



# INDO BORAX & CHEMICALS LTD.

Regd. Office: 302, Link Rose Building, Linking Road, Santacruz (West), Mumbai - 400054, India.  
Ph.: 022-26489142 / 47 / 48 • Fax No. 022-26489143 • CIN : L24100MH1980PLC023177  
Email : indoborax@vsnl.com • Website : www.indoborax.com

25<sup>th</sup> August, 2016

To,  
BSE Limited,  
Department of Corporate Services,  
Phiroze Jeejephoy Tower,  
Dalal Street,  
Mumbai – 400 001

Dear Sir,

Ref.: Scrip Code 524342

**Sub: Compliance under clause 34 (1) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015**

Pursuant to clause 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 attached please find herewith 35<sup>th</sup> Annual Report of Indo Borax & Chemicals Limited which has been approved and adopted in 35<sup>th</sup> Annual General Meeting of the company held on 13<sup>th</sup> August, 2016.

Thanking you,

Yours faithfully

For Indo Borax & Chemicals Ltd



Pravin Chavan  
Company Secretary & Compliance Officer



**INDO BORAX  
&  
CHEMICALS LTD.**

**35th ANNUAL REPORT 2015 - 2016**

**BOARD OF DIRECTORS**

S.K. Jain	:	Chairman & Managing Director
Sajal Jain	:	Vice Chairman & Executive Director, CFO
Sushila Jain	:	Non Executive Director
Arun S. Sureka	:	Non Executive and Independent Director
Narendra Kumar Mittal	:	Non Executive and Independent Director
Govind R. Parmar	:	Non Executive and Independent Director
Company Secretary	:	Pravin Chavan
Bankers	:	Syndicate Bank, Kotak Mahindra Bank Ltd, State Bank of India.
Auditors	:	V.S. Lalpuria & Company Chartered Accountants
Registered Office	:	302, Link Rose, Linking Road, Santacruz (West), Mumbai – 400 054.
Works	:	Pithampur : Sector II, Pithampur Industrial Area, Dist. Dhar (M.P.), Pin : 454 775
Registrar & Transfer Agent	:	Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072
Subsidiary Company	:	Indoborax Infrastructure Pvt. Ltd. (CIN-U45400MH2009PTC197583)

**NOTICE**

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the members of Indo Borax & Chemicals Ltd. will be held on Saturday, 13<sup>th</sup> August, 2016 at Mini Auditorium of S.N.D.T. Women's University, Sir Vithaldas Vidya Vihar, Opp. Lido Cinema, Juhu Road, Santacruz (W), Mumbai – 400 049 at 1.00 p.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - (a) the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2016, together with the Report of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2016, together with the Reports of the Auditors thereon.
2. To declare a dividend of Rs. 1.50 per equity share for the year ended 31<sup>st</sup> March, 2016.
3. To appoint Mr. S. K. Jain as a Director liable to retire by rotation.
4. To re-appoint Auditor and fix their remuneration

and in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT, pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the audit committee of the Board of Directors, M/s. V. S. Lalpuria & Company, Chartered Accountants, (Registration No.105581W) be and is hereby re-appointed as Auditors of the Company, 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 shall be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS:**

5. To approve the remuneration of the Cost Auditor for the financial year ended 31<sup>st</sup> March, 2017 and in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**



“RESOLVED THAT pursuant to the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable during the financial year 2016-17 to Mr. R. M. Kandoi, Cost Accountants, (Membership No. 5427) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2017, be paid the remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

BY ORDER OF THE BOARD  
For INDO BORAX & CHEMICALS LTD

(Pravin Chavan)  
Company Secretary

Mumbai: 30<sup>th</sup> May, 2016

## NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a Member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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 shall not act as a proxy for any other person or shareholder.

The proxy form duly completed and signed, should be lodged with the company, at its registered office at least 48 hours before the commencement of the meeting.

Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

Members/Proxies should bring the enclosed Attendance Slip duly filled in along with Annual Report, for attending the meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DPID Numbers for identification.

2. The Register of Members and Share Transfer Books will remain closed from 5<sup>th</sup> August, 2016 to 13<sup>th</sup> August, 2016 (both days inclusive), in connection with the ensuing Annual General Meeting and the payment of dividend.
3. The final dividend as recommended by the Board of Directors, if approved by the members at the Annual General Meeting, will be paid after **13<sup>th</sup> August, 2016**, as under:

- a) To all beneficial owners in respect of shares held in electronic form as per the data as may be made

available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of the business hours on 5<sup>th</sup> August, 2016;

- b) To all shareholders in respect of shares held in physical form after giving effect to transfers in respect of complete and valid request lodged with the company on or before the close of business hours on 5<sup>th</sup> August, 2016.
4. Explanatory statement in respect of Item No. 5 of the accompanying notice as required by Section 102 of the Companies Act, 2013 is annexed hereto.
  5. Members holding shares in physical form are requested to immediately intimate change of address, if any to the Registrar and Share Transfer Agent M/s. Sharex Dynamic (India) Private Ltd., quoting reference of the Registered Folio Number. Members holding shares in the electronic form are advised to inform any change in address to their respective Depository Participants. The address as furnished to the Company by the respective Depositories viz. NSDL & CDSL will be printed on the dividend envelopes. The company or its Registrars can not act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the shareholders.
  6. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact Sharex Dynamic (India) Pvt. Ltd., for assistance in this regard.
  7. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Sharex Dynamic (India) Pvt. Ltd., the details of such folios together with the share certificates for consolidating their holding in one folio.



A consolidated share certificate will be returned to such members after making requisite changes thereon.

8. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. The Company has transferred the unpaid or unclaimed dividends declared up to financial year 2007-08, from time to time on due dates, to the Investors Education and Protection Fund (IEPF) established by the Central Government. Pursuant to provisions of Investors Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with companies) Rules, 2012, the company has uploaded the details of unpaid and unclaimed amount lying with the company as on 22<sup>nd</sup> August, 2015 (the date of last Annual General Meeting) on the website of the Company, as also on the website of the Ministry of Corporate Affairs..
10. Shareholders seeking any information with regard to Accounts or desirous of asking questions at the AGM are requested to write to the Company at least seven days in advance, so as to enable the management to keep the information ready at the meeting.
11. Particulars of directors seeking re-appointment is given in the Report of the Directors on Corporate Governance forms part of the notice.

Under the terms of appointment, Chairman & Managing Director is not subject to retire by rotation. Mr. S. K. Jain, Chairman and Managing Director, was appointed as Chairman and Managing Director for the term of five year w.e.f. 1<sup>st</sup> April, 2012, which was approved at the Annual General Meeting held on 26<sup>th</sup> July, 2012. However, as per the provision of Section 152 (6) of the Companies Act, 2013, the director to retire by rotation at every AGM shall be those who have been longest in office since their last appointment. To the extent that Mr. S. K. Jain, is required to retire by rotation, he would need to be re-appointed as Director, however his terms and conditions of appointment as Chairman & Managing Director would be remain same as per member's resolution dated 26<sup>th</sup> July, 2012 for the remaining tenure, if appointed.

12. The Notice of AGM along with the Annual Report 2015-16 is being send by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

13. SEBI has made it mandatory for all listed companies, to mention in the dividend warrant, the Bank Account details furnished by the shareholders, while distributing dividend as well as to use the ECS facility wherever available. In event of some shareholders not availing ECS/NECS facility, the bank shall print the Bank details as available with it in the dividend warrants.

Shareholders holding shares in physical form: Please provide the following bank details to the Registrar & Transfer Agent quoting Folio Number to enable us to credit your account with the dividend directly: Name of the Bank, Address of the Bank, Bank Account Number, 9 digit MICR code of the branch, IFSC code of the Branch (preferably, send cancelled cheque leaf)

Shareholders holding shares in dematerialized form: Please register/update your bank account details i.e. Bank Name, Branch address, Account no., Account Type, 9 digit MICR code with your depository participants with whom you are maintain your demat account to facilitate credit of dividend directly to your bank.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, Sharex Dynamic (India) Private Limited, Unit - 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400072.
15. Voting through Electronics Means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management & Administration) Rules 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the company has provided members a facility to exercise their rights to vote at the 35<sup>th</sup> Annual General Meeting by electronic means. The members may cast their votes using an electronic voting system from place other than venue of the Meeting ('remote e-voting').

Remote e-voting period commences on **10<sup>th</sup> August, 2016 (9:00 am)** and ends on **12<sup>th</sup> August, 2016 (5.00 pm)**. During this period members of the company, holding shares in either in physical form or in dematerialized form, as on cut-off date of **5<sup>th</sup> August, 2016**, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting



after end of voting period on 12<sup>th</sup> August, 2016. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the company as on 5<sup>th</sup> August, 2016. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting and at the venue of AGM voting by Ballot/Polling Papers.

The members who have cast their votes through remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again by Ballot/Polling Papers.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of Ballot/Polling Papers, for all those Members, who are present at the AGM and not cast their votes by availing remote e-voting facility.

Mr. Manish L Ghia, Partner, Manish Ghia & Associates, Practicing Company Secretary (Membership No. FCS 6252) has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

The Scrutinizer shall, within a period three days from the conclusion of Annual General Meeting, make a consolidated scrutinizers report of the votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.indoborax.com](http://www.indoborax.com) and on the website of CDSL immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

## 16. The instructions for shareholders voting electronically are as under :

- (i) The voting period begins on **10<sup>th</sup> August, 2016 (9:00 a.m)** and ends on **12<sup>th</sup> August, 2016 (5:00 p.m)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **5<sup>th</sup> August, 2016** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ♦ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ♦ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd / mm / yyyy format ) as recorded in your demat account or in the company records in order to login. ♦ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **Indo Borax & Chemicals Limited** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- + Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - + A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - + After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - + The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - + A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF

format in the system for the scrutinizer to verify the same.

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act")**

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

### **Item No. 5**

The Board, on the recommendation of Audit Committee, has approved the appointment and remuneration of the Cost Auditor Mr. R. M. Kandoi, Cost Auditor (Membership No. 5427) to conduct the audit of the cost records relating to a boron products of Company for the financial year ending 31<sup>st</sup> March, 2017 with audit fees of Rs. 20,000/- plus service tax as applicable and reimbursement of actual expenses as incurred by them in connection with the aforesaid audit.

In accordance with the provisions of Section 148 of the Act, read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item no. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ended 31<sup>st</sup> March, 2017.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the ordinary resolution set out at item no. 5 of the Notice for approval by members.

By Order of the Board  
For Indo Borax & Chemicals Ltd

Pravin Chavan  
Company Secretary

**Mumbai: 30<sup>th</sup> May, 2016**

**Registered Office:**

302, Link Rose,  
Linking Road,  
Santacruz (West),  
Mumbai – 400 054

## DIRECTORS' REPORT

**To The Members of Indo Borax & Chemicals Ltd,**

Your Directors have pleasure in presenting 35<sup>th</sup> Annual Report and the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March, 2016.

### FINANCIAL RESULTS

The performance of the Company for the financial year ended 31<sup>st</sup> March, 2016 is summarized below: (₹. in lacs)

Particulars	Standalone		Consolidated	
	31-3-2016	31-3-2015	31-3-2016	31-3-2015
Sales	7340.63	8128.75	7765.63	9613.01
Less: Excise Duty	803.94	867.85	803.94	867.85
Net Sales	6536.69	7260.90	6961.69	8745.16
Other Income	289.79	392.95	283.66	303.47
Profit before Depreciation & Taxation	1477.72	1939.67	1488.21	2110.66
Less : Depreciation	124.49	114.68	125.29	115.66
Provision for Taxation	388.20	589.30	390.99	645.30
Deferred Tax	49.09	(6.64)	49.06	(7.14)
Prior period Adjustments	--	0.30	--	1.36
Minority interest	--	--	--	45.38
Profit after Depreciation & Taxation	915.94	1242.03	922.87	1310.10
Balance brought forward from previous year	6521.93	5490.04	6629.82	5529.86
Profit available for appropriation	7437.87	6732.07	7552.69	6839.96
Less : Appropriations				
Capital Redemption Reserve	--	27.20	--	27.20
Proposed Final Dividend	48.14	48.14	48.14	48.14
Tax on Dividend	9.80	9.80	9.80	9.80
Transfer to General Reserve	90.00	125.00	90.00	125.00
Balance carried to Balance Sheet	7289.93	6521.93	7404.75	6629.82

### DIVIDEND

Your Directors are pleased to recommend final dividend of Rs. 1.50 (One Rupee & Fifty Paise) per equity share of Rs. 10/- each on 32,09,000 Equity Shares, if approved by the members, would involve a cash outflow of Rs. 57.94 Lacs including dividend tax.

### TRANSFER TO RESERVES

During the year your company has transferred Rs. 90,00,000/- to General Reserve out of the amount available for appropriation and an amount of Rs. 72,89,92,891/- is proposed to be retained in the profit and loss account.

### COMPANY'S PERFORMANCE

On consolidated basis, sales for the financial year 2015-16 stood at Rs. 6961.69 lacs which was lower by 20.39% over last year (Rs. 8745.15 lacs in 2014-15). Earnings before tax and depreciation was Rs. 1488.21 lacs, which was lower by 29.49% over EBTD of Rs. 2110.66 Lacs in 2014-15. The profit after tax for the year was Rs. 922.86 lacs, which was lower by 29.56% over the PAT of Rs. 1310.10 lacs in 2014-15. The drop in the sales and profit was the result of shutdown of the plant for capacity expansion.

On standalone basis, sales for the financial year 2015-16 stood at Rs. 6536.69 lacs, which was lower by 9.97% over

last year (Rs. 7260.90 lacs in 2014-15). Earnings before tax and depreciation was Rs. 1477.72 lacs, which was lower by 23.82% over EBTD of Rs. 1939.67 Lacs in 2014-15. The profit after tax for the year was Rs. 915.93, which was lower by 26.25% over the PAT of Rs. 1242.03 lacs in 2014-15.

The production of boron products decreased by 5.33% as compare to 6.93% increase in previous year, which was due to the shutdown of the plant for capacity expansion.

### SUBSIDIARY COMPANY

A subsidiary company Indoborax Infrastructure Private Limited is wholly owned subsidiary company. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of business of the subsidiary.

During the year company has sold 1 unit out of the 2 residential units constructed. During the year under review, the company recorded turnover of Rs. 425.00 lacs and earned profit after tax of Rs. 6.93 lacs for the year.

As pursuant to Section 129 of the Companies Act, 2013 the Audited accounts and Reports of Board of Directors and Auditors for the year ended 31<sup>st</sup> March, 2016 relating to the subsidiary company are attached to the accounts, hence the AOC-1 is not required to be given.



**CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements of the company and its subsidiary which form part of Annual Report have been prepared in accordance with section 129(3) of the Companies Act, 2013. Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2016 along with report of the auditors thereon are attached herewith.

**INTERNAL FINANCIAL CONTROL**

The details in respect of the internal financial control and their adequacy are included in Management Discussion & Analysis, which forms part of this report.

**NUMBER OF MEETING OF THE BOARD**

During the financial year 2015-16 the Board of Directors met 6 times on the following dates: 30-May-2015, 12-Aug-2015, 18-Sept-2015, 5-Nov-2015, 18-Dec-2015 and 13-Feb-2016. For details of the meeting of the board, please refer to the Corporate Governance Report, which forms part of this report.

**COMMITTEES OF THE BOARD**

As per requirement of SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015 & the Companies Act, 2013, there are four Committees of the Board, as follows:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relation Committee
4. Corporate Social Responsibility Committee

Details of all the committees along with their composition, name of the members, meetings held during the year and attendance are provided in the Corporate Governance Report, which forms a part of this Report.

**RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS**

Pursuant to Section 134 (5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts; the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for

- preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of section 149 of the Act, Mr. Arun Sureka, Mr. N.K. Mittal and Mr. Govind Parmar, were appointed as independent directors at the annual general meeting of the company held on 27<sup>th</sup> September, 2014. Company has received declaration from all the Independent Directors of the company confirming that they meet the criteria of independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations with Stock Exchange.

During the year, Mr. S. K. Jain, Chairman & Managing Director, retires by rotation in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

Pursuant to provisions of section 2013 of the Act, the key managerial personnel of the company are Mr. S.K.Jain, Chairman and Managing Director, Mr. Sajal Jain, Chief Executive and Chief Financial Officer and Mr. Pravin Chavan, Company Secretary. There has been no change in the key managerial personnel during the year.

**BOARD EVALUATION**

The board of directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as 1. Attendance of Board Meeting and other Board Committee meetings, 2. Contribution made in deliberation in meetings 3. Inputs regarding future growth of company and its performance, 4. Providing feedback going beyond information provided by the management and 5. Commitment to shareholders and other stakeholders.

In separate meeting of independent Directors, performance of the non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of the executive



directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility Policy (CSR Policy) of the Company and initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure I** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The details about the CSR committee, please refer to the Corporate Governance Report, which form part of this report. The CSR policy is available on the website of the company <http://www.indoborax.com/csr.php>

## WHISTLE BLOWER POLICY

The Company has formulated whistle blower policy for Directors and employees to report their genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. The said mechanism also provides for adequate safeguard against victimization of persons who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in the appropriate or exceptional cases. We affirm that no employee of the company was denied access to the Audit Committee. The Whistle Blower Policy have been disclosed on website of the Company at <http://www.indoborax.com/Whistle-Blower-Policy.php>

## PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Directors	Ratio of median remuneration
Mr. Sushilkumar Jain, Managing Director	38.30
Mr. Sajal Jain, Chief Executive & Chief Financial Officer	38.30

Company has not paid any remuneration to non-executive directors except sitting fees.

- b) The percentage increase in remuneration of each director, key managerial personnel in the financial year:

Name of the Directors Key Managerial Personnel	% increase in remuneration in the financial year
Mr. Sushilkumar Jain, MD	(26.41)
Mr. Sajal Jain, CEO & CFO	(26.41)
Mr. Pravin Chavan, Company Secretary *	—

\*Since this information is part of the previous year, the same is not comparable.

- c) The percentage increase in the median remuneration of the employees in the financial year: 2.09%
- d) The number of permanent employees on the rolls of the company : 83
- e) The explanation on the relationship between average increase in remuneration and company performance: On an average, employees received an annual increase of 6%. The individual increment varied from 6% to 22%, based on individual performance. In order to ensure that remuneration reflects Company performance, the salary increment is also linked to overall performance of the company.
- f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Aggregate remuneration of Key Managerial personnel (KMP) in FY 2015-16 (Rs. in lacs)	167.47
Revenue	6536.69
Remuneration to KMP (as % of revenue)	2.56
Profit before Tax	1353.23
Remuneration of KMP ( % of PBT)	12.38

- g) Variation in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2016	March 31, 2015	% Change
Market capitalisation	9505.06	7528.31	26.26
Price Earnings Ratio	10.38	6.09	70.44

- h) Percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	March 31, 2016	May 24, 1993 (IPO)	% Change
Market Price (BSE)	296.20	15.00	1974.66

- i) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 6%. However during the year, the total increase in employee benefits is approximately 27%.

During the year under review there was no increment in the managerial salary, the commission which is

based on % of profit have also been decreased, which is directly linked with the performance of the company. Decrease in the managerial remuneration for the year was 26.41%.

- j) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company: (₹. in lacs)

	Mr. Sushilkumar Jain Managing Director	Mr. Sajal Jain Chief Executive Officer and Chief Financial Officer	Mr. Pravin Chavan, Company Secretary
Remuneration in FY 16	73.75	73.75	19.97
Revenue	6536.69		
Remuneration as % of revenue	1.13	1.13	0.31
Profit before tax (PBT)	1353.23		
Remuneration (as % of PBT)	5.45	5.45	1.48

- k) The key parameters for any variable component of remuneration availed by the directors:  
The members have, at the AGM of the company held on 26<sup>th</sup> July, 2012 & 22<sup>nd</sup> August, 2013 approved the commission to Managing Director & Executive Director, respectively. The overall remuneration payable to Managing Director & Executive Director shall not exceed the maximum limits specified in the Act.
- l) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.
- m) Affirmation that the remuneration is as per the remuneration policy of the Company:  
The company affirms remuneration is as per the remuneration policy of the company.
- n) The information required to be given under section 197(12) read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below :

Name, Qualification, Designation	Age, Experience, Date of Joining	Remuneration Gross	Take home pay during the year	Terms of Appointment	Previous Employment
Mr. S.K.Jain B.Sc. Managing Director	72 Years 52 Years 23-09-1980	Rs. 73,75,222/-	Rs. 43,52,399/-	Contractual, Governed by members' resolution	Self-Employed
Mr. Sajal Jain B. Com. Executive Director	48 Years 28 Years 01-06-1988	Rs. 73,75,822/-	Rs. 39,70,437/-	Contractual, Governed by member's resolution	First Employment

## POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on directors appointment and remuneration and other matters provided in Section 178(3) of the Act, has been disclosed in the Corporate Governance Report, which forms part of the Directors Report.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. Conservation of Energy

<p>i) Energy Conservation Measures taken</p> <p>ii) Utilization of alternate source of energy</p> <p>iii) Capital Investment on energy conservation equipment</p>	<p>The Company continues to lay special emphasis on conservation of energy and have taken measures like regular monitoring of consumption, reduction of transmission losses and up to date maintenance of systems.</p> <p>During the year, company has made capital investment of Rs. 2,65,45,449/- by installing new boiler as energy conservation equipment</p>
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## TRANSACTIONS WITH RELATED PARTIES

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on the transactions with related parties pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in AOC-2 in **Annexure II** and same forms part of this report.

