity Shares of Rs. 10 each fully paid-up in Industrial Grahak Sahakari Bhandar Limited.	0.01	0.01
20,000 (Previous Year : 20,000) Equity Shares of Rs. 10 each fully paid-up in Saket Projects Limited.	2.00	2.00
156 (previous year: 156) Equity Shares of Rs. 100 each fully paid-up in Sardar Bhiladwala Pardi People's Co-operative Bank Limited.	0.15	0.15
40 (Previous year : 40) Equity Shares of Rs. 500 each fully paid-up in Shree Ganesh Khand Udyog Sahakari Mandi Limited.	0.20	0.20
Net value [C]	<b>8,294.16</b>	<b>8,294.16</b>
Total [A+B+C]	<b>8,388.03</b>	<b>8,392.97</b>

Rs. in Lakhs

#### Notes :

a) Aggregate amount of quoted investments (Market value: Rs. 46,916.60 Lakhs (31 March 2013: Rs.30,100.99 Lakhs))	8,266.80	8,266.80
b) Aggregate amount of unquoted investments (Trade) (Before diminution)	5.89	5.89
c) Aggregate amount of unquoted investments (Non-Trade)	27.36	27.36
d) Value of investment property	93.87	98.81
e) Aggregate provision for diminution in value of investments	(5.89)	(5.89)
f) 20,22,000 (Previous Year : 1,61,15,000) equity shares of UPL Limited (Formerly known as United Phosphorus Limited) have been pledged against short term loans taken from Non Banking Financial Companies. Out of above, 22,000 equity shares have been released subsequent to balance sheet date. (Also refer note "a" in note 5 - Short term borrowings)		
g) During the year, share of Rs.10 each has been divided into 5 shares of Rs.2 each.		

### 9. Loans and advances

Rs. in Lakhs

	Non-current		Current	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
<b>Security deposit</b>				
Unsecured, considered good	0.46	0.43	37.46	-
<b>Advances recoverable in cash or kind</b>				
Unsecured considered good	-	-	1.21	0.30
<b>Other loans and advances</b>				
Advance income-tax (net of provision for taxation)	2,191.36	2,180.21	-	-
<b>Total</b>	<b>2,191.82</b>	<b>2,180.64</b>	<b>38.67</b>	<b>0.30</b>

## Notes to Financial Statements for the year ended 31st March, 2014

### 10. Cash and bank balances

Rs. in Lakhs

	Current	
	31-Mar-14	31-Mar-13
<b>Cash and cash equivalents</b>		
<i>Balances with banks:</i>		
– On current accounts	22.04	240.65
Cash on hand	0.09	0.06
<b>Other Bank Balances</b>		
– Margin Money Deposit *	37.46	-
	<b>59.59</b>	<b>240.71</b>

\* **Note:** Margin Money deposit given as security against bank guarantee

### 11. Other current assets

Rs. in Lakhs

	Current	
	31-Mar-14	31-Mar-13
Interest Receivable	1.51	-
Miscellaneous Expenses (Refer note below)	-	36.54
	<b>1.51</b>	<b>36.54</b>

#### Note :

The Company has incurred an amount of Rs.111.11 lacs in connection with the rights issue of its equity shares and adjusted this amount against Securities Premium account arising from the rights issue of equity shares (which concluded during this year), as permitted under section 78 of the Companies Act, 1956. (Refer Note 26)

### 12. Revenue from operations

Rs. in Lakhs

	Current	
	31-Mar-14	31-Mar-13
<b>Revenue from operations</b>		
Sale of products		
Traded goods - chemicals	<b>907.50</b>	<b>110.76</b>

### 13. Other income

Rs. in Lakhs

	Current	
	31-Mar-14	31-Mar-13
Interest income on		
Bank deposits	81.93	-
Others	2.95	96.29
Dividend income on		
Long-term investments	633.45	126.69
Profit on sale of fixed asset	-	0.88
	<b>718.33</b>	<b>223.86</b>

### 14. Purchase of Traded Goods

#### Details of purchase of traded goods

Rs. in Lakhs

	Current	
	31-Mar-14	31-Mar-13
Chemicals	879.77	107.57
	<b>879.77</b>	<b>107.57</b>