## DELISTING OF SECURITIES

The Company had applied for delisting of shares from Kolkatta Stock Exchange in 2005-2006, however, till date the confirmation of delisting has not been received from Exchange.

**B. Technology Absorption****1. Research & Development**

The Company has no specific Research & Development Department. However in house quality control facilities are utilised for product and process improvement and updation.

**2. Technology Absorption**

The Company has not imported any technology.

**C. Foreign Exchange Earnings and Outgo**

- a) Earnings : Nil
- b) Outgo
- Import of Raw Materials : Rs. 2037.39 lacs
  - Capital Goods : Rs. 105.05 lacs
  - Foreign Travel/subscription: Rs. 3.95 lacs

**DEPOSITS FROM PUBLIC**

The Company has not accepted any deposit from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of Balance Sheet.

**RISK MANGEMENT**

The Board of the company has formed a risk management committee to frame, implement and monitor the risk management plan for the company. The committee is responsible for reviewing the risk management plan and ensuring effectiveness. The audit committee has additional oversight in the areas of financial risk and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

The risk management policy has been covered in the management discussion and analysis, which forms part of this report.

**CORPORATE GOVERNANCE REPORT**

A separate detailed Corporate Governance Report and Certificate of Auditors of your Company regarding the compliance of the conditions of Corporate Governance as per SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 are annexed to this report.

**EXTRACT OF ANNUAL RETURN**

As provided under section 92(3) of the Act, the extract of the Annual Return is given **Annexure-III** in the prescribed Form MGT-9, which forms part of this report.

**STATUTORY AUDITORS**

M/s. V. S. Lalpuria & Co, Chartered Accountants, Statutory Auditors of the Company hold office, in accordance with the provisions of the Companies Act, 2013, up to conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

**SECRETARIAL AUDIT REPORT**

The Board of Directors of the Company has appointed Prasad Parab & Associates, Practicing Company Secretary to conduct Secretarial Audit and his report on Companies Secretarial Audit is annexed to this report.

**COMMENTS ON AUDITORS REPORT**

There are no qualifications, reservations, adverse remarks or disclaimers made by V.S. Lalpuria & Co., Statutory Auditors, in their report and by Prasad Parab & Associates, Company Secretary in Practice, in his secretarial audit report.

The statutory auditors have not reported any incident of fraud to the Audit Committee of the company in the year under review.

**COST AUDIT**

Pursuant to the provisions of Section 148 (3) of the Companies Act, 2013, qualified Cost Auditors have been appointed to conduct cost audit for the year under review relating to the products manufactured by the Company.

**ACKNOWLEDGEMENTS**

Your Directors thank to the clients, vendors, shareholders & bankers for their continued support during the year. Your Directors place on record their appreciation for the contribution made by employees at all levels. Your Company's growth has been possible due to their hard work, co-operation & support.

For and on behalf of the Board of Directors

Mumbai,  
May 30, 2016

**S. K. Jain**  
Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Directors present their report on the specified matters to the extent relevant or within limits that in their opinion are imposed by the company's own competitive position, as under:-

### Industry structure and development

No reliable and published data is available specifically on boron products industry. As boron minerals are not found in India, thus the basic inputs have to be essentially imported.

### Opportunity, threats, risks and concerns

As, the basic input of the boron minerals are imported, thus timely availability of basic inputs at competitive prices in desired quality, composition and quantities has been, continues to be and expected to remain a matter of concern, risk and threat. The company is continuously engaged in exploring and developing alternative sources for imported raw material to minimize the risk.

### Segment wise or product-wise performance

The company is operating in a single reportable segment i.e. manufacturing and selling of Chemicals. Hence, segment-wise break-up is not applicable to operations of the company on standalone basis. The construction project being executed by the subsidiary company. Segment wise information is given in the notes to accounts in Consolidated Financial Statements.

### Outlook

The policy of Government of India is encouraging import of finished products at the cost of domestic industries is a real threat, thus the margins may come down resulting in unpredictable operations. Otherwise, the domestic market is expanding every year and the Company can sell more quantity, as its products are well known for its quality.

During the year, Company has increased installed production capacity of boron products by 5,600 MT p.a. at Pithampur Plant. In the process of capacity expansion, Company has repaired old plant and machinery to harmonize with new plant & machinery and to synchronize the old production process with new one. Company has also made addition to factory building and repaired to the old factory building including roads.

### Internal control system and their adequacy

The Company has proper and adequate systems of internal controls to provide reasonable assurance that all

assets are safeguarded; prevention and detection of frauds and errors, the accuracy and completeness of the accounting record, timely preparation of reliable financial disclosures, transactions are authorized and recorded correctly to ensure compliance with policies and statutes.

Internal control systems have been found to be adequate and commensurate with the size and nature of the business of the company and are reviewed from time to time for further improvement.

### Discussion on financial performance with respect to operational performance

The gross sales in current year stood at Rs. 7,340.63 Lacs compared to Rs. 8,128.75 Lacs in previous year. Production of boron products decreased by 5.34 % as compare to 6.93% increase in previous year. The overall production and sales drop during the year was result of shutdown of plant for almost three months for capacity expansion.

### Human Resources Development & Management

During the year company has employed 19 new employees in the factory, now the total permanent employees of the company are 83. There are no other reportable material developments in the matter of human resources and industrial relations, which were cordial throughout the year.

### Risk and Concerns

The risk faced by the company are raw material risk, quality risk, competition risk, foreign exchange risk, realization risk, cost risk.

The risk management committee has mitigation plan against above risk. Company is continuously engaged in exploring and developing alternative sources of imported raw material to mitigate the raw material risk. Highest quality parameters are set for the production of the boron products, also ensure that there should be continuous supply material to the customers which will mitigate the quality and competition risk. To mitigate the foreign exchange risk, company always bought material on receipt of documents. If there is import of raw material on credit basis, the same are hedged. The Company assuring to the consumers of the superior quality of products, leading to better realizations, even in the wake of large import threat.



**REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE**

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy is to conduct its affairs in a manner which is transparent, clear and evident to those having dealings with or having a stake in the Company, namely shareholders, lenders, creditors and employees. The Company's philosophy on Corporate Governance is thus concerned with the ethics and values of the Company and its Directors, who are expected to act in the best interest of the Company and remain accountable to shareholders and other beneficiaries for their action.

**2. BOARD OF DIRECTORS**

The Board of Directors comprises of Chairman cum Managing Director, Vice Chairman cum Executive Director and four Non-Executive Directors of which three are Independent Directors. Since the Chairman is executive, the Board's composition meets with the stipulated requirement of at least half of the board comprising Independent Directors.

During the financial year 2015-16 the Board of Directors met 6 times on the following dates: 30-May-2015, 12-Aug-2015, 18-Sep-2015, 5-Nov-2015, 18-Dec-2015 and 13-Feb-2016.

During the year a separate meeting of the independent directors was held inter-alia to review the performance of the non-independent directors and the board as a whole.

**Attendance of each Director at the Board Meetings and last Annual General Meeting:**

Name of Director	Relationship with other Directors	Category *	Designation	No. of Board Meetings Attended	Attendance at last AGM	No. of Directorships in other Boards (Excluding alternate Directorship and private companies) **	No. of Chairmanship/ Membership in other Board Committees
Mr. S. K. Jain	Husband of Mrs. Sushila Jain	Promoter & E.D	Chairman & Managing Director	6	Yes	Nil	Nil
Mr. Sajal Jain	Son of Mr S.K. Jain, & Mrs. Sushila Jain	E.D	Vice-Chairman & Executive Director, CFO	5	Yes	Nil	Nil
Mrs. Sushila Jain	Wife of Mr. S.K.Jain	N.E.D	Director	6	Yes	Nil	Nil
Mr. Arun Sureka	None	I & N.E.D	Director	5	Yes	Nil	Nil
Mr. N. K. Mittal	None	I & N.E.D	Director	5	Yes	Nil	Nil
Mr. G.R.Parmar	None	I & N.E.D	Director	5	Yes	Nil	Nil

- \*E.D. – Executive Director, N.E.D – Non Executive Director, I – Independent
- \*\* Includes the Public Company and Foreign Company but exclude Private and Section 8 Company.
- The directors familiarization program imparted to Independent Directors are available on the website of the company [www.indoborax.com](http://www.indoborax.com)

Details of equity shares of the Company held by the Directors as on 31<sup>st</sup> March, 2016 are given below:

Mr. S. K. Jain	Mrs. Sushila Jain	Mr. Arun Sureka	Mr. Sajal Jain
5,10,351	2,88,893	50	6,06,496

- The gap between two meetings did not exceed one hundred and twenty days.
- The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.
- **Code of Conduct**  
The Board has laid down a code of conduct of

Business and Ethics for Board Members and Senior Management staff of the company and the same is available on company's website. The Board Members and Senior Management staff have affirmed compliance with the said code of conduct.

- 3. **Audit Committee:**
  - a) The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.
  - b) The terms of reference of the audit committee are broadly as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Approval or any subsequent modification or transactions of the company with related party.
- Evaluation of internal financial controls.
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.
- Review the information required as per SEBI Listing Regulations.

c) The composition of Audit Committee and the details of the meeting attended by the Directors are given below:

Name of Member	Designation	No. of Committee meetings held	Attendance
Mr. Arun Sureka	Chairman	5	5
Mr. Narendra K. Mittal	Member	5	5
Mr. Govind Parmar	Member	5	5

During the year under review, Audit Committee met 5 times on the following dates: 30-May-2015, 12-Aug-2015, 18-Sept-2015, 05-Nov-2015 and 13-Feb-2016.

#### 4. Nomination and Remuneration Committee:

i. Pursuant to Section 178 (1) of the Companies Act, 2013, the company has the Nomination and Remuneration Committee.

ii. The Nomination and Remuneration Committee comprised of three independent directors viz. Mr. Arun Sureka (Chairman), Mr. N. K. Mittal (Member) and Mr. Govind Parmar (Member).

Name of Member	Designation	No. of Committee meetings held	Attendance
Mr. Arun Sureka	Chairman	1	1
Mr. Narendra K. Mittal	Member	1	1
Mr. Govind Parmar	Member	1	1

Nomination and Remuneration Committee met once on 13-Feb-2016.

iii. The broad terms of the role of the Nomination and Remuneration Committee are as under:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
  2. Recommend to board a policy relating to the remuneration of the directors, key managerial and senior managerial personnel.
  3. Formulate criteria for evaluation of independent directors and board.
  4. Devising policy on board diversity.
  5. Recommend to the board appointment, removal of Director, KMP and Senior Management Personnel.
  6. Succession planning for replacing Key Executives and overseeing.
  7. Any other matter as board may decide from time to time.
- iv. Performance evaluation criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. The list of factors that may be evaluated include participation and contribution by director, commitment, effective deployment of knowledge and expertise, relationship with stakeholders, integrity and confidentiality and independence of judgment and behavior.

#### v. Remuneration Policy:

The remuneration policy of the company enable to attract, retain and motivate employees to achieve results.

The non-executive directors (including independent directors) will receive remuneration by way of fees for attending meeting of boards or committee thereof, as decided by the committee from time to time subject to the limits defined under the Companies Act, 2013 and rules.

The remuneration of the Managing Director & Executive Director are determine by the Nomination and Remuneration Committee, comprising of three independent directors. The commission payable to Managing Director & Executive Director is directly linked with the performance of the company. The commission payable to them is governed by the member's resolution passed at the A.G.M. held on 26-07-2012 & 22-08-2013 respectively. The commission is payable after approval of the accounts by shareholders in the Annual General Meeting.

The Company does not have any Employee Stock Option Scheme.

Annual Remuneration payable to employees comprises two parts- fixed component and bonus component based on the extent of achievement of the individuals and the performance of the business unit.

**vi. Directors' Remuneration during 2015-16**

Name of Director	Salary & HRA	Benefits	Commission	Meeting Fees	Total	Service Contract, Notice Period, Severance Fees
Mr. S. K. Jain	1728000	451789	5195433	Nil	7375222	Contractual-retirement by rotation
Mr. Sajal Jain	1728000	166547	5480675	Nil	7375222	Contractual-retirement by rotation
Mrs. Sushila Jain	--	--	--	33000	33000	Retirement by Rotation
Mr. Arun Sureka	--	--	--	54000	54000	<b>Non Rotational</b>
Mr. N. K. Mittal	--	--	--	45000	45000	--
Mr. G.R. Parmar	--	--	--	48000	48000	--

- The Company has taken Group Gratuity Policy and contribution for the Managing Director & Executive Director, is not separately determined hence not included above.
- The Managing Director's contract is for 5 years w.e.f. 01.04.2012 which may be determined by six months' notice by either side.
- The Executive Director's contract is for 5 years w.e.f. 26.05.2013 which may be determined by six months' notice by either side.
- Mr. S. K. Jain, Chairman and Managing Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

**Additional information on directors recommended for re-appointment as required under Regulation 36(3) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015**

Name	Mr. S. K. Jain
Date of Birth	11-05-1943
Date of Appointment	23-09-1980
Qualification	B.Sc
Expertise in specific functional area	Mr. S.K. Jain, has five decades of experience in the boric acid industry. He has been associated with the company since its inception as promoter and managing director. He is responsible for the managing the affairs of company and he is instrumental in strategic decisions for the company. He has spearheaded many initiatives in the IBCI, which has increased overall performance of the Company.
Directorship held in other Public Companies	Nil
Chairperson of Board Committees	Nil
Member of Board Committees	Nil
Shareholding in the Company	5,10,351
Disclosure of relationships between directors Inter-se	Mr. S. K. Jain is a father of Mr. Sajal Jain, Chief Executive & husband of Mrs. Sushila Jain, Non-executive Director

**5. Stakeholders Relationship Committee:**

Pursuant to Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, the company has formed "Stakeholders Relationship Committee". The Committee specifically looks into the redressal of Shareholders / Investors Grievances, if any, like grievances not addressed or Non-receipt of Annual Report/dividend warrants etc. and other related issues.

The composition of Shareholders' Grievances Committee and the details of the meeting attended by the Directors are given below:

Name of Member	Designation	No. of Committee meetings held	Attendance
Mr. Narendra K. Mittal	Chairman	2	2
Mr. Arun Sureka	Member	2	2
Mrs. Sushila Jain	Member	2	2

During the year under review, the Committee met 2 times on following dates: 05-Nov-2015 & 13-Feb-2016. At the year-end there were no grievances pending against company.

- Number of Complaints received during the year ended 31.03.2016 -5, Number of Complaints not resolved up to 31st March 2016 - Nil, Number of Share Transfers pending as on 31.03.2016 - NIL, Number of Share Transfers pending for more than 30 days as on 31.03.2016- Nil
- Name & Designation of Compliance Officer- Mr. Pravin Chavan-Company Secretary

**6. Corporate Social Responsibility Committee:**

Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, committee was formed by the Board of



Directors as “Corporate Social Responsibility Committee”. The composition of Corporate Social Responsibility Committee and the details of the meeting attended by the Directors are given below:

Name of Member	Designation	No. of Committee meetings held	Attendance
Arun Sureka	Chairman	3	3
Sushila Jain	Member	3	3
Govind Parmar	Member	3	3
Sajal Jain	Member	3	3

During the year under review, the Committee met 3 times on following dates: 12-Aug-2015, 18-Sep-2015 & 19-Mar-2016.

## 7. General Body Meetings:

### a) Annual General Meeting

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue	No. of Special Resolution
2012-13	22.08.2013	1.00 p.m.	S N D T University Juhu, Mumbai	One
2013-14	27.09.2014	1.00 p.m.	S N D T University Juhu, Mumbai	One
2014-15	22.08.2015	1.00 p.m.	S N D T University Juhu, Mumbai	NIL

### b) Postal Ballot

No postal ballot was conducted during the year ]

## 8. Other Disclosures:

i. There were no transactions of material nature with the Promoters, Directors or the Management, subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. For details of related party transactions refer financial accounts.

ii. There were no instances of non-compliance nor have any penalties, strictures been imposed by Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to Capital markets.

iii. The board has approved a policy for related party transactions which has been uploaded on the Company's website [www.indoborax.com/head-rpt-policy.php](http://www.indoborax.com/head-rpt-policy.php). The related party transactions have been approved by the Audit Committee.

iv. The Whistle Blower policy is in place, and it is hereby affirmed that no personnel has been denied access to the audit committee.

v. The Company has also adopted Policy on determination of material subsidiary, which has been uploaded on the Company's website :

[www.indoborax.com/images/Policy-for-determining-material-subsiidiary.pdf](http://www.indoborax.com/images/Policy-for-determining-material-subsiidiary.pdf)

The company has complied with the mandatory requirements. It has fulfilled the following discretionary requirements as prescribed in Schedule II of Part E of the SEBI Listing Regulations:

1. The auditor's report on statutory financial statements of the company are unmodified.
2. Separate posts of Chairperson and Chief Executive Officer: The office of Chairman and Chief Executive Officer of the company are held by different individuals.

## 9. Declaration regarding compliance by board members and senior management personnel with the Company's Code of conduct:

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended 31st March, 2016. The annual report of the Company contains a certificate by the Managing Director and CEO in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

## 10. Means of Communication:

The Company communicates with its shareholders on an annual basis through the Annual Report. The quarterly, half-yearly, nine monthly and yearly results are published in newspaper -Economic Times in English language & in Maharashtra Times in Marathi News Paper.

- No presentations have been made to institutional investors or to the analysts.
- The Management Discussion and Analysis Report forms part of Directors Report.

As required, information relating to quarterly financial results, shareholding pattern etc. were provided to BSE Ltd and is available on website [www.indoborax.com](http://www.indoborax.com) & [www.bseindia.com](http://www.bseindia.com)

## 11. General Information for Shareholder:

### a. Annual General Meeting

The Annual General Meeting of the Company will be held on 13th August, 2016 at 1.00 p.m. at Mini Auditorium of S.N.D.T. Women's University, Sir Vithaldas Vidya Vihar, Opp. Lido Cinema, Juhu Road, Santacruz (W), Mumbai - 400 049.

### b. Financial Calendar for the financial year 2016-17 (tentative)

Results for First Quarter	: On or before 14th August 2016
Results for Second Quarter	: On or before 14th November, 2016
Results for Third Quarter	: On or before 14th February, 2017
Results for the year ending 31st March 2016	: On or before 30th May, 2017

**c. Date of Book Closure** : 5th August, 2016  
to 13th August, 2016  
(both days inclusive)

**d. Dividend payment Date**: Dividend, if declared, shall be paid/credited on or after 13th August, 2016

**e. Listing on Stock Exchanges** : BSE Ltd, (BSE) Mumbai, (The Kolkatta Stock Exchange Ltd. - Delisting confirmation from The Kolkatta Stock Exchange is still awaited)

**f. Stock Code** : 524342, BSE Limited.

**g. Depositories** : NSDL and CDSL

**h. ISIN No.** : INE803D01013

**i. Listing Fees for 2016-17** : Paid for the BSE Ltd

**j. Custodial Fees to Depositories** : Annual Custody fees for the financial year 2016-17 will be paid to NSDL & CDSL on receipt of the invoice.

### k. Monthly high / low price at The Bombay Stock Exchange Ltd (Financial Year 2015-16):

Month	High (Rs)	Low (Rs)	BSE Sensex High	BSE Sensex Low
April -2015	390.00	244.50	29094.61	26897.54
May-2015	397.90	320.00	28071.16	26423.99
June-2015	365.00	270.00	27968.75	26307.07
July-2015	344.20	278.20	28578.33	27416.39
August-2015	339.90	270.00	28417.59	25298.42
September-2015	318.30	278.00	26471.82	24833.54
October-2015	322.00	285.00	27618.14	26168.71
November-2015	315.00	270.00	26824.30	25451.42
December-2015	355.30	286.00	26256.42	24867.73
January-2016	341.00	275.00	26197.27	23839.76
February-2016	318.00	270.60	25002.32	22494.61
March-2016	315.90	288.00	25479.62	23133.18

### l. Registrar and Transfer (R & T) Agents:

Sharex Dynamic (India) Pvt. Ltd, Unit - 1, Luthra Indl. Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072, Ph. +91-22- 28515606 / 28515644, E-mail: sharexindia@vsnl.com

### m. Share Transfer System:

Presently, fortnightly cycle is followed for processing transfer requests and Share transfers are approved by designated officers to whom the authority has been delegated by the Board of Directors. The company obtains from a Company Secretary in Practice, half-yearly certificate of compliance with the share transfer formalities as required under listing regulation and file a copy of the said certificate with Stock Exchange.

### n. Dematerialization of Shares:

As on 31-Mar-2016, 2780900 equity shares representing 86.66 % of the Company's paid-up equity share capital is held in electronic form.

During the year under review, the Company's equity shares have been actively traded on BSE Limited.


**o. Distribution of Shareholding as on 31-Mar-2016:**

Number of equity shares held		No. of Share holders	%	No. Of Shares	%
1	100	3938	68.43	309198	9.63
101	200	914	15.88	171849	5.36
201	500	540	9.38	203558	6.34
501	1000	189	3.28	151936	4.73
1001	5000	144	2.50	326407	10.17
5001	10000	16	0.28	111855	3.49
10001	100000	10	0.17	320755	10.00
100001	Above	4	0.07	1613442	50.28
Total		5755	100.00	3209000	100.00
In Physical Form				428100	13.34
In Electronic Form				2780900	86.66

**p. Outstanding GDRs / ADRs / Warrants or any Convertible instruments:**

The Company has not issued any GDRs/ ADRs/ Warrants or any Convertible Instruments.

**q. Location of Plant Facilities:**

Plant locations : Plot No. 43 to 46, 47A, 48, 48A, Industrial Estate, Sector II, Pithampur - 454 775. (M.P.)

**r. Address for Correspondence:**

The Compliance Officer,  
Indo Borax & Chemicals Ltd., 302, Link Rose, Linking Road, Santacruz (West), Mumbai - 400 054, Ph No : +91-22- 2648 9142; Fax No. +91-22- 2648 9143  
Email: complianceofficer@indoborax.com

**s. Unclaimed Dividend Amounts:**

Pursuant to the provision of section 123 of the Companies Act, 2013, the dividend for the following Years, which remain unclaimed for seven years, will be transferred to Investors Education and Protection Fund (IEPF) established by the Central Government pursuant to section 125 of the Companies Act, 2013.

Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants in writing to the Company at its Registered Office immediately. Members are requested to note that no claims shall lie against the company in respect of any amounts which were unclaimed and unpaid for period of seven years from the dates that they first becomes due for payment and no payment shall be made in respect of such claims.

**Shareholding Pattern as on 31-Mar-2016**

Sr. No.	Category of Holders	No. of Shares	% to Total Shares
1	Indian Promoters	17,78,342	55.42
2	Financial Inst./Mutual Funds/ Banks	3,500	0.10
3	Non-Residents /FII's/ OCBs	1,65,210	5.15
4	Other Corporate Bodies	1,02,349	3.19
5	Indian Public	11,59,421	36.13
6	Clearing Members	178	0.01
	Total	32,09,000	100.00

Members are also advised to update their correspondence address in their demat accounts in case of their holding in electronic form or inform their latest correspondence address to the Registrars in case of holding in physical form.

Information in respect of such unclaimed dividend due for transfer to the Investors Education and Protection Fund (IEPF) is as follows:

Financial Year	Amount outstanding as on 31.03.2016 (Rs.)	Due for transfer to IEPF on
2008-2009	4,97,605.00	01/10/2016
2009-2010	5,20,466.00	01/10/2017
2010-2011	4,71,708.00	22/09/2018
2011-2012	6,15,207.00	29/08/2019
2012-2013	7,36,687.00	25/09/2020
2013-2014	5,62,606.00	31/10/2021
2014-2015	4,74,833.00	25/09/2022

**t. Disclosures with respect to demat suspense account/unclaimed suspense account:** There are no shares in any demat suspense account or unclaimed suspense account.

By Order of the Board of Directors

Mumbai  
May 30, 2016

**S. K. Jain**  
Managing Director

**ANNEXURE I TO DIRECTOR'S REPORT****1. A brief outline of Corporate Social Responsibility Policy:**

Social and environment responsibility has always been at the forefront of Indo Borax & Chemicals Ltd.'s operating philosophy. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates. We are in the opinion that CSR underlines the objectives of bringing about difference and adding values in our stakeholder's lives.

Indo Borax's Corporate Social Responsibility Policy is rooted in the Company's core values of quality, reliability and trust guided by best practices, and driven by our aspiration for excellence in the overall performance of our business.

The CSR are activities undertaken by the company within the broad framework of Schedule VII of the Companies Act, 2013. The CSR activities carried out in F Y 2015-16 such as mid-day meal program, setting up homes for orphans, poor, needy and tribal children, creating sanitation facilities in schools in backward areas, safe drinking water facilities in rural areas.

**2. The composition of CSR committee:** The CSR committee of the board of directors comprising of Mr. Arun Sureka, Chairman of the Committee, Mr. Sajal Jain, Mr. Govind Parmar and Mrs. Sushila Jain.

**3. Average net profit of the company for last three financial years for the purpose of computation of CSR:** Rs. 16,74,97,840/-

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** Rs. 33,49,957/-

**5. Details of CSR spent during the financial year:**

- a) Total amount to be spent for the financial year: Rs. 33,49,957/-
- b) Amount unspent: NIL
- c) Manner in which the amount spent during the financial year: Details attached

**6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reason for not spending the amount in its Board report:**

Amount unspent during the year: Refer para 5(b). During the year Company has spent Rs. 63,01,107/- towards CSR activities, out of which Rs. 27,47,154/- were towards unspent amount of the financial year 2014-15 and the balance amount of Rs. 35,53,953/- were spent for the financial year 2015-16. The manner in which the amount spent please refer para 5(c),

**7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company:**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Sajal Jain  
Executive Director  
30<sup>th</sup> May, 2016

Arun Sureka  
Chairman, CSR Committee

## 5 (c). Details of amount spent on CSR activities during the financial year 2015-16

Sr. No	CSR project or activity identified/	Sector in which the project is covered	Project or programs (1) Local Area or other (2) specify the State and district where project was undertaken	Amount outlay (budget) Project or programs wise	Amount Spent on the project or programs Sub Heads: 1. Direct Expenditure on project 2. Overhead	Cumulative expenditure up to the reporting period	Amount Spent direct or through Implementing Agency
1	Eradicating malnutrition through Mid-Day meal Program	Education	Vrindavan, Bellary, Cuttack, Hubli	45,00,000	45,00,000	45,00,000	Implementing agency- Akshay Patra Foundation
2	Setting-up homes for orphans, poor needy & tribal children	Education	Nandgaon, Tal-Mulshi, Pune, Maharashtra	15,00,000	15,00,000	15,00,000	Implementing agency-SAMPARC (Social Action for Man Power Creation)
3	Creating Sanitation facilities in schools in backward districts	Education & Health - Sanitation	Dist-Vada, Thane, Maharashtra	1,80,000	1,80,000	1,80,000	Implementing agency-Lions Club of Beach Heaven
4	Drinking Water	Health(making available safe drinking water	Ara, Patna, Bihar	1,21,107	1,21,107	1,21,107	Implementing agency-Shri Maina Sunder Bhawan DJD Trust
<b>Total Spending on CSR</b>						<b>63,01,107</b>	

**ANNEXURE II TO DIRECTOR'S REPORT  
FORM NO. AOC -2**

[ Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rules 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms- length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis.**

Sr. No.	Name of the related party and nature of relationship	Nature of Contracts or arrangements or transactions	Duration of the contracts/ arrangements or transactions	Salient terms of the contracts or arrangements or transactions including Value	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advance, if any	Date on which special Resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

**2. Details of material contracts or arrangements or transactions at arm's length basis.**

Sr. No.	Name of the related party and nature of relationship	Nature of Contracts or arrangements or transactions	Duration of the contracts/ arrangements or transactions	Salient terms of the contracts or arrangements or transactions including Value	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advance, if any	Date on which special Resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

**ANNEXURE III TO DIRECTOR'S REPORT  
Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

As on financial year ended 31st March, 2016

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

**I REGISTRATION AND OTHER DETAILS**

- |  |   |
|--|---|
| i) CIN   | L24100MH1980PLC023177   |
| ii) Registration Date  | 23-09-1980  |
| iii) Name of the Company   | Indo Borax & Chemicals Limited  |
| iv) Category/Sub-Category of the Company                                       | Public Company/Limited by Shares  |
| v) Address of the Registered office & Contact Details                          | 302, Link Rose, Linking Road,<br>Santacruz (West), Mumbai -400 054<br>Tel-2648 9142 / Fax-2648 9143   |
| vi) Whether Listed Company   | Yes   |
| vii) Name, Address and contact details of Registrar and Transfer Agent, if any | Sharex Dynamic (India) Pvt Ltd<br>Unit -1, Luthra Ind. Premises<br>Andheri Kurla Road,<br>Safed Pool, Andheri (E)<br>Mumbai-400072<br>Tel-2851 5606/44<br>Fax-2851 2885 |

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and description of main products/service	NIC Code of the product/service	% total turnover of the Company
1	Boric/Boron Products	202-Manufacture of other chemicals products	100%


**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and address of the company	CIN	Holding/Subsidiary / Associates	% of shares held	Applicable Section
1	Indoborax Infrastructure Private Limited 302, Link Rose, Linking Road, Santacruz (West), Mumbai -400 054	U45400MH2009PTC197583	Subsidiary	100%	2(87)(ii)

**IV SHAREHOLDING PATTERN (Equity share capital Breakup as percentage of Total Equity)**
**I Category-wise share holding**

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% change during the year #
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A Promoters</b>									
<b>1 Indian</b>									
a) Individuals/HUF	17,78,342	-	17,78,342	55.417	17,78,342	-	17,78,342	55.417	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (1):-</b>	1778342	-	1778342	55.417	1778342	0.0	1778342	55.417	-
<b>2 Foreign</b>									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Others-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Other (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter</b>									
<b>A= A(1)+A (2)</b>	17,78,342	-	17,78,342	55.417	17,78,342	-	17,78,342	55.417	-
<b>B Public Shareholding</b>									
<b>1 Institutions</b>									
a) Mutual Funds	-	3,500	3,500	0.109	-	3,500	3,500	0.109	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (1):-</b>	-	3,500	3,500	0.109	-	3,500	3,500	0.109	-
<b>2 Non- Institutional</b>									
a) Bodies Corporates									
i) Indian	1,09,658	20,600	1,30,258	4.059	81,749	20,600	1,02,349	3.189	(0.870)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs. 1 Lakh	7,55,764	3,07,500	10,63,264	33.134	7,36,129	3,00,200	10,36,329	32.294	(0.839)
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 Lakh	84,762	-	84,762	2.641	1,23,092	-	1,23,092	3.836	1.194
c) Others (Specify)- Clearing Members	6,486	-	6,486	0.202	178	-	178	0.006	(0.197)
Others (Specify)- NRI	36,388	1,06,000	1,42,388	4.437	61,410	1,03,800	1,65,210	5.148	0.711
<b>Sub-Total (B) (2):-</b>	9,93,058	4,34,100	14,27,158	44.474	10,02,558	4,24,600	14,27,158	44.474	-
<b>Total Public shareholding</b>									
<b>B= B(1)+B (2)</b>	9,93,058	4,37,600	14,30,658	44.583	10,02,558	4,28,100	14,30,658	44.583	-
<b>C Shares held by custodian for GDRs &amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total ( A + B + C )</b>	27,71,400	4,37,600	32,09,000	100.000	27,80,900	4,28,100	32,09,000	100.000	-


**ii) Shareholding of Promoters**

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Sushilkumar Naimkumar Jain	5,10,351	15.904	-	5,10,351	15.904	-	-
2	Sushila Sushilkumar Jain	2,88,893	9.003	-	2,88,893	9.003	-	-
3	Sajal Sushilkumar Jain	6,06,496	18.900	-	6,06,496	18.900	-	-
4	Sreelekha Sajal Jain	2,07,702	6.472	-	2,07,702	6.472	-	-
5	Saumya Sajal Jain	28,000	0.873	-	28,000	0.873	-	-
6	Sushilkumar Naimkumar Jain-HUF	46,400	1.446	-	46,400	1.446	-	-
7	Sajal Sushilkumar Jain-HUF	90,500	2.820	-	90,500	2.820	-	-
	<b>Total</b>	<b>17,78,342</b>	<b>55.417</b>	<b>-</b>	<b>17,78,342</b>	<b>55.417</b>	<b>-</b>	<b>-</b>

**iii) Change in promoters shareholding ( Please specify, if there is no change )**

Sr. No		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	17,78,342	55.417	17,78,342	55.417
	Date wise increase/decrease in Promoters shareholding during the year specifying the reasons for increase or decrease ( e.g. allotment/transfer/bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	17,78,342	55.417	17,78,342	55.417

Note : There is no change in the total shareholding of the promoters between 01.4.2015 to 31.03.2016

**iv) Shareholding pattern of top ten shareholders**

(other than directors, Promoters and holders of ADRs and GDRs):

Sr. No	Name	Shareholding		Date	Increase /Decrease in Shareholding	Reason	Cummulative Shareholding	
		No. of Shares at the beginning (01/04/15) /End of the year (31/03/16)	% of total shares of the company				No. of Shares	% of total shares of the company
1	Indo Perlite Pvt Ltd	8,100	0.252	01-04-2015	-	Nil Movement during the year		
		8,100	0.252	31-03-2016	-		8,100	0.252
2	Kantilal Patel and Co. Consultancy Pvt Ltd	6,163	0.192	01-04-2015	-	Transfer	6,163	
				17-04-2015	4,000.00		10,163	
		10,163	0.317	31-03-2016			10,163	0.317





3	Prtibhuti Vinihit Ltd	15,000	0.467	01-04-2015			15,000	
		-		22-01-2016	(15,000)	Transfer	-	0.000
4	PSJ Securities Private Limited	12,500	0.390	31-03-2016		Nil Movement	12,500	
		12,500	0.390	31-03-2016		during the year	12,500	0.390
5	Lt. Col Indur Malkani	8,433	0.263	01-04-2015	-	Nil Movement	8,433	
		8,433	0.263	31-03-2016	-	during the year	8,433	0.263
6	Mohta Concerns Ltd	9,000	0.280	01-04-2015	-	Nil Movement	9,000	
		9,000	0.280	31-03-2016	-	during the year	9,000	0.280
7	Prabhuraj Shankar Hiremath	4,200	0.131	01-04-2015	-		4,200	0.121
				24-04-2015	1,437	Transfer	5,637	0.176
				01-05-2015	88	Transfer	5,725	0.178
				22-05-2015	1,100	Transfer	6,825	0.213
				26-06-2015	175	Transfer	7,000	0.218
				04-09-2015	887	Transfer	7,887	0.246
				11-09-2015	613	Transfer	8,500	0.265
				09-10-2015	500	Transfer	9,000	0.280
				16-10-2015	350	Transfer	9,350	0.291
				23-10-2015	100	Transfer	9,450	0.294
				30-10-2015	50	Transfer	9,500	0.296
				06-11-2015	100	Transfer	9,600	0.299
				31-12-2015	500	Transfer	10,100	0.315
				31-03-2016			10,100	0.315
				8	P Suryakant Shares & Stock Brokers	12,500	0.390	01-04-2015
05-06-2015	1,000	Transfer	13,500					0.421
31-03-2016	(12,500)	Transfer	1,000					0.031
9	Deenar Krishnarao Toraskar	627	0.020	21-08-2015	-		627	0.018
				28-08-2015	790	Transfer	1,417	0.044
				29-01-2016	3,000	Transfer	4,417	0.138
				05-02-2016	2,031	Transfer	6,448	0.201
				12-02-2016	1,170	Transfer	7,618	0.237
				19-02-2016	1,602	Transfer	9,220	0.287
				26-02-2016	1,213	Transfer	10,433	0.325
				31-03-2016	-	Transfer	10,433	0.325
				10433	0.325			
10	Deepa Prabhuraj Hiremath	2,080	0.065	01-04-2015	-		2,080	0.060
				24-04-2015	200	Transfer	2,280	0.071
				15-05-2015	100	Transfer	2,380	0.074
				22-05-2015	637	Transfer	3,017	0.094
				29-05-2015	100	Transfer	3,117	0.097
				19-06-2015	300	Transfer	3,417	0.106
				26-06-2015	200	Transfer	3,617	0.113
				30-06-2015	200	Transfer	3,817	0.119
				03-07-2015	100	Transfer	3,917	0.122
				10-07-2015	100	Transfer	4,017	0.125
				21-08-2015	285	Transfer	4,302	0.134
				28-08-2015	50	Transfer	4,352	0.136
				04-09-2015	148	Transfer	4,500	0.140



				16-10-2015	150	Transfer	4,650	0.145
				30-10-2015	609	Transfer	5,259	0.164
				06-11-2015	983	Transfer	6,242	0.195
				13-11-2015	100	Transfer	6,342	0.198
				08-01-2016	800	Transfer	7,142	0.223
				15-01-2016	400	Transfer	7,542	0.235
				22-01-2016	275	Transfer	7,817	0.244
				29-01-2016	200	Transfer	8,017	0.250
				05-02-2016	283	Transfer	8,300	0.259
				19-02-2016	175	Transfer	8,475	0.264
				26-02-2016	100	Transfer	8,575	0.267
				04-03-2016	125	Transfer	8,700	0.271
		8,700	0.271	31-03-2016	-	Transfer	8,700	0.271
11	Vynatheya Bidadi Sheshadri	6,745	0.210	10-04-2015	-		6,745	0.194
				24-04-2015	9,089	Transfer	15,834	0.493
				01-05-2015	166	Transfer	16,000	0.499
				08-05-2015	450	Transfer	16,450	0.513
				15-05-2015	7,527	Transfer	23,977	0.747
				22-05-2015	446	Transfer	24,423	0.761
				29-05-2015	145	Transfer	24,568	0.766
				05-06-2015	2,562	Transfer	27,130	0.845
				10-07-2015	3,000	Transfer	30,130	0.939
				17-07-2015	54	Transfer	30,184	0.941
				04-12-2015	(200)	Transfer	29,984	0.934
				11-12-2015	(2,087)	Transfer	27,897	0.869
				31-03-2016	-	Transfer	27,897	0.869
12	Anju Anand Jain	42,091	1.312	01-04-2015	-	Nil Movement		
		42,091	1.312	31-03-2016	-	during the year	42,091	1.312
13	Anushree Anand Jain	42,671	1.330	01-04-2015	-	Nil Movement		
		42,671	1.330	31-03-2016	-	during the year	42,671	1.330
14	Anchal Anand Jain	9,589	0.299	01-04-2015	-	Nil Movement		
		9,589	0.299	31-03-2016	-	during the year	9,589	0.299
15	Chetan Rasikal Shah	9,800	0.305	01-04-2015	-		9,800	0.305
				15-01-2016	(7,866)	Transfer	1,934	0.060
		1,934	0.060	31-03-2016	-		1,934	0.060
16	KG Soman	6,772	0.211	01-04-2015		Transfer	6,772	0.211
				01-05-2015	(1)	Transfer	6,771	0.211
				15-05-2015	(341)	Transfer	6,430	0.200
				22-05-2015	(430)	Transfer	6,000	0.187
				05-06-2015	(941)	Transfer	5,059	0.158
		5,059	0.158	31-03-2016			5,059	0.158


**v) Shareholding of Director & Key Managerial Personnel**

Sr. No	Name	Shareholding		Date	Increase /Decrease in Shareholding	Reason	Cummulative Shareholding during the year (01/04/2015 to 31/03/2016)	
		No. of Shares at the beginning (01/04/15) /End of the year (31/03/16)	% of total the shares of the company				No. of Shares	% of total shares of the company
1	Sushilkumar Jain Managing Director	5,10,351	15.904	01-04-2015	-	Nil Movement		
		5,10,351	15.904	31-03-2016	-	during the year	5,10,351	15.904
2	Sajal Jain Executive Director & Chief Financial Officer	6,06,496	18.900	01-04-2015	-	Nil Movement		
		6,06,496	18.900	31-03-2016	-	during the year	6,06,496	18.900
3	Sushila Jain Non Executive Director	2,88,893	9.003	01-04-2015	-	Nil Movement		
		2,88,893	9.003	31-03-2016	-	during the year	2,88,893	9.003
4	Arun Sureka Non Executive Director	1,200	0.037	01-04-2015	-	transfer	1,200	
				24-04-2015	(900.00)	transfer	300	
				15-05-2015	(250.00)	transfer	50	
		50	0.002	31-03-2016	-		50	0.002
5	Narendra Kumar Mittal Non Executive Director	-	-	01-04-2015	-	Nil Holding		
		-	-	31-03-2016	-		-	-
6	Govind Parmar Non Executive Director	-	-	01-04-2015	-	Nil Holding		
		-	-	31-03-2016	-		-	-
7	Pravin Chavan Company Secretary	-	-	01-04-2015	-		-	
				20-06-2015	10.00	transfer	10	
		10	0.00	31-03-2016	-		10	0.00