## Notes to Financial Statements for the year ended 31st March, 2014

### 15. Employee benefits expense

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
Salaries, wages, bonus and other benefits [Refer Note No. 23(b)(7)]	34.72	29.57
	<b>34.72</b>	<b>29.57</b>

### 16. Other expenses

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
Electricity Charges	0.84	1.13
Rates and taxes	6.39	6.00
Repairs and maintenance (Others)	1.52	1.56
Security Charges	6.67	3.20
Printing and stationery	1.07	1.01
Legal and professional fees	26.12	16.61
Postage & Stamps	1.70	1.45
Payment to auditor (Refer details below)	7.40	5.62
Foreign Exchange Fluctuation (net)	(6.68)	83.60
Demat charges	0.01	8.78
Miscellaneous expenses	6.85	1.38
	<b>51.89</b>	<b>130.34</b>

### Payment to auditor

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
As auditor:		
Audit fee*	7.30	3.93
Others	0.10	1.69
	<b>7.40</b>	<b>5.62</b>

\* **Note** : During the year 2013-14, Rs. 10.09 Lakhs have been paid to auditors towards the professional fees for rights issue of the Company, which are adjusted towards the securities premium received on the right issue.

### 17. Depreciation and amortization expense

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
Depreciation on tangible assets	-	0.11
Depreciation on investment property	4.94	5.20
	<b>4.94</b>	<b>5.31</b>

### 18. Finance costs

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
Interest on short term borrowings	816.54	1,058.99
Bank charges & other financials charges	1.08	21.31
	<b>817.62</b>	<b>1,080.30</b>

## Notes to Financial Statements for the year ended 31st March, 2014

### 19. Earning per share (EPS)

The following reflects the Profit / (Loss) and share data used in the basic and diluted EPS computations:

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
Loss after taxation as per statement of profit and loss [A]	(163.11)	(1,018.47)
Weighted average number of Equity Shares Outstanding (B) (Nos.)	43,103,142	25,474,670
Basic and Diluted Earning Per Share (in Rs) [(A)/(B)]	(0.38)	(4.00)
Face Value Per Share (in Rs)	2.00	2.00

### 20. Contingent liabilities

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
Disputed Income-tax liability	3,468.41	3,348.93

#### Note :

The contingent liability for Income Tax is mainly on account of major disallowances /additions made in the assessment proceedings since AY 1992 – 93 to AY 2011-12 on account of taxability of amount of Advance Licence Benefit receivable, Pass Book Benefit receivable, data access fees paid, deduction in respect of premium paid for Lease Hold Land, benefit claimed u/s.80HHC, benefit Claimed U/S 80IA / IB and other miscellaneous addition / disallowances. The Company has contested all the above issues before the Commissioner of Income Tax (A) /Income Tax Appellate Tribunal and same are pending before the said authorities for disposal.

### 21. Expenditure in foreign currency (accrual basis)

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
Stock Exchange fees	2.92	2.53

### 22. Value of Imports calculated on CIF Basis

	Rs. in Lakhs	
	31-Mar-14	31-Mar-13
Traded goods	879.77	107.57

### 23. Related Party Disclosure

Related party disclosure as required by Accounting Standard (AS) - 18 'Related Party Disclosures' notified by Companies (Accounting Standards) Rules, 2006 is given below:

#### (a) Relationship :

##### (i) Holding company

Nerka Chemicals Private Limited ('Nerka') w.e.f. April 10, 2012

##### (ii) Ultimate Holding Company

Demuric Holdings Private Limited ('Demuric') w.e.f. April 10, 2012

##### (iii) Enterprises over which Key Management personnel and their relatives have significant influence :

UPL Limited (Formerly known as United Phosphorus Limited) ('UPL')

SWAL Corporation Limited ('SWAL')

Uniphos International Limited (Formerly known as Uniphos Agro Industries Limited) ('UIL')