**V INDEBTEDNESS**
**Indebtedness of the company including interest outstanding/ accrued but not due for payment**
**Amount in ₹**

	Secured Loan excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year ( 01/04/2015)				
i) Principal Amount	8,03,191.00	-	-	8,03,191.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total ( i + ii + iii )</b>	<b>8,03,191.00</b>	<b>-</b>	<b>-</b>	<b>8,03,191.00</b>
Change in indebtedness during the financial year				
Addition	-	-	-	-
Deduction	(8,03,191.00)	-	-	(8,03,191.00)
<b>Net Change</b>	<b>(8,03,191.00)</b>	<b>-</b>	<b>-</b>	<b>(8,03,191.00)</b>
Indebtedness at the end of the financial year ( 31/03/2016)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total ( i + ii + iii )</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VI REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A Remuneration to Managing Director, Whole Time Director**
**Amount in ₹**

Sr. No	Particulars of Remuneration	Name of the MD/WTD		Total Amount
		S K Jain	Sajal Jain #	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	17,28,000	17,28,000	34,56,000
	b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	5,81,389	2,96,147	8,77,536
	c) Profit in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	-as % of profit	51,95,433	54,80,675	1,06,76,108
	-others	-	-	-
5	Others	-	-	-
	<b>Total (A)</b>	<b>75,04,822</b>	<b>75,04,822</b>	<b>1,50,09,644</b>
	Ceiling as per Act	Rs. 1,50,09,644/- (10% of Net Profit calculated as per section 198 of the Companies Act, 2013)		

# Mr. Sajal Jain, is a Whole Time Director and Chief Financial Officer of the company

**B Remuneration to other Directors:**
**Amount in ₹**

Sr. No	Particulars of Remuneration	Name of the Directors				Total Amount
		Arun Sureka	N K Mittal	Sushila Jain	Govind Parmar	
1	Independent Directors					
	-Fees for attending board/ Committee Meetings	54,000	45,000	-	48,000.00	1,47,000
	- Commission	-	-	-	-	-
	- Others	-	-	-	-	-
	<b>Total (1)</b>	<b>54,000</b>	<b>45,000</b>	<b>-</b>	<b>48,000.00</b>	<b>1,47,000</b>
2	Other Non-Executive Director					
	-Fees for attending board/ Committee Meetings	-	-	33,000	-	33,000
	- Commission	-	-	-	-	-
	- Others	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>33,000</b>	<b>-</b>	<b>33,000</b>
	<b>Total (B)= (1)+(2)</b>	<b>54,000</b>	<b>45,000</b>	<b>33,000</b>	<b>48,000.00</b>	<b>1,80,000</b>
	Ceiling as per Act	The sitting fees paid to above directors is within the limits prescribed under Section 197 of the Companies Act, 2013				

**C Remuneration to Key Managerial Personnel other than MD/WTD**  
 Amount in ₹

Sr. No	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Pravin Chavan (Company Secretary)	
1	Gross Salary		
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	19,03,200	19,03,200
b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	93,500	93,500
c)	Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- As percentage of Profit	-	-
	- other, specify	-	-
5	Others, Specify	-	-
	Total	19,96,700	19,96,700

Note: Mr. Sajal Jain, WTO & CFO, whose remuneration detail is given in VI (A) above

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

There were no penalties/punishment/compounding of offences for the year ending 31st March, 2016

**CERTIFICATE**

To,  
 The Members Of  
**INDO BORAX & CHEMICALS LTD.,**  
 5-A/113, MITTAL INDUSTRIAL ESTATE,  
 M.V.ROAD, ANDHERI (E),  
 MUMBAI - 400 059.

It is hereby certified and confirmed that as provided in SEBI Listing Regulations with the stock exchange, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of conduct of the Company for the financial year ended 31st March, 2016.

For INDO BORAX & CHEMICALS LTD  
 (S.K. Jain)  
 Managing Director

Mumbai  
 May 30, 2016

**CEO /CFO CERTIFICATION**

The Board of Directors  
 Indo Borax & Chemicals Ltd.,  
 302, Link Rose, Linking Road,  
 Santacruz (West)  
 Mumbai - 400 054

We hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief;
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

- ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee,



deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- d. We have indicated to the Auditors and the Audit Committee:
- I) Significant changes, if any in internal control over financial reporting during the year.
  - II) Significant changes, if any in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

- III) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

S. K. JAIN  
(Managing Director)  
Mumbai, May 30, 2016

SAJAL JAIN  
(Executive Director & Chief  
Financial Officer)

## SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31<sup>st</sup> March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members of

Indo Borax & Chemicals Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indo Borax & Chemicals Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Indo Borax & Chemicals Limited ("**The Company**") for the period ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Registrars to

- an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
- d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable to the company during the audit period)

- VI. Other laws specifically applicable to the company namely:
1. Water (Prevention and Control of Pollution) Act, 1974;
  2. Air (Prevention and Control of Pollution) Act, 1981;
  3. Indian Boiler Act, 1923 and rules issued thereunder;
  4. The Electricity Act, 2003 and rules issued thereunder.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meeting are yet to be specified under the Act by the Institute.
- ii) The Listing Agreements entered into by the Company with the BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive and Non-Executive Directors and Independent Directors. Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meeting. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings, as represented by the management, were taken unanimously. I further report that as per the explanations given to me and the representations made by the management and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Prasad Parab & Associates  
Company Secretaries

Prasad Parab  
Proprietor

Mumbai 30th May 2016

FCS No. 25324, CP No. 10235



This Report is to be read with my letter of even date which is annexed as Appendix A and forms an integral part of this report.

To,  
The members,  
Indo Borax & Chemicals Ltd  
My report of even date is to be read along with this letter.

Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for our opinion.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

**“Appendix A”**  
The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examinations was limited to the verification of procedure on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Prasad Parab & Associates  
Company Secretaries

Prasad Parab  
Proprietor

Mumbai  
30th May, 2016

FCS No. 25324, CP No. 10235

## INDEPENDENT AUDITOR'S COMPLIANCE CERTIFICATE

To the Members of  
Indo Borax & Chemicals Ltd.

We have examined the compliance of conditions of Corporate Governance by Indo Borax & Chemicals Ltd. (“the Company”), for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement (“Listing Agreement”) of the Company entered into with Stock Exchange for the period April 1, 2015 to November 30, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as referred to in Regulations 15(2) of the Listing Regulations for the period December 1, 2015 to March 31, 2016.

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

We have examined the relevant record of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on

Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraph C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under the paragraph 1 above, during the year ended March 31, 2016.

We 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 **V. S. Lalpuria & Company**  
Chartered Accountants  
(Firm's Registration No.105581W)

Place: Mumbai  
Date: May 30, 2016

**V. S. Lalpuria**  
Proprietor  
Membership No. 15926

## INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **INDO BORAX & CHEMICALS LIMITED** (“the company”), which comprises the Balance Sheet as at **31<sup>st</sup> March, 2016** and the statement of Profit & Loss and Cash Flow Statement for the year then ended, on that date, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in sub-Section 5 of section 134 of the Companies Act,

2013 (“the Act”) with respect to preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (“the rules”). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds

and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **AUDITORS RESPONSIBILITY**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

#### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and its profit and its cash flows for the year ended on that date.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in the "Annexure A" a

statement of the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section 3 of Section 143 of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
  - c) The Balance Sheet, the 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 aforesaid standalone financial statements comply with the Accounting Standards Specified under section 133 of the Act, read with Rule 7 of the rules;
  - e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2016, from being appointed as a director in terms of sub-section 2 of Section 164 of the Act;
  - f) With respect to the adequacy of the international financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and;
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) There are no pending litigation which may impact on its financial position in financial statements as at 31<sup>st</sup> March, 2016.
    - ii) The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amount, required to be transferred, to the Investors Education and Protection Fund by the company.

**For V. S. LALPURIA & COMPANY.**  
 CHARTERED ACCOUNTANTS  
 (Firm No. 105581W)

**Mumbai**  
**30<sup>th</sup> May, 2016**

**(V. S. LALPURIA)**  
**Proprietor**  
 Membership No. 15926



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure A referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2016, we report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management. In our opinion, physical verification is reasonable having regards to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising of all the immovable properties of buildings which are free hold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the company.
- (ii) As explained to us, the inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the Provision of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186.
- (v) The company has not accepted any deposits from the public in accordance with the provisions of the sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviews cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have however, not made a detailed examination of the cost records with view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, central excise, sales tax, service tax, duty of customs, value added tax, cess, professional tax and other material statutory dues, as applicable, with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, Employees State Insurance, income tax, sales tax, service tax, central excise, duty of customs, value added tax, cess, professional tax, and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income tax, Provident fund, Employees state insurance, Sales tax, Value added tax, Service tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures, as at the balance sheet date the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- (xi) According to the information and explanations give to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations give to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 188 of the Act, where applicable. The details of such related transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures Specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations give to us and based on our examination of the records,

the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- (xv) According to the information and explanations give to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the orders are not applicable to the Company.

**For V. S. LALPURIA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**(Firm No. 105581W)**

**(V. S. LALPURIA)**

**Proprietor**

**Mumbai**  
**30<sup>th</sup> May, 2016**

**Membership No. 15926**

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT – 31<sup>st</sup> MARCH, 2016**

(Referred to in our report of even date)

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT**

We have audited the internal financial controls over financial reporting of **INDO BORAX & CHEMICALS LIMITED** ("the company") as of 31 March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and

efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013 ("the Act").

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial



Controls, and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

In our opinion, the Company has in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by ICAI.

**For V. S. LALPURIA & COMPANY**  
CHARTERED ACCOUNTANTS  
(Firm No. 105581W)

Mumbai  
30<sup>th</sup> May, 2016

**(V. S. LALPURIA)**  
Proprietor  
Membership No. 15926



## BALANCE SHEET AS AT 31ST MARCH, 2016

	Notes	31-Mar-16	31-Mar-15
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a) Share Capital	1	3,20,90,000	3,20,90,000
b) Reserves & Surplus	2	82,72,63,119	74,14,63,389
<b>Total (1)</b>		<b>85,93,53,119</b>	<b>77,35,53,389</b>
<b>2. NON-CURRENT LIABILITIES</b>			
a) Deferred Tax Liabilities	3	55,56,384	6,46,790
b) Other Long-term Liabilities	4	73,80,000	75,24,000
<b>Total (2)</b>		<b>1,29,36,384</b>	<b>81,70,790</b>
<b>3. CURRENT LIABILITIES</b>			
a) Trade Payables	5	3,82,39,005	4,21,66,610
b) Other Current Liabilities	6	2,54,38,589	2,50,37,254
c) Short-term Provisions	7	57,93,239	57,93,299
<b>Total (3)</b>		<b>6,94,70,833</b>	<b>7,29,97,163</b>
<b>Total</b>		<b>94,17,60,336</b>	<b>85,47,21,342</b>
<b>II. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a) Fixed Assets			
I - Tangible Assets	8	20,35,53,179	10,88,01,176
II - Capital Work in Progress		1,79,54,238	1,50,72,362
b) Non-current Investments	9	32,73,63,914	14,22,81,779
c) Long-term Loans & Advances	10	8,57,51,268	11,14,44,591
<b>Total (1)</b>		<b>63,46,22,599</b>	<b>37,75,99,908</b>
<b>2. CURRENT ASSETS</b>			
a) Current Investments	11	-	55,60,542
b) Inventories	12	19,17,13,432	24,82,35,290
c) Trade Receivables	13	5,43,80,868	3,34,49,105
d) Cash & Bank Balances	14	4,37,14,889	15,87,84,728
e) Short-Term Loans & Advances	15	1,73,26,043	3,10,88,972
f) Other Current Assets	16	2,505	2,797
<b>Total (2)</b>		<b>30,71,37,737</b>	<b>47,71,21,434</b>
<b>Total</b>		<b>94,17,60,336</b>	<b>85,47,21,342</b>
<b>Significant Accounting Policies</b>	<b>24</b>		
<b>Other Disclosures &amp; Notes</b>	<b>25</b>		

As per our report of even date attached

**For V.S.LALPURIA & COMPANY**  
Chartered Accountants  
(Firm No. 105581W)

Sushila Jain - Director

S.K.Jain  
Chairman & Managing Director

Arun S.Sureka - Director

Sajal S. Jain  
Vice Chairman &  
Executive Director, CFO

V.S.LALPURIA  
Proprietor  
M. No. 15926

Narendrakumar Mittal - Director

G. R. Parmar - Director

Pravin Chavan  
Company Secretary

Mumbai, 30th May, 2016



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	Note	Rupees 31-Mar-16	Rupees 31-Mar-15
<b>INCOME</b>			
Revenue from Operations	17	65,36,68,668	72,60,89,511
Other Income	18	2,89,79,395	3,92,95,602
<b>Total Income</b>		<b>68,26,48,063</b>	<b>76,53,85,113</b>
<b>EXPENSES</b>			
Cost of Raw Materials Consumed	19	35,22,57,052	39,00,14,866
Changes in Inventory	20	(1,15,55,248)	(81,67,465)
Employee Benefits Expense	21	2,50,63,282	1,96,37,202
Finance Costs	22	1,77,221	2,86,148
Depreciation	8	1,24,49,319	1,14,68,134
Other Expenses	23	16,89,33,407	16,96,47,350
<b>Total Expenditure</b>		<b>54,73,25,033</b>	<b>58,28,86,235</b>
<b>PROFIT BEFORE TAX</b>		13,53,23,030	18,24,98,878
<b>TAX EXPENSE</b>			
Current Tax		3,88,20,000	5,89,30,000
Deferred Tax		49,09,594	(6,63,621)
Prior Period Tax Adjustments		-	29,779
<b>Total Tax Expense</b>		<b>4,37,29,594</b>	<b>5,82,96,158</b>
<b>PROFIT AFTER TAX</b>		<b>9,15,93,436</b>	<b>12,42,02,720</b>
Basic and diluted earning per share.(Face Value Rs. 10/- each)		28.54	38.52

Significant Accounting Policies	24
Other Disclosures & Notes	25

As per our report of even date attached

**For V.S.LALPURIA & COMPANY**  
Chartered Accountants  
(Firm No. 105581W)

Sushila Jain - Director

S.K.Jain  
Chairman & Managing Director

Arun S.Sureka - Director

Sajal S. Jain  
Vice Chairman &  
Executive Director, CFO

V.S.LALPURIA  
Proprietor  
M. No. 15926

Narendrakumar Mittal - Director

Mumbai, 30th May, 2016

G. R. Parmar - Director

Pravin Chavan  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**
**ALL FIGURES IN RUPEES**

	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items adjusted.	13,53,23,030	18,24,98,878
Adjustments for :		
Depreciation	1,24,49,319	1,14,68,134
Profit/loss on sale/discarding of assets	(4,00,650)	-
Profit/loss on sale of investment	(15,594)	(17,022)
Income from investments	(2,71,13,292)	(3,83,13,393)
Interest expense	1,77,221	2,86,148
	(1,49,02,996)	(2,65,76,133)
<b>Operating profit before working capital changes</b>	<b>12,04,20,034</b>	<b>15,59,22,745</b>
Adjustments for :		
Trade and other Receivables	(2,09,31,471)	(51,24,857)
Inventories	5,65,21,858	(15,34,93,102)
Loans & Advances	1,64,22,500	(1,31,61,019)
Trade and other payables	(35,26,270)	96,71,540
	4,84,86,617	(16,21,07,438)
<b>Cash generated from operations</b>	<b>16,89,06,651</b>	<b>(61,84,693)</b>
Interest expense	(1,77,221)	(2,86,148)
Income-Tax	(4,54,67,359)	(6,15,52,099)
	(4,56,44,580)	(6,18,38,247)
<b>Cash Flow before extraordinary items</b>	<b>12,32,62,071</b>	<b>(6,80,22,940)</b>
<b>Extraordinary items</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flow from Operating activities --- A</b>	<b>12,32,62,071</b>	<b>(6,80,22,940)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(10,72,31,117)	(9,15,00,974)
Capital Work in Progress	(28,81,876)	(85,43,543)
Sale of Fixed assets	4,30,445	-
Advances to Subsidiaries	2,96,81,111	8,44,74,136
Income, gains/loss from Investments	2,71,28,886	3,83,30,415
Changes in other bank balances	(2,86,860)	3,51,874
<b>Investments (net)</b>	<b>(17,95,21,593)</b>	<b>19,98,92,699</b>
<b>Net Cash used in Investing Activities --- B</b>	<b>(23,26,81,004)</b>	<b>22,30,04,607</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Changes in other long term Liabilities	(1,44,000)	1,44,000
Buy back of shares	-	(1,24,61,162)
Changes in other long term Borrowing	-	(7,95,806)
<b>Dividend &amp; Dividend Tax paid</b>	<b>(57,93,766)</b>	<b>(56,31,823)</b>
<b>Net Cash from Financing Activities --- C</b>	<b>(59,37,766)</b>	<b>(1,87,44,791)</b>
<b>Net Increase / (decrease) in Cash and Cash equivalent</b>	<b>(11,53,56,699)</b>	<b>13,62,36,876</b>
<b>Cash &amp; Cash Equivalent at the beginning of the year</b>	<b>15,50,17,476</b>	<b>1,87,80,600</b>
<b>Cash &amp; Cash Equivalent end of the year</b>	<b>3,96,60,777</b>	<b>15,50,17,476</b>

Note : Figures in brackets represent outflows

As per our report of even date attached

 For V.S.LALPURIA & COMPANY  
 Chartered Accountants  
 (Firm No. 105581W)

Sushila Jain - Director

 S.K.Jain  
 Chairman & Managing Director

Arun S.Sureka - Director

 Sajal S. Jain  
 Vice Chairman &  
 Executive Director, CFO

 V.S.LALPURIA  
 Proprietor  
 M. No. 15926

Narendrakumar Mittal - Director

G. R. Parmar - Director

 Pravin Chavan  
 Company Secretary

Mumbai, 30th May, 2016

## NOTES TO THE BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2016

	Rupees 31-Mar-16	Rupees 31-Mar-15
<b>NOTE - 1</b>		
<b>SHARE CAPITAL</b>		
<u>Authorised Capital</u>		
60,00,000 Equity Shares of Rs.10/- each	6,00,00,000	6,00,00,000
<u>Issued &amp; Subscribed</u>		
35,00,000 Equity Shares of Rs.10/- each	3,50,00,000	3,50,00,000
<u>Paid up</u>		
32,09,000 Equity Shares of Rs.10/- each	3,20,90,000	3,20,90,000
(Previous Year 32,09,000 Equity Shares of Rs. 10/- each)		
<b>Total</b>	<b>3,20,90,000</b>	<b>3,20,90,000</b>

	31-Mar-16		31-Mar-15	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	3209000	3,20,90,000	3481000	3,48,10,000
Less : Shares cancelled on buy back of Equity Shares	-	-	272000	27,20,000
Equity Shares at the end of the year	3209000	3,20,90,000	3209000	3,20,90,000

### 2) Number of shares held by persons holding more than 5% of outstanding share capital :

	31-Mar-16	31-Mar-15
Shri S. K. Jain	5,10,351	5,10,351
Smt Sushila Jain	2,88,893	2,88,893
Shri Sajal Jain	6,06,496	6,06,496
Smt Shreelekha Jain	2,07,702	2,07,702

- 3) During last five years no shares were allotted without payment being received in cash or as bonus shares, however company were bought back and extinguished 2,72,000 equity shares during the Financial Year 2014-15.
- 4) Amount originally received on forfeited shares Rs. 1,39,350/- (inclusive of share premium) included in Reserves & Surplus.
- 5) The Company has one class of equity shares having par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

### NOTE - 2

#### RESERVES & SURPLUS

##### Share Premium Account

	Rupees 31-Mar-16	Rupees 31-Mar-15
Balance Brought Forward	-	1,29,05,000
Less : On Buy-back of Equity Shares	-	(1,29,05,000)
	-	-

##### Capital Redemption Reserve

Balance Brought Forward	27,20,000	-
Add : Transfer from Profit & Loss a/c on Buy-back of Equity Shares	-	27,20,000
	27,20,000	27,20,000

##### Share Forfeiture Account

Balance Brought Forward	1,39,350	1,39,350
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##### General Reserve

Balance Brought Forward	8,64,10,878	9,28,77,657
Less : On Buy-back of Equity Shares	-	(1,86,42,998)
Less : Adjustment due to change in useful life of assets	-	(3,23,781)
Transfer from Surplus	90,00,000	1,25,00,000
	9,54,10,878	8,64,10,878

##### Surplus

Balance Brought Forward	65,21,93,161	54,90,04,085
Profit transferred from Statement of Profit & Loss	9,15,93,436	12,42,02,720
Transfer to Capital Redemption Reserve on buy-back of shares	-	(27,20,000)
Transfer to General Reserve	(90,00,000)	(1,25,00,000)
Proposed Dividend	(48,13,791)	(48,13,729)
Tax on Proposed Dividend	(9,79,915)	(9,79,915)
Closing Balance	72,89,92,891	65,21,93,161

Negative values, appropriations and deductions are shown in bracket.

Total

82,72,63,119	74,14,63,389
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**NOTE - 3**
**DEFERRED TAX LIABILITY (NET)**

	Rupees 31-Mar-16	Rupees 31-Mar-15
Deferred Tax Liability Depreciation	55,56,384	6,46,790
<b>Total</b>	<b>55,56,384</b>	<b>6,46,790</b>

**NOTE - 4**
**OTHER LONG-TERM LIABILITIES**

	Rupees 31-Mar-16	Rupees 31-Mar-15
Others-Lease Deposits	73,80,000	75,24,000
<b>Total</b>	<b>73,80,000</b>	<b>75,24,000</b>

**NOTE - 5**
**TRADE PAYABLES**

	Rupees 31-Mar-16	Rupees 31-Mar-15
Trade Payables for goods	52,14,719	83,31,200
Trade Payables for services & expenses	3,30,24,286	3,38,35,410
<b>Total</b>	<b>3,82,39,005</b>	<b>4,21,66,610</b>

**NOTE - 6**
**OTHER CURRENT LIABILITIES**

	Rupees 31-Mar-16	Rupees 31-Mar-15
Current maturities of long term debt	-	8,03,191
Income Received in advance	77,51,754	80,08,948
Unpaid Dividends ( Refer note (a) below)	38,79,112	35,90,952
<u>Other Payables</u>		
-Customer advances	7,57,060	1,00,79,035
- Statutory dues & others	1,30,50,663	25,55,128
<b>Total</b>	<b>2,54,38,589</b>	<b>2,50,37,254</b>

a) There are no amounts due for payment to the Investors Education and Protection Fund under section 125 of the Companies Act, 2013 as at 31st March, 2016 and 31st March, 2015.

**NOTE - 7**
**SHORT TERM PROVISIONS**

	Rupees 31-Mar-16	Rupees 31-Mar-15
Proposed Dividend	48,13,500	48,13,500
Tax on Proposed Dividend Distribution	9,79,739	9,79,799
<b>Total</b>	<b>57,93,239</b>	<b>57,93,299</b>

**NOTE - 8**
**Fixed Assets**

Sr. No	Fixed Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at 01-04-2015	Additions	Sale / Transfer / Adjustment	As at 31-03-2016	Up to 01-04-2015	Depreciation for the year	Transfer / Adjustment	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
<b>I Tangible Assets</b>											
1	Land (under lease)	10,05,924	-	-	10,05,924	-	-	-	-	10,05,924	10,05,924
2	Buildings *	9,58,00,855	1,20,20,243	-	10,78,21,098	1,20,85,841	43,84,501	-	1,64,70,342	9,13,50,756	8,37,15,014
3	Plant & Equipment	5,75,34,797	9,36,81,781	20,75,636	14,91,40,942	5,18,64,255	17,52,013	20,45,841	5,15,70,427	9,75,70,515	56,70,542
4	Furniture & Fixtures	1,17,65,861	20,453	-	1,17,86,314	38,10,119	20,75,764	-	58,85,883	59,00,431	79,55,742
5	Office Equipments	51,84,145	1,51,890	-	53,36,035	29,99,523	8,30,897	-	38,30,420	15,05,615	21,84,622
6	Vehicles	2,47,31,463	13,56,750	-	2,60,88,213	1,64,62,131	34,06,144	-	1,98,68,275	62,19,938	82,69,332
	<b>Total</b>	<b>19,60,23,045</b>	<b>10,72,31,117</b>	<b>20,75,636</b>	<b>30,11,78,526</b>	<b>8,72,21,869</b>	<b>1,24,49,319</b>	<b>20,45,841</b>	<b>9,76,25,347</b>	<b>20,35,53,179</b>	<b>10,88,01,176</b>
	Previous Year	10,45,22,071	9,15,00,974	-	19,60,23,045	7,54,29,954	1,14,68,134	3,23,781	8,72,21,869	10,88,01,176	2,90,92,117
<b>II Capital Work in Progress (Factory Building, Plant &amp; Machinery and Electrical Installations)</b>											
	<b>Total</b>	-	-	-	-	-	-	-	-	1,79,54,238	1,50,72,362
	Previous Year	-	-	-	-	-	-	-	-	1,79,54,238	1,50,72,362
	Previous Year	-	-	-	-	-	-	-	-	1,50,72,362	65,28,819

\* Note : Building Includes let out office premises of Rs. 3,25,59,758/-.



**NOTE - 9**
**NON-CURRENT INVESTMENTS**
**TRADE INVESTMENT - AT COST**
**In Equity Shares of Subsidiary Company**

Particulars	Face Value Rs.	No of Units / Shares			
		Current Year	Previous Year		
Indoborax Infrastructure Pvt. Ltd	10	10000	10000	1,01,92,520	1,01,92,520
<b>Sub-total</b>				<b>1,01,92,520</b>	<b>1,01,92,520</b>

**OTHER INVESTMENT - AT COST**
**A ) INVESTMENT IN PROPERTIES**

Office Premises ( Refer Note 25(17))				30,65,57,027	12,02,14,350
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**B) Investment in Fully paid quoted Equity Shares**

(Financial, non-strategic investments, all insignificant, less than 1% stake)

Particulars	Face Value Rs.	No of Units / Shares			
		Current Year	Previous Year		
Bharati Airtel Ltd	5	-	1250	-	5,32,325
Central bank of India	10	3200	3200	4,14,090	4,14,090
Escorts India Ltd	10	1500	1500	3,53,730	3,53,730
Jagran Prakashan Ltd	2	-	4550	-	7,28,217
Jaiprakash Associates Ltd	2	4500	4500	13,59,496	13,59,496
Jindal steel & Power Ltd	1	300	300	2,12,091	2,12,091
Kamanwala Industries Ltd	10	57395	57395	30,47,081	30,47,081
L & T Ltd	2	600	400	2,77,869	2,77,869
Mphasis Ltd	10	300	300	2,37,498	2,37,498
National Thermal Power Corp Ltd	10	3000	3000	5,91,070	5,91,070
Nagarjun Construction Co Ltd	2	1500	1500	2,68,790	2,68,790
Punj Lloyd Ltd	2	4000	4000	12,59,908	12,59,908
Reliance Communications Ltd	5	2000	2000	10,07,500	10,07,500
Reliance Industries Ltd	10	800	800	9,16,841	9,16,841
Unity Projects Ltd	2	2000	2000	2,34,820	2,34,820
<b>Sub-total</b> (Aggregate value of quoted shares)				<b>1,01,80,784</b>	<b>1,14,41,326</b>

Market Value of long-term investment in quoted shares Rs. 38,96,850/-

(Previous Year Rs. 54,16,854/-)

**C) Investment in fully paid un-quoted Equity Shares**

Reliance Media Works Ltd	5	675	675	4,33,583	4,33,583
<b>Sub-total</b> ( Aggregate value of unquoted shares)				<b>4,33,583</b>	<b>4,33,583</b>

**D) Investment in quoted Debentures**

National Thermal Power Corp Ltd- NCD-Bonus Issue	12.50	3000	3,000	-	-
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**Sub-total** ( Aggregate value of quoted debentures)

NTPC has issued Bonus Debenture of Rs. 12.50 for every equity shares of Rs.10/-. Market Value is Rs. 38,340/-(Previous Year Rs. 38,130/-)

Except investment in Subsidiary Company as stated above none of the above investments are in associates or joint ventures or controlled special purpose entities.

**Total**
**32,73,63,914**
**14,22,81,779**



## NOTE - 10

### LONG-TERM LOANS & ADVANCES

#### Unsecured considered good

	Rupees 31-Mar-16	Rupees 31-Mar-15
a) Security Deposits	28,77,606	17,78,606
b) Loans and advances to related party (subsidiary) (Refer Note No. 26 (10) (A))	17,34,201	3,14,15,312
c) Loans and advances to employees	14,78,673	17,92,673
d) Loans and advances to others (against properties)	7,96,60,788	7,64,58,000
<b>Total</b>	<b>8,57,51,268</b>	<b>11,14,44,591</b>

Loans and advance to subsidiary are for business purpose. Loans to employees are as per company's policy. Loans and advances to others are against proposed properties and if the transactions for the proposed properties are not materialized, the management is of the opinion that the advances are recoverable.

## NOTE - 11

### CURRENT INVESTMENTS

#### (At lower of cost or market value)

#### Investment in Mutual Funds

Particulars	Face Value Rs.	No of Units / Shares			
		Current Year	Previous Year		
ICICI Prudential Liquid Plan IP	100	-	55570	-	55,60,542
<b>Total</b>				<b>-</b>	<b>55,60,542</b>

## NOTE - 12

### INVENTORIES

#### (Refer Note 24 (e) Accounting policies for basis of valuation)

	Rupees 31-Mar-16	Rupees 31-Mar-15
Raw Materials	15,09,68,294	22,06,20,893
Work-in-progress	29,85,118	26,30,598
Finished Goods	3,37,02,034	2,09,88,921
Stores , Spares , Packing Materials, Fuel etc.	40,57,986	39,94,878
<b>Total</b>	<b>19,17,13,432</b>	<b>24,82,35,290</b>

## NOTE - 13

### TRADE RECEIVABLES

#### (Unsecured and Considered good)

	Rupees 31-Mar-16	Rupees 31-Mar-15
Debts due for period exceeding six months	3,85,360	66,143
Other Debts	5,39,95,508	3,33,82,962
<b>Total</b>	<b>5,43,80,868</b>	<b>3,34,49,105</b>

## NOTE - 14

### CASH & BANK BALANCES

#### A) Cash & Cash Equivalents

	Rupees 31-Mar-16	Rupees 31-Mar-15
Cash on Hand	1,08,372	78,385
Balances with Banks		
--- In Current Accounts	3,95,52,405	15,49,39,091
<b>Sub-total</b>	<b>3,96,60,777</b>	<b>15,50,17,476</b>

#### B) Other Bank Balances

	Rupees 31-Mar-16	Rupees 31-Mar-15
--- In Unclaimed Dividend Accounts	38,79,112	35,90,952
--- In Fixed Deposits under Lien	1,75,000	1,76,300
<b>Sub-total</b>	<b>40,54,112</b>	<b>37,67,252</b>
<b>Total</b>	<b>4,37,14,889</b>	<b>15,87,84,728</b>

## NOTE - 15

### SHORT TERM LOANS & ADVANCES

#### OTHERS

	Rupees 31-Mar-16	Rupees 31-Mar-15
Advances recoverable in cash or in kind or for value to be received #	82,05,414	46,65,193
Capital Advances	-	2,39,99,290
Advances to Staff	3,48,781	3,00,000
Income Tax Advances (net of provisions)	87,71,848	21,24,489
<b>Total</b>	<b>1,73,26,043</b>	<b>3,10,88,972</b>

# Advances recoverable, are towards prepaid expenses and from Excise Authorities.

## NOTE - 16

### OTHER CURRENT ASSETS

	Rupees 31-Mar-16	Rupees 31-Mar-15
Interest receivable	2,505	2,797
<b>Total</b>	<b>2,505</b>	<b>2,797</b>

**NOTES TO THE PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

	Rupees 31-Mar-16	Rupees 31-Mar-15
<b>NOTE - 17</b>		
<b><u>REVENUE FROM OPERATIONS</u></b>		
Sale of Products	73,40,62,912	81,28,74,845
Less : Excise Duty	8,03,94,244	8,67,85,334
<b>Total</b>	<b><u>65,36,68,668</u></b>	<b><u>72,60,89,511</u></b>
<b>NOTE - 18</b>		
<b><u>OTHER INCOME</u></b>		
Interest Income	7,94,952	1,20,91,169
Dividend on Current Investments	71,25,967	86,31,036
Dividend on Other Investments	64,135	52,057
Gain/(Loss) on Sale of Investments	15,594	17,022
Profit/(Loss) on Sale of Assets	4,00,650	-
Rent & Facility Charges	1,91,28,238	1,75,39,131
Misc.Incomes/Excess provision w/back	14,49,859	9,65,187
<b>Total</b>	<b><u>2,89,79,395</u></b>	<b><u>3,92,95,602</u></b>
<b>NOTE - 19</b>		
<b><u>COST OF RAW MATERIALS CONSUMED</u></b>		
Opening Stock	22,06,20,893	7,69,76,387
Add : Purchases	28,26,04,453	53,36,59,372
	50,32,25,346	61,06,35,759
Less : Closing Stock	15,09,68,294	22,06,20,893
<b>Total</b>	<b><u>35,22,57,052</u></b>	<b><u>39,00,14,866</u></b>
<b>Further break-up refer note 25 (19) (E) &amp; (F)</b>		
<b>NOTE - 20</b>		
<b><u>CHANGES IN INVENTORY</u></b>		
Opening Stock - Finished Goods	26,30,598	1,11,17,206
Opening Stock - Work-in-Progress	2,09,88,921	28,98,540
Closing Stock - Finished Goods	(3,37,02,034)	(2,09,88,921)
Closing Stock - Work-in-Progress	(29,85,118)	(26,30,598)
Neutralisation of Excise Duty included in Opening and Closing Stock of Finished Goods	15,12,385	14,36,308
<b>Total</b>	<b><u>(1,15,55,248)</u></b>	<b><u>(81,67,465)</u></b>
<b>Further break-up refer note 25 (19) (A) &amp; (C)</b>		
<b>NOTE - 21</b>		
<b><u>EMPLOYEE BENEFITS EXPENSE</u></b>		
Salaries, Wages and Bonus	2,22,62,410	1,74,20,576
Workmen & Staff Welfare	3,42,646	1,98,975
Employers Contribution to Provident Fund & Other Funds	23,32,839	16,55,164
Gratuity Contribution/Payment	1,25,387	3,62,487
<b>Total</b>	<b><u>2,50,63,282</u></b>	<b><u>1,96,37,202</u></b>


**NOTE - 22**
**FINANCE COSTS**

	Rupees 31-Mar-16	Rupees 31-Mar-15
Interest on Working Capital	1,57,560	55,874
Interest on Vehicle Loan	13,338	2,23,447
Other Interest	6,323	6,827
<b>Total</b>	<b>1,77,221</b>	<b>2,86,148</b>

**NOTE - 23**
**OTHER EXPENSES**

Consumption of Stores, Spares & Packing Materials	1,74,47,540	1,49,76,835
Power & Fuel	3,86,78,539	4,61,14,262
Water Charges	10,89,828	5,71,287
Factory Expenses	1,69,93,713	1,63,63,894
Excise Duty	6,13,299	6,73,726
Rates & Taxes	4,50,040	4,60,578
Rent and Other Charges	54,70,839	43,45,790
Repairs - Plant & Machineries	1,70,51,390	6,76,560
Repairs - Building	58,44,128	1,70,078
Repairs - Others	27,30,985	6,96,542
Insurance Charges	3,61,891	2,88,046
Directors Remuneration	1,47,50,444	2,00,42,896
Directors Sitting Fees	1,80,000	2,37,000
Payment to Auditors	14,31,500	11,23,500
Legal & Professional Charges	36,11,658	79,80,569
Freight , Coolie & Cartage	1,00,10,688	2,23,31,213
Commission & Brokerage	1,12,26,305	1,15,73,618
Miscellaneous Expenses	90,35,293	1,47,74,656
Bank Charges	7,38,998	3,36,308
Corporate Social Responsibility Expenses	63,01,107	81,578
Entry Tax	49,15,222	58,28,414
<b>Total</b>	<b>16,89,33,407</b>	<b>16,96,47,350</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**
**NOTE -24**
**SIGNIFICANT ACCOUNTING POLICIES**
**a) METHOD OF ACCOUNTING**

The accounts have been prepared under the historical cost convention on an accrual basis in accordance with applicable accounting standards notified under the relevant provisions of the Companies Act, 2013.

**b) FIXED ASSETS**

Fixed assets are stated at cost along with cost directly attributable to bring the assets to their working condition.

**c) DEPRECIATION**

Depreciation is provided on all assets at Pithampur on straight line method and at head office on written-down-value method with reference to the useful life of the respective assets specified in and in the manner prescribed in Schedule II of the Companies Act, 2013.

**d) INVESTMENTS**

Current investments are stated at lower of cost or

market value. Non-current investments are stated at cost except where diminution in value, if any, is other than temporary in nature.

**e) INVENTORIES**

i) Raw materials are valued at cost or at net realisable value whichever is lower.

ii) Work in progress is valued at estimated cost.

iii) Finished goods are valued at cost or net realisable value whichever is lower.

iv) Stores and spares, packing material and fuels are valued at Cost.

**f) FOREIGN CURRENCY TRANSACTIONS**

All foreign currency transactions are accounted at the rate prevailing at the time of transaction.

**g) SALES**

Sales are inclusive of excise duty but net of rate difference, sales return and Central Sales Tax/Value Added Tax.



## h) EMPLOYEES BENEFITS

### Defined Contribution Benefits

Company's contributions paid/payable during the year to Provident Fund, Family Pension Fund, ESIC and Labour Welfare Fund are recognized in Profit & Loss Account.

### Defined Benefit Plan

i. The payments to Life Insurance Corporation of India for all the employees covered under 'Employees Group Gratuity cum Life Assurance Scheme' are based on amount of premium determined by them. Premiums so paid for the year are recognised in the profit and loss account after adjusting for effect of actuarial valuation for the year.

ii. Annual Leave Encashment is accounted on accrual basis.

## i) CONTINGENT LIABILITY

Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts.

## j) DEFERRED TAXATION

Deferred Tax resulting from timing differences between book profit and tax profit is accounted for under the liability method, at the current rate of tax.

## k) SEGMENT REPORTING

Manufacturing of chemicals is considered a single reportable segment within the meaning of AS-17.

## NOTE - 25

### OTHER DISCLOSURES & NOTES

- Contingent Liabilities and Commitments for provided for: In 1992, STC of India Ltd had claimed for Rs. 9,02,807/- towards price difference & others, against this, Honourable Bombay High Court ordered Company to give bank guarantee of Rs. 1,65,000/- (Previous year Rs. 1,65,000/-)
- Previous year figures have been rearranged /regrouped, wherever necessary, to make them comparable with current year figures.
- During the year, company had increased installed production capacity of boric acid at Pithampur from 14400 MT to 20000 MT. In the process of capacity expansion, Company has repaired old plant and machinery to harmonised with new plant & machinery and to synchronize the old production process with new one. Company has made addition to factory building and repaired to the old factory building including roads.
- During the year company has capitalised revenue expenses of Rs. 42,52,229/- from power charges, water charges, professional fees & factory salary as per actual usage, towards addition to factory building Rs. 10,12,495/- & plant & machinery Rs. 32,39,734/-.

## 5 Payment to Statutory Auditors:

	Current Year Rupees	Previous Year Rupees
a) As Auditors	4,50,000	3,00,000
b) In Other Capacity		
For Tax Audit	1,50,000	1,00,000
For Certification	5,31,500	4,48,500
For Taxation Matters	3,00,000	2,75,000
<b>Total</b>	<b>14,31,500</b>	<b>11,23,500</b>

## 6 Managerial Remuneration to Directors:

### Break up of Remuneration

1. Salary & Allowances	34,56,000	34,56,000
2. Contribution to provident Fund	2,59,200	2,59,200
3. Commission on profit	1,06,76,108	1,58,64,477
4. Perquisites	6,18,336	7,22,419
<b>Total</b>	<b>15,009,644</b>	<b>20,302,096</b>

The Company has taken Group Gratuity Policy and contributing for the Managing & Executive Directors are not separately determined, hence not included above.

- The Balances of sundry debtors, trade payable, loans and advances are subject to confirmation & reconciliation, if any. In the opinion of the management, adjustment, if any, arising out of reconciliation are not expected to be significant.
- In the opinion of the Board of Directors, the assets (other than fixed assets and non-current investments) have value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
- Major components of deferred tax liabilities and assets arising on account of timing difference are :-

31.03.2016      31.03.2015

### Liabilities

On account of Depreciation      55,56,384      6,46,790

### Assets

On account of Disallowances      -      -

Net Deferred Tax Liability      55,56,384      6,46,790

## 10. Related party Disclosures :-

### A Where Control Exists

a) Name : Indoborax Infrastructure Pvt Ltd.  
Relationship : Subsidiary Company  
Holding : 100%

b) Details of Transactions	Year Ended 31.03.2016	Year Ended 31.03.2015
Outstanding Investment in Share Capital	1,01,92,520	1,01,92,520
Advances Given during the year	32,54,238	1,07,25,864
Amount received back during the year	3,29,35,349	9,52,00,000
Advances outstanding at year end	17,34,201	3,14,15,312
Interest Income	6,13,189	1,19,17,627



## B Key Management Personnel & their relatives

- a) Shri S. K. Jain, Managing Director and Shri. Sejal Jain, Executive Director of the Company hold significant interest and key management position in the Company.