##### (iv) Key Management Personnel and their relatives :

Mr. Rajnikant D. Shroff

Mrs. Sandra R. Shroff

Mr. Jaidev R. Shroff

## Notes to Financial Statements

for the year ended 31st March, 2014

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

Nature of Transactions	Holding Company		Ultimate Holding Company		Enterprises over which Key Management personnel and their relatives have significant influence		Total	
							Rs. in Lakhs	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
<b>1. Income</b>								
Sales to UPL	-	-	-	-	907.50	82.72	907.50	82.72
Dividend from UPL	-	-	-	-	633.45	126.69	633.45	126.69
<b>2. Finance Expenses</b>								
UPL	-	-	-	-	-	749.03	-	749.03
Nerka	-	1.35	-	-	-	-	-	1.35
Demuric	-	-	-	223.52	-	-	-	223.52
<b>3. Loan/Advance taken</b>								
UPL	-	-	-	-	-	8,405.00	-	8,405.00
SWAL	-	-	-	-	-	-	-	-
UIL	-	-	-	-	-	-	-	-
Nerka	-	-	-	-	-	-	-	-
Demuric	-	-	-	1,850.00	-	-	-	1,850.00
<b>4. Repayment of Loans/Advances Taken</b>								
UPL	-	-	-	-	-	8,405.00	-	8,405.00
SWAL	-	-	-	-	-	-	-	-
UIL	-	-	-	-	-	-	-	-
Nerka	-	210.00	-	-	-	-	-	210.00
Demuric	-	-	-	9,250.00	-	-	-	9,250.00
<b>5. Issue of equity shares pursuant to Rights issue</b>								
Nerka 3,23,52,942 equity shares of Rs. 2 fully paid	5,500.00	-	-	-	-	-	5,500.00	-
<b>6. Advance received against sales</b>								
UPL	-	-	-	-	661.74	-	661.74	-
Nerka	60.00	-	-	-	-	-	60.00	-
<b>7. Salary and other reimbursements</b>								
UPL	-	-	-	-	34.72	29.74	34.72	29.74
<b>8. Outstandings as at the Balance Sheet Date</b>								
Advance received against sales								
UPL	-	-	-	-	661.74	-	661.74	-
Nerka	60.00	-	-	-	-	-	60.00	-

## Notes to Financial Statements for the year ended 31st March, 2014

### (c) Maximum amount outstanding of the Loan taken during the year

Rs. in Lakhs

Name of the Company	31-Mar-14	31-Mar-13
UPL Limited (Formerly known as United Phosphorus Limited)	-	7,400.00
Nerka Chemicals Private Limited (Holding Company)	-	210.00
Demuric Holdings Private limited (Ultimate holding Company)	-	7,400.00

### 24. Micro, small and medium enterprises disclosure

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

### 25. Segment reporting

The Company is engaged in trading business in India, which in the context of Accounting Standard 17 is considered to be its only business segment and thus no geographic segment is applicable.

### 26. Rights Issue of shares

During the year, the Company at its meeting held on 6th November, 2013, has issued and allotted 4,40,71,179 equity shares of Rs.2/- each at a price of Rs. 17/- per equity share (including premium of Rs.15/-), for an amount aggregating to Rs. 7,492.10 lakhs, to the successful applicants who subscribed to the Rights Issue of the Company in the ratio of 173 (One Hundred and Seventy Three) fully paid up equity shares of Rs.2/- each for every 100 (One Hundred) fully paid-up equity shares of Rs.2/- each held (i.e., 173:100) by the equity shareholders on the record date i.e. 19th September, 2013.

Consequent to the aforesaid allotment, the paid up Equity Share capital of the Company stands increased by Rs. 881.42 lakhs comprising of 4,40,71,179 fully paid-up equity shares of Rs. 2/- each and premium of Rs. 15 per share amounting to Rs. 6,610.68 lakhs has been credited to Securities premium account. The expenses incurred in connection with said rights issue has been adjusted against securities premium account amounting to Rs. 111.12 lakhs.

The Company has fully utilised the proceeds of Rights Issue of Rs. 7,492.10 lakhs before 31st December, 2013 as follows:

Particulars	Rs. in Lakhs	
	Proposed Utilisation	Actual Utilisation
Repayment of certain loans availed by the Company	7350.00	7350.00
General corporate purposes	42.10	42.10
Issue expenses	100.00	100.00
<b>TOTAL</b>	<b>7492.10</b>	<b>7492.10</b>

### 27. Previous Year regrouping

Previous year's figures have been regrouped/ rearranged wherever necessary.