Particulars	S. K. Jain	Sejal Jain	Sushila Jain
Remuneration *	75,04,822	75,04,822	-
	(1,01,51,048)	(1,01,51,048)	-
Directors Sitting Fees	-	-	33,000
	-	-	(42,000)
Purchase value of Shares of Subsidiary	-	-	-
	(50,66,260)	(48,12,947)	-

\*The Company has taken Group Gratuity Policy and contribution for the Managing Director and Executive Director are not separately determined, hence not included above.

- 11 Pursuant to Accounting Standard Interpretation (ASI)-14 (Revised) "Disclosure of Revenue from Sales Transactions" issued by the Institute of Chartered Accountants of India, the excise duty expenses is bifurcated into three components: excise duty expenses related to sales is reduced from Gross Sales, excise duty relating to the difference between the closing and opening stock is recognized in the inventory adjustments and the unrecovered excise duty is recognized under other expenses.

- 12 Earning per share is computed based on the following:-

	Year Ended 31.03.2016	Year Ended 31.03.2015
a) Profit after tax - (Rs.)	9,15,93,436	12,42,02,720
b) Weighted average number of equity Shares	32,09,000	32,24,170
c) Basic and diluted Earning per Share Rs. (Face Value of Share Rs. 10/-)	28.54	38.52

- 13 No Provision for diminution in value of long term investments in quoted shares aggregating to Rs. 67,35,785/- (Previous year :Rs. 67,78,004/-) has been made in accounts as the diminution is of temporary nature as per opinion of the management.

- 14 The company has not entered in any derivative transactions by way of currency and/or interest rate swap or forward exchange contract.

- 15 a) None of the supplier of the company has informed that it is a SSI unit. Therefore, outstanding to SSI units is considered to be NIL.

- b) In the absence of any intimation received from vendors regarding the status of their registration under

the "Micro, Small and Medium Enterprises Development Act, 2006" the company is unable to comply with the disclosure required to be made relating thereto.

- 16 The company has taken Group Gratuity Policy from LIC and the premiums determined by LIC and payable for the financial year adjusted for effect of actuarial valuation at year end is charged to Profit & Loss Account.. Required disclosures as per particulars received from LIC and accounts are as under:

	Current Year	Previous Year
a) Assumptions		
Discount Rate	8%	8%
Salary Escalation	5%	5%
Withdrawal rate 1 to 3% depending on age	Withdrawal rate 1 to 3% depending on age	
Mortality Rate	LIC (1994-96)	LIC (1994-96)
	<u>Rs.</u>	<u>Rs.</u>
b) Table showing changes in present value of obligations		
i) Present value of obligations -beginning of the year	49,74,219	41,98,178
ii) Interest cost	3,97,938	3,35,854
iii) Current Service cost	2,59,453	2,03,554
iv) Benefits paid	(3,10,500)	-
v) Actuarial (gain)/loss on obligations	(75,520)	2,36,633
vi) Present value of obligations -end of the year	52,45,590	49,74,219
c) Table showing changes in the fair value of plan assets		
i) Fair value of plan assets -beginning of the year	56,98,159	47,75,738
ii) Expected return on the plan assets	4,81,252	4,39,069
iii) Contributions	-	4,83,352
iv) Benefits paid	(3,10,500)	-
v) Actuarial gain / (loss) on plan assets	-	-
vi) Fair value of plan assets -end of the year	58,68,911	56,98,159
d) Amount to be recognised in the balance sheet		
i) Fair value of plan assets -end of the year	58,68,911	56,98,159
ii) Present value of obligations -end of the year	52,45,590	49,74,219
iii) Asset / (Liability) recognised	6,23,321	7,23,940
e) Expenses recognised in statement of profit & loss account		
i) Current service cost	2,59,453	2,03,554
ii) Interest cost	3,97,938	3,35,854
iii) Expected return on plan assets	(4,81,252)	(4,39,069)
iv) Actuarial (gain) / loss recognised	(75,520)	-
v) Adjustment for prepaid portion / LCSA premium / Renewal date variation	24,768	2,62,148
vi) Expenses recognised in profit & loss account	1,25,387	3,62,487

- 17 During the year company has invested Rs. 18,63,42,677/- in new office premises at Bandra Kurla Complex, Mumbai in addition to earlier investment in office premises of Rs. 12,02,14,360/-

- 18 Details of CSR Spend during the financial year, During the year, the Company has incurred an amount of Rs. 63,01,107/- towards Corporate Social Responsibility expenditure, which includes previous years unspent amount of Rs. 27,47,154/-.


**19 OTHER DISCLOSURES PURSUANT TO PART II OF REVISED SCHEDULE III:**

	<u>Current Year</u>		<u>Previous Year</u>	
	Rupees		Rupees	
<b>A</b> OPENING STOCK OF FINISHED GOODS				
Boron Products		2,09,88,921		1,11,17,206
Other chemicals & Minerals		-		-
		<u>2,09,88,921</u>		<u>1,11,17,206</u>
<b>B</b> SALES				
Boron Products		72,42,22,297		80,04,12,609
Mineral waste		98,40,615		1,24,62,236
		<u>73,40,62,912</u>		<u>81,28,74,845</u>
<b>C</b> CLOSING STOCK OF FINISHED GOODS				
Boron Products		3,37,02,034		2,09,88,921
		<u>3,37,02,034</u>		<u>2,09,88,921</u>
<b>D</b> CLOSING STOCK OF WORK-IN-PROGRESS				
Boron Products		29,85,118		26,30,598
		<u>29,85,118</u>		<u>26,30,598</u>
<b>E</b> RAW MATERIALS CONSUMED				
Boron Mineral & Products		30,70,50,195		33,82,26,422
Other chemicals		4,52,06,857		5,17,88,444
		<u>35,22,57,052</u>		<u>39,00,14,866</u>
<b>F</b> CONSUMPTION OF IMPORTED & INDIGENOUS MATERIAL				
RAW MATERIALS	%	VALUE	%	VALUE
i) Imported	87.17	30,70,50,195	86.72	33,82,26,422
ii) Indigenous	12.83	4,52,06,857	13.28	5,17,88,444
	<u>100.00</u>	<u>35,22,57,052</u>	<u>100.00</u>	<u>39,00,14,866</u>
STORES & SPARES				
i) Imported	---	-	---	-
ii) Indigenous	100.00	1,19,81,994	100.00	86,45,151
	<u>100.00</u>	<u>1,19,81,994</u>	<u>100.00</u>	<u>86,45,151</u>
<b>G</b> C.I.F VALUE OF IMPORTS				
Raw Materials, Chemicals & Minerals		20,37,38,633		42,60,91,326
Capital Goods/(WIP)		1,05,04,669		37,73,973
<b>H</b> Company has neither remitted dividend in foreign currency in current year nor in previous year.				
<b>I</b> EARNINGS IN FOREIGN EXCHANGE		NIL		NIL
<b>J</b> EXPENDITURE IN FOREIGN CURRENCY FOR TRAVEL/SUBSCRIPTION ETC		3,95,033		6,23,378

**As per our report of even date attached**

**For V.S.LALPURIA & COMPANY**  
Chartered Accountants  
(Firm No. 105581W)

**Sushila Jain - Director**

**S.K.Jain**  
Chairman & Managing Director

**Arun S.Sureka - Director**

**Sajal S. Jain**  
Vice Chairman &  
Executive Director, CFO

**V.S.LALPURIA**  
Proprietor  
M. No. 15926

**Narendrakumar Mittal - Director**

**G. R. Parmar - Director**

**Pravin Chavan**  
Company Secretary

Mumbai, 30th May, 2016

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **INDO BORAX & CHEMICALS LIMITED** ("the company"), and its subsidiary **INDOBORAX INFRASTRUCTURE PRIVATE LIMITED** ("the subsidiary") (the company and the subsidiary constitute "the Group") which comprises the Consolidated Balance Sheet as at **31<sup>st</sup> March, 2016** and the Consolidated Statement of Profit & Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

### AUDITOR'S RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the Auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group as at 31<sup>st</sup> March, 2016 and its consolidated profit and its consolidated cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of consolidated financial statements.
  - b) in our opinion, proper books of account as required by law relating to preparation of the Consolidated





Financial Statements have been kept by the Company so far as it appears from our examination of those books.

- c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) in our opinion, the Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) on the basis of written representations received from the Directors of the Company as on 31<sup>st</sup> March, 2016, taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the group company, is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure A", which is based on the Auditor's Report of the Company and its subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the

Company and its subsidiary company.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Group has disclosed that there are no pending litigation which may impact on its consolidated financial position of the group in its consolidated financial statements as of 31<sup>st</sup> March, 2016.
  - ii) The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii) There has been no delay in transferring amounts, required to be transferred to the Investors Education and Protection Fund by the company.

**For V. S. LALPURIA & COMPANY  
CHARTERED ACCOUNTANTS  
(Firm No. 105581W)**

**(V. S. LALPURIA)  
Proprietor**

**Membership No. 15926**

Mumbai  
30<sup>th</sup> May, 2016

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

### **Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Act**

We have audited the internal financial controls over financial reporting of **INDO BORAX & CHEMICALS LIMITED** ("the company") and its subsidiary company as of 31 March, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of company and its subsidiary company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities

include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013 ("the Act").

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial



Controls, and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of

unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

In our opinion, the Company and its subsidiary company, have in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company and its subsidiary company considering the essential components of internal controls stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by ICAI.

**For V. S. LALPURIA & COMPANY  
CHARTERED ACCOUNTANTS  
(Firm No. 105581W)**

**(V. S. LALPURIA)  
Proprietor  
Membership No. 15926**

Mumbai  
30<sup>th</sup> May, 2016


**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016**

	Notes	Rupees 31-Mar-16	Rupees 31-Mar-15
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a) Share Capital	1	3,20,90,000	3,20,90,000
b) Reserves & Surplus	2	83,87,44,849	75,22,52,283
<b>Total (1)</b>		<b>87,08,34,849</b>	<b>78,43,42,283</b>
<b>2. NON-CURRENT LIABILITIES</b>			
a) Long Term Borrowings	3	1,50,92,878	4,64,24,627
b) Deferred Tax Liabilities (Net)	4	55,01,875	5,95,485
c) Other Long-term Liabilities	5	73,80,000	75,24,000
<b>Total (3)</b>		<b>2,79,74,753</b>	<b>5,45,44,112</b>
<b>3. CURRENT LIABILITIES</b>			
a) Trade Payables	6	3,99,51,792	4,37,42,572
b) Other Current Liabilities	7	2,62,14,416	2,92,65,542
c) Short-term Provisions	8	57,93,239	70,66,366
<b>Total (4)</b>		<b>7,19,59,447</b>	<b>8,00,74,480</b>
<b>Total</b>		<b>97,07,69,049</b>	<b>91,89,60,875</b>
<b>II. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a) Fixed Assets			
I - Tangible Assets	9	20,36,58,820	10,89,86,115
II - Capital Work in Progress		1,79,54,238	1,50,72,362
b) Goowill on Consolidation		28,99,922	28,99,922
c) Non-current Investments	10	31,71,71,394	13,20,89,259
d) Long-term Loans & Advances	11	8,41,92,287	8,01,98,249
<b>Total (1)</b>		<b>62,58,76,661</b>	<b>33,92,45,907</b>
<b>2. CURRENT ASSETS</b>			
a) Current Investments	12	-	55,60,542
b) Inventories	13	22,59,27,718	31,54,32,319
c) Trade Receivables	14	5,64,08,489	6,01,65,685
d) Cash & Bank Balances	15	4,41,05,063	16,06,62,115
e) Loans & Advances	16	1,84,48,613	3,78,91,510
f) Other Current Assets	17	2,505	2,797
<b>Total (2)</b>		<b>34,48,92,388</b>	<b>57,97,14,968</b>
<b>Total</b>		<b>97,07,69,049</b>	<b>91,89,60,875</b>

Significant Accounting Policies

26

Other Disclosures &amp; Notes

27

As per our report of even date attached

 For V.S.LALPURIA & COMPANY  
Chartered Accountants  
(Firm No. 105581W)

Sushila Jain - Director

 S.K.Jain  
Chairman & Managing Director.

Arun S.Suraski - Director

 Sajal S. Jain  
Vice Chairman & Executive Director, CFO

 V.S.LALPURIA  
Proprietor  
M. No. 15926

Nanendrakumar Mittal - Director

G. R. Parmar - Director

Pravin Chavan-Company Secretary

Mumbai, May 30, 2016

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016**

		Rupees	Rupees
	Note	31-Mar-16	31-Mar-15
<b>INCOME</b>			
Revenue from Operations	18	69,61,68,668	87,45,16,025
Other Income	19	2,83,66,206	3,03,47,306
<b>Total Income</b>		<b>72,45,34,874</b>	<b>90,48,63,331</b>
<b>EXPENSES</b>			
Cost of Raw Materials Consumed	20	35,22,57,052	39,00,14,866
Cost of Construction	21	8,58,565	3,50,83,162
Changes in Inventory	22	2,14,27,495	6,73,42,869
Employee Benefits Expense	23	2,64,66,455	2,18,20,883
Finance Costs	24	30,62,618	53,05,959
Depreciation	9	1,25,28,617	1,15,66,421
Other Expenses	25	17,16,41,967	17,42,29,535
<b>Total Expenditure</b>		<b>58,82,42,769</b>	<b>70,53,63,695</b>
<b>PROFIT BEFORE TAX</b>		<b>13,62,92,105</b>	<b>19,94,99,636</b>
<b>TAX EXPENSE</b>			
Current Tax		3,90,99,443	6,46,36,308
Deferred Tax		49,06,390	(7,14,926)
Prior Period Tax Adjustments		-	29,779
<b>Total Tax Expense</b>		<b>4,40,05,833</b>	<b>6,39,51,161</b>
<b>PROFIT AFTER TAX</b>		<b>9,22,86,272</b>	<b>13,55,48,475</b>
Add/Less: Minority Interest (income)losses		-	(45,38,302)
<b>PROFIT AFTER TAX &amp; MINORITY INTEREST</b>		<b>9,22,86,272</b>	<b>13,10,10,173</b>
Basic and diluted earning per share.(Face Value Rs. 10/- each)		28.76	40.63

**Significant Accounting Policies**
**26**
**Other Disclosures & Notes**
**27**

As per our report of even date attached

**For V.S.LALPURIA & COMPANY**  
 Chartered Accountants  
 (Firm No. 105581W)

**V.S.LALPURIA**  
 Proprietor  
 M. No. 15926

Mumbai, May 30, 2016

Sushila Jain - Director

Arun S.Sureka - Director

Narendrakumar Mittal - Director

G. R. Parmar - Director

**S.K.Jain**  
 Chairman & Managing Director.

**Sajal S. Jain**  
 Vice Chairman & Executive Director, CFO

**Pravin Chavan-Company Secretary**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**
**ALL FIGURES IN RUPEES**

		31.03.2016	31.03.2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Net Profit before tax and extraordinary items adjusted.		13,62,92,105	19,94,99,636
Adjustments for :			
Depreciation	1,25,28,617		1,15,66,421
Profit/loss on sale/discarding of assets	(4,00,650)		-
Preliminary Expenses Amortised	-		-
Profit/loss on sale of investment	(15,594)		(17,022)
Income from investments	(2,65,00,103)		(2,93,65,097)
Interest	28,91,720		50,26,638
		<u>(1,14,96,010)</u>	<u>(1,27,89,060)</u>
Operating profit before working capital changes		12,47,96,095	18,67,10,576
Adjustments for :			
Trade and other Receivables	37,57,488		(2,35,03,155)
Inventories	8,95,04,601		(7,79,82,768)
Loans & Advances	2,28,88,813		(1,43,02,893)
Trade and other payables	(68,41,906)		55,78,865
		<u>10,93,08,996</u>	<u>(11,02,09,951)</u>
Cash generated from operations		23,41,05,091	7,65,00,625
Interest	(28,91,720)		(50,26,638)
Income-Tax	(4,78,12,464)		(6,82,40,832)
		<u>(5,07,04,184)</u>	<u>(7,32,67,470)</u>
Cash Flow before extraordinary items		18,34,00,907	32,33,155
Extraordinary Items		-	-
<b>Net Cash Flow from Operating activities --- A</b>		<b>18,34,00,907</b>	<b>32,33,155</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(10,72,31,117)	(9,15,00,974)
Capital Work in Progress		(28,81,876)	(85,43,543)
Purchase of Investments		-	(1,01,32,520)
Sale of Fixed assets		4,30,445	-
Income, gains / loss from Investments		2,65,15,697	2,93,82,119
Changes in other bank balances		(2,86,860)	3,51,874
Investments (net)		<u>(17,95,21,593)</u>	<u>21,00,25,219</u>
<b>Net Cash used in Investing Activities --- B</b>		<b>(26,29,75,304)</b>	<b>12,95,82,175</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Long term borrowings		(3,13,31,749)	46,13,920
Buy back of shares		-	(1,24,61,162)
Short term borrowings		-	-
Changes in other long term liabilities		(1,44,000)	1,44,000
Dividend & Dividend Tax paid		(57,93,766)	(56,31,823)
		<u>(3,72,69,515)</u>	<u>(1,33,35,065)</u>
<b>Net Cash from Financing Activities --- C</b>		<b>(3,72,69,515)</b>	<b>(1,33,35,065)</b>
<b>Net Increase / (decrease) in Cash and Cash equivalent</b>		<b>(11,68,43,912)</b>	<b>11,94,80,285</b>
Cash & Cash Equivalent at the beginning of the year		15,68,94,863	9,74,14,597
<b>Cash &amp; Cash Equivalent end of the year</b>		<b>4,00,50,951</b>	<b>11,69,94,882</b>

**Note : Figures in brackets represent outflows**
**As per our report of even date attached**
**For V.S.LALPURIA & COMPANY**  
 Chartered Accountants  
 (Firm No. 105581W)

**V.S.LALPURIA**  
 Proprietor  
 M. No. 15926

**Mumbai, May 30, 2016**
**Sushila Jain - Director**
**Arun S.Sureka - Director**
**Narandrakumar Mittal - Director**
**G. R. Parmar - Director**
**S.K.Jain**  
 Chairman & Managing Director.

**Sajal S. Jain**  
 Vice Chairman & Executive Director, CFO

**Pravin Chavan-Company Secretary**

**NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016**

	Rupees 31 Mar 2016	Rupees 31 Mar 2015
<b>NOTE - 1</b>		
<b>SHARE CAPITAL</b>		
Authorised Capital		
60,00,000 Equity Shares of Rs.10/- each	60,000,000	60,000,000
Issued & Subscribed		
35,00,000 Equity Shares of Rs.10/- each	35,000,000	35,000,000
Paid up		
32,09,000 Equity Shares of Rs.10/- each	32,090,000	32,090,000
(Previous Year 32,09,000 Equity Shares of Rs. 10/- each)		
	<b>32,090,000</b>	<b>32,090,000</b>

1) The reconciliation of the number of shares outstanding is set out below:

	31/03/2016		31/03/2015	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	3209000	32,090,000	3481000	34,810,000
Less : Shares cancelled on buy back of Equity Shares	-	-	272000	2,720,000
Equity Shares at the end of the year	<u>3209000</u>	<u>32,090,000</u>	<u>3209000</u>	<u>32,090,000</u>

2) Number of shares held by persons holding more than 5% of outstanding share capital :

	31/03/2016	31/03/2015
Shri S. K. Jain	510351	510351
Smt Sushila Jain	288893	288893
Shri Sajal Jain	606496	606496
Smt Sreelekha Jain	207702	207702

3) During last five years no shares were allotted without payment being received in cash or as bonus shares, however company were bought back and extinguished 2,72,000 equity shares during the Financial Year 2014-15.

4) Amount originally received on forfeited shares Rs. 139350/- (inclusive of share premium) included in Reserves & Surplus.

5) The Company has one class of equity shares having par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**NOTE - 2 RESERVES & SURPLUS**

Share Premium Account		12,905,000
Balance Brought Forward	-	(12,905,000)
Less : On Buy-back of Equity Shares	-	-
Capital Redemption Reserve		
Balance Brought Forward	2,720,000	-
Add : Transfer from Profit & Loss Account on Buy-back of Equity Shares	-	2,720,000
	<u>2,720,000</u>	<u>2,720,000</u>
Share Forfeiture Account		
Balance Brought Forward	139,350	139,350
General Reserve		
Balance Brought Forward	86,410,878	92,877,657
Less : On Buy-back of Equity Shares	-	(18,642,998)
Less : Adjustment due to change in useful life of assets	-	(323,781)
Transfer from Surplus	9,000,000	12,500,000
	<u>95,410,878</u>	<u>86,410,878</u>
Surplus		
Balance Brought Forward	662,982,055	552,985,526
Profit transferred from Statement of Profit & Loss	92,286,272	131,010,173
Transfer to Capital Redemption Reserve on Buy-back of Equity Shares	-	(2,720,000)
Transfer to General Reserve	(9,000,000)	(12,500,000)
Proposed Dividend	(4,813,791)	(4,813,729)
Tax on Proposed Dividend	(979,915)	(979,915)
Closing Balance	<u>740,474,621</u>	<u>662,982,055</u>
Negative values, appropriations and deductions are shown in bracket.		
	<b>838,744,849</b>	<b>752,252,283</b>

**NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016**

	Rupees 31 Mar 2016	Rupees 31 Mar 2015
<b>NOTE - 3</b>		
<b>LONG TERM BORROWINGS</b>		
Loans & advances from Directors -Unsecured (Long term borrowing with no fixed repayment schedule)	15,092,878	46,424,627
	<b>15,092,878</b>	<b>46,424,627</b>
<b>NOTE - 4</b>		
<b>DEFERRED TAX LIABILITY (NET)</b>		
Deferred Tax Liability Depreciation	5,501,875	595,495
	<b>5,501,875</b>	<b>695,495</b>
<b>NOTE - 5</b>		
<b>OTHER LONG-TERM LIABILITIES</b>		
Lease Deposits	7,380,000	7,524,000
	<b>7,380,000</b>	<b>7,524,000</b>
<b>NOTE - 6</b>		
<b>TRADE PAYABLES</b>		
Trade Payables for Goods	5,214,719	8,331,200
Trade Payables for Services & Expenses	34,019,012	34,472,623
Trade Payables for Material & Labour (Net of Advances)	718,061	938,749
	<b>39,951,792</b>	<b>43,742,572</b>
<b>NOTE - 7</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Current maturities of long term debt	-	803,191
Income Received in advance	7,751,754	8,008,948
Unpaid Dividends	3,879,112	3,590,952
Other Payables		
' -Customer advances	757,060	10,079,035
' -Taxes & Statutory Dues	13,828,490	6,763,416
	<b>26,214,416</b>	<b>28,265,542</b>
<b>NOTE - 8</b>		
<b>SHORT TERM PROVISIONS</b>		
Income Tax	-	1,273,067
Proposed Dividend	4,813,500	4,813,500
Tax on Proposed Dividend Distribution	979,739	979,799
	<b>6,793,239</b>	<b>7,066,366</b>

**NOTE - 9**  
**Fixed Assets**

Sr. No	Fixed Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at 01-04-2015	Additions/Adjustments during the year	Sale / Transfer / Adjustment	As at 31-03-2016	Up to 01-04-2015	Depreciation for the year	Dep on assets whose useful life is Nil	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
<b>I Tangible Assets</b>											
1	Land (under lease)	10,05,924	-	-	10,05,924	-	-	-	-	10,05,924	10,05,924
2	Buildings *	9,58,00,855	1,20,20,243	-	10,78,21,098	1,20,85,841	43,84,501	-	1,64,70,342	9,13,50,756	8,37,15,014
3	Plant & Equipment	5,75,71,653	9,36,81,781	20,75,636	14,91,77,998	5,18,81,799	17,71,325	20,45,841	5,16,07,283	9,75,70,515	56,89,854
4	Furniture & Fixtures	1,17,67,436	20,453	-	1,17,87,889	38,11,156	20,76,302	-	58,87,458	59,00,431	79,56,280
5	Office Equipments	51,85,395	1,51,890	-	53,37,285	30,00,650	8,31,020	-	38,31,670	15,05,615	21,84,745
6	Vehicles	2,54,56,421	13,56,750	-	2,68,13,171	1,70,22,123	34,65,469	-	2,04,87,592	63,25,579	84,34,298
	<b>Total</b>	<b>19,67,87,684</b>	<b>10,72,31,117</b>	<b>20,75,636</b>	<b>30,19,43,165</b>	<b>8,78,01,569</b>	<b>1,25,28,617</b>	<b>20,45,841</b>	<b>9,82,84,345</b>	<b>20,36,58,820</b>	<b>10,89,86,115</b>
	Previous Year	10,52,86,710	9,15,00,974	-	19,67,87,684	7,59,11,367	1,15,66,421	3,23,781	8,78,01,569	10,89,86,115	2,93,75,343
<b>II Capital Work in Progress</b>											
	(Factory Building, Plant & Machinery and Electrical Installations)	-	-	-	-	-	-	-	-	1,79,54,238	1,50,72,362
	<b>Total</b>	-	-	-	-	-	-	-	-	<b>1,79,54,238</b>	<b>1,50,72,362</b>
	Previous Year	-	-	-	-	-	-	-	-	1,50,72,362	65,28,819

\* Note : Building includes let out office premises of Rs. 3,25,59,756/-.

**NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016**

	Rupees 31 Mar 2016	Rupees 31 Mar 2015
<b>NOTE - 10</b>		
<b>NON-CURRENT INVESTMENTS</b>		
INVESTMENT (NON-TRADE) - AT COST		
A) INVESTMENT IN PROPERTIES-Office Premises	306,557,027	120,214,350
B) Investment in Equity Instruments (Fully Paid - Quoted) (Financial, non-strategic investments, all insignificant, less than 1% stake) Market Value of long-term investment in quoted shares Rs. 38,96,850/-) (Previous Year Rs. 54,16,854/-)	10,180,784	11,441,326
C) Investment in Equity Instruments (Fully Paid - Un-quoted)	433,583	433,583
D) Investment in Debenture Instrument (Fully Paid - Quoted) (Market Value of debenture Rs. 38,340/- (Previous Year Rs. 38,130/-) None of the above investments are in associates or joint ventures or controlled special purpose entities.	-	-
	<b>317,171,394</b>	<b>132,089,259</b>
<b>NOTE - 11</b>		
<b>LONG-TERM LOANS &amp; ADVANCES</b>		
a) Security Deposits	3,052,826	1,947,576
b) Loans and advances to other parties (Employees)	1,478,673	1,792,673
c) Loans and advances to other parties ( against properties)	79,660,788	76,458,000
	<b>84,192,287</b>	<b>80,198,249</b>
Loans to employees are as per company's policy. Loans and advances to others are against proposed properties and if the transactions for the proposed properties are not materialised, the management is of the opinion that the advances are recoverable.		
<b>NOTE - 12</b>		
<b>CURRENT INVESTMENTS</b>		
(At lower of cost or market value)		
Investment in Mutual Funds	-	5,560,542
	-	<b>5,560,542</b>
<b>NOTE - 13</b>		
<b>INVENTORIES</b>		
(As taken, valued & certified by the Management)		
Raw Materials	150,968,294	220,620,893
Work-in-progress	2,985,118	2,630,598
Constructed Flat	34,214,286	67,197,029
Finished Goods	33,702,034	20,988,921
Stores , Spares , Packing Materials, Fuel etc.	4,057,986	3,994,878
	<b>225,927,718</b>	<b>315,432,319</b>
<b>NOTE - 14</b>		
<b>TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Debts due for period exceeding six months	385,360	66,143
Other Debt	56,023,129	60,099,542
	<b>56,408,489</b>	<b>60,165,685</b>



**NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016**

	Rupees 31 Mar 2016	Rupees 31 Mar 2015
<b>NOTE - 15</b>		
<b>CASH &amp; BANK BALANCES</b>		
A) Cash & Cash Equivalents		
Cash on Hand	154,045	130,104
Balances with Banks		
--- In Current Accounts	39,896,906	156,764,759
Sub-total	<u>40,050,951</u>	<u>156,894,863</u>
B) Other Bank Balances		
--- In Unclaimed Dividend Accounts	3,879,112	3,590,952
--- In Fixed Deposits under Lien	175,000	176,300
Sub-total	<u>4,054,112</u>	<u>3,767,252</u>
	<u><b>44,105,063</b></u>	<u><b>160,662,115</b></u>
<b>NOTE - 16</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
Loans and Advances recoverable in cash or in kind or for value to be received #		
Capital Advance	8,216,018	5,255,331
Maintenance Recoverable from flat owners	-	23,999,290
Advances to Staff	314,371	
Receivable from Customers - Refer Note 27 (3) (b)	353,781	300,000
Income Tax Advances	-	6,212,400
	<u>9,564,443</u>	<u>2,124,489</u>
	<u><b>18,448,613</b></u>	<u><b>37,891,510</b></u>
# Advances are towards prepaid expenses & to Excise Authorities		
<b>NOTE - 17</b>		
<b>OTHER CURRENT ASSETS</b>		
Interest receivable	2,505	2,797
	<u>2,505</u>	<u>2,797</u>
<b>NOTES TO THE CONSOLIDATED PROFIT &amp; LOSS FOR THE YEAR ENDED 31st MARCH, 2016</b>		
<b>NOTE - 18</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sales of Products (Gross)/Units	776,562,912	961,301,359
Less:Excise Duty on sale of Products	80,394,244	86,785,334
	<u><b>696,168,668</b></u>	<u><b>874,516,025</b></u>
<b>NOTE - 19</b>		
<b>OTHER INCOME</b>		
Interest Income	181,763	3,142,873
Dividend on current investments	7,125,967	8,631,036
Dividend on other investments	64,135	52,057
Gain/(Loss) on sale of investments	15,594	17,022
Profit/(Loss) on sale of assets	400,650	-
Rent & Facility Charges	19,128,238	17,539,131
Misc Income/Excess Provision written back	1,449,859	965,187
	<u><b>28,366,206</b></u>	<u><b>30,347,306</b></u>
<b>NOTE - 20</b>		
<b>COST OF RAW MATERIALS CONSUMED</b>		
Opening Stock	220,620,893	76,976,387
Add : Purchases	<u>282,604,453</u>	<u>533,659,372</u>
	503,225,346	610,635,759
Less : Closing Stocks	<u>150,968,294</u>	<u>220,620,893</u>
	<u><b>352,257,052</b></u>	<u><b>390,014,866</b></u>

**NOTES TO THE CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016**

	Rupees 31 Mar 2016	Rupees 31 Mar 2015
<b>NOTE - 21</b>		
<b>COST OF CONSTRUCTION</b>	300,000	-
Architect & Design Expenses	-	3,154,924
Construction Contracts	-	15,674,880
Municipal & Other Charges	-	8,623,954
Purchase of Materials	558,565	7,629,404
Other Construction & Site Expenses	<u>858,565</u>	<u>35,083,162</u>
<b>NOTE - 22</b>		
<b>CHANGES IN INVENTORY</b>		
Opening Stock - Finished Goods	2,630,598	11,117,206
Opening Stock - Work-in-Progress	20,988,921	145,605,903
Opening Stock - Constructed Units	67,197,029	-
Closing Stock - Finished Goods	(33,702,034)	(20,988,921)
Closing Stock - Constructed Units	34,214,286	(67,197,029)
Closing Stock - Work-in-Progress	(2,985,118)	(2,630,598)
Neutralisation of Excise Duty included in Opening and Closing Stock of Finished Goods	1,512,385	1,436,308
	<u>21,427,495</u>	<u>67,342,869</u>
<b>NOTE - 23</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	23,602,383	19,526,353
Workmen & Staff Welfare	405,846	276,879
Employers Contribution to Provident Fund & Other Funds	2,332,839	1,655,164
Gratuity Contribution/Payment	125,387	362,487
	<u>26,466,455</u>	<u>21,820,883</u>
<b>NOTE - 24</b>		
<b>FINANCE COSTS</b>		
Interest on Working Capital	157,560	55,874
Interest on Vehicle Loan	13,338	223,447
Other Interest	2,891,720	5,026,638
	<u>3,062,618</u>	<u>5,305,959</u>
<b>NOTE - 25</b>		
<b>OTHER EXPENSES</b>		
Consumption of Stores, Spares & Packing Materials	1,74,47,540	1,49,76,835
Power & Fuel	3,87,19,111	4,61,14,262
Water Charges	11,03,349	5,71,287
Factory Expenses	1,69,93,713	1,63,63,894
Excise Duty	6,13,299	6,73,726
Rates & Taxes	4,53,440	4,66,278
Rent and Other Charges	54,70,839	43,45,790
Repairs - Plant & Machineries	1,70,51,390	6,76,560
Repairs - Building	58,44,128	1,70,078
Repairs - Others	27,71,508	7,13,677
Insurance Charges	3,61,891	2,88,046
Directors Remuneration	1,47,50,444	2,00,42,896
Directors Remuneration - Subsidiary	9,00,000	8,90,000
Directors Sitting Fees	1,80,000	2,37,000
Payment to Auditors	16,23,000	11,83,500
Legal & Professional Charges	40,05,182	90,04,565
Freight, Coolie & Cartage	1,00,10,688	2,23,31,213
Commission & Brokerage	1,19,28,305	1,36,85,618
Miscellaneous Expenses	94,58,014	1,52,47,167
CSR Expenses	63,01,107	81,578
Bank Charges	7,39,797	3,37,151
Entry Tax	49,15,222	58,28,414
	<u>17,16,41,967</u>	<u>17,42,29,535</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### NOTE - 26

#### SIGNIFICANT ACCOUNTING POLICIES

##### a) METHOD OF ACCOUNTING

The accounts have been prepared under the historical cost convention on an accrual basis in accordance with applicable accounting standards and the provisions of the Companies Act, 2013.

##### b) FIXED ASSETS

Fixed assets are stated at cost alongwith cost directly attributable to bring the assets to their working condition.

##### c) DEPRECIATION

Depreciation is provided on all assets at Pithampur ( straight line method ) and at head office ( written-down-value) with reference to the useful life of the respective assets specified in and in the manner prescribed in Schedule II of the Companies Act, 2013. Subsidiary's assets value upto Rs.20,000/- and assets having no useful life is fully depreciated.

##### d) INVESTMENTS

Current investments are stated at lower of cost or market value. Long Term Investments are stated at cost except where dimunition in value, if any, is other than temporary in nature, in which case they are stated net of provision for such dimunition in value.

##### e) INVENTORIES

i) Raw materials are valued at cost or in case where the resultant finished goods are expected to be sold at less than cost, at net realisable value.

ii) Work-in-progress for manufactured goods is valued at estimated cost.

iii) Constructed units valued at proportionate of cost of land, cost of materials, construction expenses, other direct expenses and indirect Expenses.

Finished goods are valued at cost or net realisable value whichever is lower.

iv) Stores and spares, packing material and fuel are valued at Cost.

##### f) FOREIGN CURRENCY TRANSACTIONS

All foreign currency transactions are accounted at the rate prevailing at the time of transaction.

##### g) SALES

Sales are inclusive of excise duty but net of rate difference payable, sales return and Central Sales Tax/Value Added Tax.

##### h) Income Recognition

Income from sale of units is recognised when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract. Revenue from sale of under constructions units covered by legally enforceable sale

agreements is recognised on percentage completion method and stage of completion is determined on the basis of cost incurred upto reporting date in accordance with ICAI's Guidance Note on Accounting for Real Estate Transactions (Revised 2012).

##### i) EMPLOYEES BENEFITS

###### Defined Contribution Benefits

Company's contributions paid/payable during the year to Provident Fund, Family Pension Fund, ESIC and Labour Welfare Fund are recognized in Profit & Loss Account.

###### Defined Benefit Plan

i. The payments to Life Insurance Corporation of India for all the employees covered under 'Employees Group Gratuity cum Life Assurance Scheme' are based on amount of premium determined by them. Premiums so paid/payable for the year adjusted for effect of actuarial valuation at year end are recognized in the Profit & Loss Account.

ii. Annual Leave Encashment is accounted on accrual basis.

Employees of the subsidiary company are presently not entitled to any benefits referred to in AS-15.

##### j) CONTINGENT LIABILITY

Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts.

##### k) DEFERRED TAXATIO

Deferred Tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax to the extent that timing differences are expected to crystallize.

##### l) SEGMENT REPORTING

The activities of the holding company other than those relating to deployment of surplus funds are reported under the Segment - 'Chemicals'. Activities of the subsidiary company are reported under the Segment - 'Construction'. All other activities are reported as 'Unallocated'.

##### m) NORMAL OPERATING CYCLE FOR ACTIVITIES OF SUBSIDIARY

Normal operating cycle for the current operations of the company commence with the process of acquiring land / development rights and ends with realisation of sale proceeds of constructed units. Thus the normal operating cycle is longer than a year and differ from project to project. Assets and liabilities are classified as current or non-current accordingly on the basis of expected time of realisation of sale proceeds of constructed units.



## NOTE - 27

### OTHER DISCLOSURES & NOTES

#### 1 Basis of Consolidation

The Consolidated financial statements relates to Indo Borax & Chemicals Ltd. and its Subsidiary Company. The consolidated financial statements have been prepared in accordance with Accounting Standard - 21 " Consolidated Financial Statement " issued by the Institute of Chartered Accountants of India. The Consolidated Financial Statements have been prepared on the following basis :-

The Financial Statements of the Company and its Subsidiary company have been combined on a line-by-line by adding together the book values of like items of Assets, Liabilities, Income and expenses after fully eliminating intra group balances and transactions.

The list of subsidiary companies included in consolidation and Company's holding therein are as under :

Name of the Subsidiaries	Country of Incorporation	% of ultimate holding
Indoborax Infrastructure Pvt. Ltd.	INDIA	100%

2 The difference between the cost of investment in the subsidiary and the share of net assets at the time of acquisition of shares in subsidiary is identified in the financial statements as Goodwill.

3 Disclosure pursuant to Guidance Note on Accounting for Real Estate Transactions ( Revised 2012)

a Aggregate amount cost incurred during the current reporting period

	Current Year	Previous Year
Opening work in progress	6,71,97,029	14,27,07,363
Add : Cost incurred during the year	85,48,182	5,88,84,753
	7,57,45,211	20,15,92,116
Less : Closing work in progress	3,42,14,286	6,71,97,029
Cost recognised for the Units sold	4,15,30,925	13,43,95,087
Revenue recognised during the reporting period	4,25,00,000	148426514
Profit from sale of units	9,69,075	1,40,31,427

b Amount receivable from/(payable to) customers reflecting difference of progressive billing raised and the income recognised as per Guidance Note on accounting for Real Estate Transactions ( Revised 2012).

4. Contingent Liabilities and Commitments for provided for: In 1992, STC of India Ltd had claimed for Rs. 9,02,807/- towards price difference & others, against this, Honourable Bombay High Court ordered Company to give bank guarantee of Rs. 1,65,000/- . (Previous year Rs. 1,65,000/-)

5. Previous year figures have been rearranged/regrouped, wherever necessary, to make them comparable with current year figures.

6. During the year, company had increased installed production capacity of boric acid at Pithampur from 14400 MT to 20000 MT. In the process of increase in installed production capacity, Company has repaired to its old plant and machinery to harmonised with new plant & machinery and to synchronize the old production process with new one. Company has made addition to factory building and repaired to the old factory building including roads.

7. During the year company has capitalised Rs. 42,52,229/- from power charges, water charges, professional fees & factory salary as per actual usage, for addition to factory building Rs. 10,12,495/- & plant & machinery Rs. 32,39,734/-.

#### 8 Payment to Statutory Auditors:

	Current Year Rupees	Previous Year Rupees
a) As Auditors	4,50,000	3,00,000
b) In Other Capacity		
For Tax Audit	1,50,000	1,00,000
For Certification	5,31,500	3,16,010
For Taxation Matters	3,00,000	3,54,500
<b>Total</b>	<b>14,31,500</b>	<b>10,70,510</b>

#### 9 Managerial Remuneration to Directors:

Break up of Remuneration (Holding Company)

1. Salary & Allowances	34,56,000	34,56,000
2. Contribution to provident Fund	2,59,200	2,59,200
3. Commission on profit	1,06,76,108	1,58,64,477
4. Perquisites	6,18,336	7,22,419
<b>Total</b>	<b>1,50,09,644</b>	<b>2,03,02,096</b>

The Company has taken Group Gratuity Policy and contributing for the Directors is not separately determined, hence not included above.

Break up of Remuneration (Subsidiary Company)

Salary & Allowances	9,00,000	8,90,000
---------------------	----------	----------

10 The Balances of sundry debtors, trade payables, loans and advances are subject to confirmation & reconciliation, if any. In the opinion of the management, adjustment, if any, arising out of reconciliation are not expected to be significant.

11 In the opinion of the Board of Directors, the assets (other than fixed assets and non-current investments) have value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

12 Major components of deferred tax liabilities and assets arising on account of timing difference are :-



	31.03.2016	31.03.2015
<b>Liabilities</b>		
On account of Depreciation	55,01,875	5,95,485
<b>Assets</b>		
On account of Disallowances	-	-
Net Deferred Tax Liability	55,01,875	5,95,485

### 13 Related party Disclosures :-

#### Key Management Personnel & their relatives

a) Shri S. K. Jain, Managing Director and Shri.Sajal Jain, Executive Director of the Company hold significant interest and key management position in the Company. Mr. Piyush Shah, Executive Director of Subsidiary Company Indoborax Infra. Pvt Ltd

b) Details of Transaction with the persons referred to in (a) above and their relative Mrs. Sushila Jain, are as under:-

1 Remuneration paid to Managing Director *	75,04,822	1,01,51,048
2 Remuneration paid to Executive Director *	75,04,822	1,01,51,048
3 Directors Sitting Fees paid to Mrs Sushila Jain	33,000	42,000
4 Remuneration paid to Executive Director (Subsidiary)	9,00,000	8,90,000
5 Purchase of shares of Subsidiary from Shri. S.K.Jain	-	50,66,260
6 Purchase of shares of Subsidiary from Shri. Sajal Jain	-	48,12,947
7 Interest Expense	28,85,397	46,30,702
8 Loans received during the year	25,96,858	2,25,67,632
9 Loans repaid during the year	3,39,28,607	2,52,00,000
10 Loans outstanding at year end	1,50,92,878	4,10,14,901

\*The Company has taken Group Gratuity Policy and contribution for the Managing Director and Executive Director is not separately determined, hence not included above.