As per our report of even date

#### For S.V.Ghatalia & Associates LLP

Chartered Accountants  
Firm registration number: 103162W

#### per Sudhir Soni

Partner  
Membership no. : 41870

Place: Mumbai

Date: 25th April, 2014

For and on behalf of the Board of Directors of  
**Uniphos Enterprises Limited**

#### R. D. Shroff

Chairman  
and Managing Director

Place: Mumbai

Date: 25th April, 2014

#### Arun Ashar

Director

#### K. M. Thacker

Company Secretary



# UNIPHOS ENTERPRISES LIMITED

CIN : L24219GJ1969PLC001588

Registered office: 11, G.I.D.C., Vapi, Dist. Valsad, Gujarat – 396195

## PROXY FORM

Name of the Member(s):

Registered Address:

Folio No./ DP ID - Client Id:

I/We being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

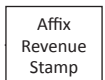
1. Name: ..... Address:.....  
 E-mail Id: ..... Signature: .....  
 or failing him;
2. Name: ..... Address:.....  
 E-mail Id: ..... Signature: .....  
 or failing him;
3. Name: ..... Address:.....  
 E-mail Id: ..... Signature: .....  
 or failing him;

as my / our proxy to attend and vote (on a poll) for me / us and on my /our behalf at the 45th Annual General Meeting of the Company to be held on Friday, 26th day of September, 2014 at 9.15 a.m. at the Registered Office of the Company at 11, G.I.D.C., Vapi, Dist. Valsad, Gujarat, Pin- 396 195 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business</b>	
1.	Adoption of Financial Statements for the financial year ended 31st March, 2014.
2.	Re-appointment of Mr. Jaidev Rajnikant Shroff (DIN: 00191050), who retires by rotation.
3.	Appointment of M/s. S R B C & CO LLP, Chartered Accountants, as Auditors and fixing their remuneration.
<b>Special Business</b>	
4.	Appointment of Mr. Pradeep Vedprakash Goyal (DIN: 00008370) as an Independent Director.
5.	Appointment of Mrs. Swati Sandesh Mayekar (DIN: 00245261) as an Independent Director.
6.	Appointment of Mr. Arun Chandrasen Ashar (DIN: 00192088) as an Independent Director.
7.	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing money up to Rs.500 crores which may exceed the aggregate of the paid up share capital and free reserves of the Company.
8.	Alteration of Articles of Association of the Company.

Signed this ..... Day of ....., 2014

Signature of shareholder..... Signature of Proxy holder(s).....



### Notes :

1. The proxy need not be a member.
2. 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.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 45th Annual General Meeting.
4. Please complete all details including details of member(s) in above box before submission.
5. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**If undelivered, please return to:**

 **UNIPHOS ENTERPRISES LIMITED**

Secretarial Department  
8, Shri Krishna Commercial Centre,  
Ground Floor, Opp. Raheja Solitaire,  
6, Udyog Nagar, Off S.V. Road,  
Goregaon (West), Mumbai- 400 062



# Uniphos Enterprises Limited

CIN : L24219GIL369PLC001588



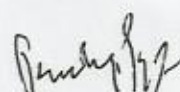


Share Dept. : 8, Shri Krishna Commercial Centre, Ground Floor, Opp. Raheja Soli  
6, Udyog Nagar, Off. S. V. Road, Goregaon (W), Mumbai - 400 062.  
Phone: 2872 4862, 2875 5486 Fax: 2875 3485  
Regd. Off. : 11, G'DC, Vapi - 396 195 (Guj.) Tel. : (0260) 2400717, 2401718 - 19  
Corporate Off. : Uniphos House, Madhu Park, 11th Road, Khar (W),  
Mumbai - 400 052. Phone : 2646 8000 Fax : 2604 1010

## UNIPHOS ENTERPRISES LIMITED

SCRIP CODE - 500429

### FORM A

(Pursuant to clause 31(a) of the listing agreement with Stock Exchanges)

1.	Name of the Company:	Uniphos Enterprises Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified / Matter of Emphasis
4.	Frequency of observation	Whether appeared first time ..... / repetitive ..... / since how long period ...  Not Applicable
5.	Signed by-   R. D. Shroff Chairman & Managing Director   A. C. Ashar Director   Pradeep Goyal Audit Committee Chairman  Place of Signature: Mumbai Date: September 1, 2014	Signed by-  For S.V. Ghatalia & Associates LLP Chartered Accountants Firm's Registration Number: 103162W   per Pramod Kumar Bapna Partner Membership Number: 105497    Place of Signature: Mumbai Date: September 1, 2014