14 Pursuant to Accounting Standard Interpretation (ASI)-14 (Revised) "Disclosure of Revenue from Sales Transactions" issued by the Institute of Chartered Accountants of India, the excise duty expenses is bifurcated into three components: excise duty expenses related to sales is reduced from Gross Sales, excise duty relating to the difference between the closing and opening stock is recognized in the inventory adjustments and the unrecovered excise duty is recognized under manufacturing and other expenses.

### 15 Earning per share is computed based on the following:-

	Year Ended 31.03.2016	Year Ended 31.03.2015
a) Profit after tax - (Rs.)	9,22,86,272	13,10,10,173
b) Weighted average number of equity Shares	32,09,000	32,24,170
c) Basic and diluted Earning per Share Rs. (Face Value of Share Rs. 10/-)	28.76	40.63

16 No Provision for diminution in value of long term investments in quoted shares aggregating to Rs. 67,35,785/- (Previous year :Rs. 67,78,004/-) has been made in accounts as the diminution is of temporary nature.

17 The company has not entered in any derivative transactions by way of currency and/or interest rate swap or forward exchange contract.

18 a) None of the supplier of the company has informed that it is a SSI unit. Therefore, outstanding to SSI units is considered to be NIL.

b) In the absence of any intimation received from vendors regarding the status of their registration under the "Micro, Small and Medium Enterprises Development Act, 2006" the company is unable to comply with the disclosure required to be made relating thereto.

19 Details of CSR Spend during the financial year. During the year, the Company has incurred an amount of Rs. 63,01,107/- towards Corporate Social Responsibility expenditure, which includes previous years unspent amount of Rs. 27,47,154/-.

20 The company has taken Group Gratuity Policy from LIC and the premiums determined by LIC and payable for the financial year adjusted for effect of actuarial valuation at year end is charged to Profit & Loss Account. Required disclosures as per particulars received from LIC and accounts are as under:

	Current Year	Previous Year
a) Assumptions		
Discount Rate	8%	8%
Salary Escalation	5%	5%
Withdrawal rate 1 to 3% depending on age	Withdrawal rate 1 to 3%	
Mortality Rate	LIC (1994-96) LIC (1994-96)	
	<u>Rs.</u>	<u>Rs.</u>
b) Table showing changes in present value of obligations		
i) Present value of obligations -beginning of the year	49,74,219	41,98,178
ii) Interest cost	3,97,938	3,35,854
iii) Current Service cost	2,59,453	2,03,554
iv) Benefits paid	(3,10,500)	-
v) Actuarial (gain)/loss on obligations	(75,520)	2,36,633
vi) Present value of obligations -end of the year	52,45,590	49,74,219
c) Table showing changes in the fair value of plan assets		
i) Fair value of plan assets -beginning of the year	56,98,159	47,75,738
ii) Expected return on the plan assets	4,81,252	4,39,069
iii) Contributions	-	4,83,352
iv) Benefits paid	(3,10,500)	-
v) Actuarial gain / (loss) on plan assets	-	-
vi) Fair value of plan assets -end of the year	58,68,911	56,98,159
d) Amount to be recognised in the balance sheet		
i) Fair value of plan assets -end of the year	58,68,911	56,98,159
ii) Present value of obligations -end of the year	52,45,590	49,74,219
iii) Asset /(Liability) recognised	6,23,321	7,23,940
e) Expenses recognised in statement of profit & loss account		
i) Current service cost	2,59,453	2,03,554
ii) Interest cost	3,97,938	3,35,854
iii) Expected return on plan assets	(4,81,252)	(4,39,069)
iv) Actuarial (gain) / loss recognised	(75,520)	-
v) Adjustment for prepaid portion / LCSA premium / Renewal date variation	24,768	2,62,148
vi) Expenses recognised in profit & loss account	1,25,387	3,62,487



## 21 Segmentwise revenue, results and capital employed:

1 Segment Revenue		
a) Chemicals	65,51,18,527	72,70,54,698
b) Consturction	4,25,00,000	14,84,26,514
Total	<u>69,76,18,527</u>	<u>87,54,81,212</u>
2 Segment Result		
a) Chemicals	10,79,70,715	14,44,54,611
b) Consturction	9,69,075	1,40,31,427
Total	10,89,39,790	15,84,86,038
Less : Interest	(1,77,221)	(2,86,148)
Add: Other Income/Expenses	2,75,29,536	4,12,99,746
Profit before Tax	<u>13,62,92,105</u>	<u>19,94,99,636</u>
3 Capital Employed		
a) Chemicals	47,12,79,849	53,40,14,697
b) Consturction	3,55,46,898	9,58,70,126
c) Unallocated	38,17,02,934	19,85,77,650
	<u>88,85,29,681</u>	<u>82,84,62,473</u>

## 22 Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements:

Name of the Entity	Net Assets		Share in Profit or Loss	
	as % of consolidate net Assets	Amount	as % of consolidated Profit or loss	Amount
Indo Borax & Chemicals Limited	97.64	85,03,26,320	99.25	9,15,93,436
<u>Subsidiary</u>				
Indoborax Infrastructure Private Limited	2.36	2,05,08,529	0.75	6,92,836
	100.00	<u>87,08,34,849</u>	100.00	<u>9,22,86,272</u>

As per our report of even date attached

For **V.S.LALPURIA & COMPANY**  
Chartered Accountants  
(Firm No. 105581W)

**V.S.LALPURIA**  
Proprietor  
M. No. 15926

Mumbai, May 30, 2016

**Sushila Jain - Director**

**Arun S.Sureka - Director**

**Narendrakumar Mittal - Director**

**G. R. Parmar - Director**

**S.K.Jain**

**Chairman & Managing Director.**

**Sajal S. Jain**

**Vice Chairman & Executive Director, CFO**

**Pravin Chavan-Company Secretary**

## DIRECTORS' REPORT

### To The Members of Indoborax Infrastructure Private Limited,

Your Directors have pleasure in presenting Seventh Annual Report and the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March, 2016.

### FINANCIAL RESULTS AND OPERATIONS

The performance of the Company for the financial year ended 31<sup>st</sup> March, 2016 is summarized below:

Particulars	( ₹ . in lacs)	
	31-3-2016	31-3-2015
<b>Sales &amp; other income</b>	425.00	1,513.96
Profit before Depreciation & Taxation	10.48	170.99
Less : Depreciation	0.79	0.98
Provision for Taxation	2.79	57.06
Deferred Tax	(0.03)	(0.51)
Profit after Depreciation & Taxation	6.93	113.46
Balance brought forward	179.81	66.35
<b>Balance carried to Balance Sheet</b>	186.74	179.81

### DIVIDEND

The Directors do not recommend dividend for the year under review.

### RESERVES

During the year company has not transferred any amount to General Reserve, thus entire amount is available for appropriation is retained in profit and loss account.

### REVIEW OF OPERATIONS

During the year company has sold a unit out of 2 residential units held in stock, thus company recorded turnover of Rs. 425.00 lacs (Rs.1513.96 lacs in 2014-15) and earned profit after tax of Rs. 6.93 lacs (Rs. 113.46 lacs in 2014-15)

### DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134 (5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company

as at 31<sup>st</sup> March, 2016 and of the profit of the Company for that period;

- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis;
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### DETAILS OF LOAN GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013

Company has not given any Loan, made investment or given guarantee covered u/s 186(4) of the Companies Act, 2013.

### RISK MANAGEMENT POLICY

Being engaged in construction and development of properties, company exposed to varying degrees of uncertainty. Effective risk management is, therefore crucial for the company to optimize its performance. The risk identified by the management in the real estate sector are regulatory risk, project implementation risk, borrowing risk, liquidity risk, input cost risk, land related risk, credit risk, competition risk. The board of directors reviews the risks and monitors the steps to be taken to control risk and ensures that the overall risk exposure is within the risk capacity and risk appetite of the company. The board of directors of the company are also apprised of the risks faced by the Company, and of the adequate and timely risk management measures taken to mitigate them.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO SECTION 188 (1)

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. No material related party transactions, i.e. exceeding ten percent of the annual turnover as per last audited balance sheet, were entered during the year by your company. The information on the transactions with related parties pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies

(Accounts) Rules, 2014 to be given in AOC-2 are not applicable.

### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The activities of the Company is such where the particular required pursuant to section 134 (m) i.e. conservation of energy, technology absorption is not applicable.

Foreign Exchange earning & Outgo: NIL

### **NUMBER OF MEETING OF THE BOARD**

During the financial year 2015-16 the Board of Directors met 4 times on the following dates: 30-May-2015, 18-Sept-2015, 7-Jan-2016 and 18-Mar-2016.

### **DIRECTORS**

Company has four directors Mr. S.K.Jain, Mr. Sajal Jain, Mr. Piyush Shah and Mr. Govind Parmar. Mr. Govind Parmar, is an Independent Director of Indo Borax & Chemicals Ltd was appointed as per clause 24 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

### **EXTRACT OF ANNUAL RETURN**

As provided under Section 92(3) of the Act, the extract of the annual return is given in Annexure I in the prescribed Form MGT-9, which forms part of this report.

### **STATUTORY AUDITORS**

M/s. V. S. Lalpuria & Co, Chartered Accountants, Statutory Auditors of the Company hold office, in accordance with the provisions of the Companies Act, 2013, up to conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The company has received letter from them to effect that their appointment, if made, would be within the prescribed limits under section 141(3) (g) of the Companies Act, 2013 and they are not disqualified from appointment.

### **COMMENTS ON AUDITORS REPORT**

The Auditors Report does not contain any qualifications or adverse comments and therefore, do not call for any comment.

For and on behalf of the Board of Directors

Mumbai,  
May 30, 2016

S. K. Jain  
Chairman



**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended 31st March, 2016

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

**I REGISTRATION AND OTHER DETAILS**

i)	CIN	U45400MH2009PTC197583
ii)	Registration Date	03-12-2009
iii)	Name of the Company	Indoborax Infrastructure Private Limited
iv)	Category/Sub-Category of the Company	Private Limited Company/Limited by Shares
v)	Address of the Registered office & Contact Details	302, Link Rose, Linking Road, Santacruz (West), Mumbai -400 054 Tel-2648 9142 Fax-2648 9143
vi)	Whether Listed Company	NO
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	No Transfer Agent

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and description of main products/service	NIC Code of the product/service	% total turnover of the Company
1	Housing Construction	410-Construction of Building	100%

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and address of the company	CIN	Holding/Subsidiary / Associates	% of shares held	Applicable Section
1	Indo Borax & Chemicals Limited 302, Link Rose, Linking Road, Santacruz (West), Mumbai -400 054	L24100MH1980PLC023177	Holding	100%	2(46)

**IV SHAREHOLDING PATTERN (Equity share capital Breakup as percentage of Total Equity)**
**I Category-wise share holding**

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A Promoters</b>									
<b>1 Indian</b>									
a) Individuals/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	10,000	10,000	100.00	-	10,000	10,000	100.00	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (1):-</b>	-	10,000	10,000	100.00	0	10000.0	10,000	100	-



<b>2 Foreign</b>									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Others-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Other (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter</b>									
<b>A= A(1)+A (2)</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100.00</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100.00</b>	-
<b>B Public Shareholding</b>									
<b>1 Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (1):-</b>	-	-	-	-	-	-	-	-	-
<b>2 Non- Institutional</b>									
a) Bodies Corporates									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
c) Others (Specify)- Clearing Members - Others (Specify)- NRI	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public shareholding</b>									
<b>B= B(1)+B (2)</b>	-	-	-	-	-	-	-	-	-
<b>C Shares held by custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total ( A + B + C )</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100.00</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100.00</b>	-

**ii) Shareholding of Promoters**

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year #
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Indo Borax & Chemicals Ltd	10,000	100.00	-	10,000	100.00	-	-
<b>Total</b>		10,000	100.00	-	10,000	100.00	-	-

**iii) Change in promoters shareholding ( Please specify, if there is no change )**

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	10,000	100	-	-
	Date wise increase/decrease in Promoters shareholding during the year specifying the reasons for increase or decrease ( e.g. allotment/transfer/bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	10,000	100	-	-

There are no transfer of shares during the year.

**iv) Shareholding pattern of top ten shareholders ( other than directors, Promoters and holders of ADRs and GDRs) :**

The entire share capital is held by holding Company as on 31st March, 2016

**v) Shareholding of Director & Key Managerial Personnel**

The entire share capital is held by holding Company as on 31st March, 2016

**V INDEBTEDNESS :**Indebtedness of the company including interest outstanding / accrued but not due **Amount in Rs.**

	Secured Loan excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year ( 01/04/2015)				
i) Principal Amount	-	6,26,25,382	-	6,26,25,382
ii) Interest due but not paid	-	1,52,14,557	-	1,52,14,557
iii) Interest accrued but not due	-	-	-	-
<b>Total ( i + ii + iii )</b>	-	7,78,39,939	-	7,78,39,939
Change in indebtedness during the financial year				
Addition	-	58,51,096	-	58,51,096
Deduction	-	6,68,63,956	-	6,68,63,956
<b>Net Change</b>	-	(6,10,12,860)	-	(6,10,12,860)
Indebtedness at the end of the financial year ( 31/03/2016)				
i) Principal Amount	-	1,36,78,142	-	1,36,78,142
ii) Interest due but not paid	-	31,48,937	-	31,48,937
iii) Interest accrued but not due	-	-	-	-
<b>Total ( i + ii + iii )</b>	-	1,68,27,079	-	1,68,27,079

**VI REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL****A Remuneration to Managing Director, Whole Time Director** *Amount in Rs.*

Sr. No	Particulars of Remuneration	Name of the Executive	Total Amount
		Piyush Shah	
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	9,00,000	9,00,000
	b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	-	
	c) Profit in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	
2	Stock Option	-	
3	Sweat Equity	-	
4	Commission		
	-as % of profit	-	
	-others	-	
5	Others	-	
	<b>Total (A)</b>	9,00,000	9,00,000
	Ceiling As per Act	Within the limits prescribed under Section- II of Schedule V	

**B Remuneration to other Directors:**

Company has not paid any remuneration to other Directors

**C Remuneration to Key Managerial Personnel other than MD/WTD**

Company has not paid any remuneration to KMP other than WTD

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

There are no penalties, punishments or compounding of offences during the year.

## REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **INDOBORAX INFRASTRUCTURE PRIVATE LIMITED** ("the company"), which comprises the Balance Sheet as at **31<sup>st</sup> March, 2016** and the statement of Profit & Loss and Cash Flow Statement for the year then ended, on that date, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

### AUDITORS RESPONSIBILITY

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

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

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

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

risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and its profit and its cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in the Annexure A a statement of the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section 3 of Section 143 of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
  - c) The Balance Sheet, the 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 aforesaid standalone financial statements comply with the Accounting Standards Specified under section 133 of the Act, read with Rule 7 of the rules;



- e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2016, from being appointed as a director in terms of sub-section 2 of Section 164 of the Act;
- f) With respect to the adequacy of the international financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) There are no pending litigation which may impact on its financial position in financial statements as at 31<sup>st</sup> March, 2016.

ii) The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

iii) There is no requirement for transferring any amount to the Investors Education and Protection Fund by the company.

**For V. S. LALPURIA & COMPANY.  
CHARTERED ACCOUNTANTS  
(Firm No. 105581W)**

**(V. S. LALPURIA)**

**Proprietor**

**Membership No. 15926**

Mumbai,  
May 30, 2016

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

**The Annexure A referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2016, we report that:**

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has physically verified of its fixed assets. In our opinion, physical verification is reasonable having regards to the size of the Company and the nature of its assets.
- (ii) The inventory of constructed unit, has been verified by the management during the year and no discrepancy has noticed on verification of physical stock and book records.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the Provision of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186.

(v) The company has not accepted any deposits from the public in accordance with the provisions of the sections 73 to 76 of the Act and the rules framed there under.

(vi) The Section 148(1) of the Companies Act, 2013 read with the provision of Companies (Cost Records and Audit) Rules, 2014 is not applicable to the Company.

(vii) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues income tax, sales tax, service tax, duty of customs, value added tax, cess, professional tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, value added tax, cess, professional tax, and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Value added tax, Service tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures, as at

- the balance sheet date the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations give to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 188 of the Act, where applicable. The details of such related transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18,

Related Party Disclosures Specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014.

- (xiv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations give to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the orders are not applicable to the Company.

**For V. S. LALPURIA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**(Firm No. 105581W)**

**(V. S. LALPURIA)**

**Proprietor**

**Membership No. 15926**

Mumbai,  
 May 30, 2016

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

Annexure B to the Independent Auditor's Report of even date on the standalone financial statements of the Indoborax Infrastructure Private Limited.

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT**

We have audited the internal financial controls over financial reporting of **INDOBORAX INFRASTRUCTURE PRIVATE LIMITED** ("the company") as of 31 March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company

considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013 ("the Act").

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial



reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls, and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company,(2) provide reasonable assurance that transactions are recorded

as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

In our opinion, the Company has in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by ICAI.

**For V. S. LALPURIA & COMPANY  
CHARTERED ACCOUNTANTS  
(Firm No. 105581W)**

**(V. S. LALPURIA)**

**Proprietor**

**Membership No. 15926**

Mumbai  
30<sup>th</sup> May, 2016



**BALANCE SHEET AS AT 31ST MARCH, 2016**

	Notes	Rupees 31 Mar 2016	Rupees 31 Mar 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a) Share Capital	1	100,000	1,00,000
b) Reserves & Surplus	2	18,674,328	17,981,492
<b>Total (1)</b>		<b>18,774,328</b>	<b>18,081,492</b>
<b>2. NON-CURRENT LIABILITIES</b>			
Long Term Borrowings			
	3	16,827,079	77,839,939
<b>Total (2)</b>		<b>16,827,079</b>	<b>77,839,939</b>
<b>3. CURRENT LIABILITIES</b>			
a) Trade Payables	4	1,712,787	1,575,962
b) Other Current Liabilities	5	775,827	4,228,288
c) Short Term Provisions	6	-	1,273,067
<b>Total (3)</b>		<b>2,488,614</b>	<b>7,077,317</b>
<b>Total</b>		<b>38,090,021</b>	<b>102,998,748</b>
<b>II. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
(a) Fixed Assets			
- Tangible Assets	7	105,641	184,939
(b) Deferred Tax Assets		54,509	51,305
(c) Long-term Loans & Advances	8	175,220	168,970
<b>Total (1)</b>		<b>335,370</b>	<b>405,214</b>
<b>2. CURRENT ASSETS</b>			
a) Inventories	9	34,214,286	67,197,029
b) Trade Receivables	10	2,027,621	26,716,580
c) Cash & Cash Equivalents	11	390,174	1,877,387
d) Short-term Loans & Advances	12	1,122,570	6,802,538
<b>Total (2)</b>		<b>37,754,651</b>	<b>102,593,534</b>
<b>Total</b>		<b>38,090,021</b>	<b>102,998,748</b>
Significant Accounting Policies	19		
Other Disclosures & Notes	20		

As per our report of even date attached

For V.S.LALPURIA & COMPANY  
Chartered Accountants  
(Firm No. 105581W)

Piyush Shah - Executive Director

S.K.Jain - Director

V.S.LALPURIA  
Proprietor  
M. No. 15926

Sajal S. Jain - Director

Govind Parmar-Director

Mumbai, May 30, 2016

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016**

	Notes	Rupees 31 Mar 2016	Rupees 31 Mar 2015
<b>INCOME</b>			
Revenue from Operations		42,500,000	148,426,514
Other Income	13	-	2,969,331
<b>Total Income</b>		<b>42,500,000</b>	<b>151,395,845</b>
<b>EXPENSES</b>			
Cost of Construction	14	858,565	35,083,162
Changes in Inventory	15	32,982,743	75,510,334
Employee Benefits Expenses	16	1,403,173	2,183,681
Finance Costs	17	3,498,586	16,937,438
Depreciation	7	79,298	98,287
Other Expenses	18	2,708,560	4,582,185
<b>Total Expenditure</b>		<b>41,530,925</b>	<b>134,395,087</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>969,075</b>	<b>17,000,758</b>
<b>TAX EXPENSE</b>			
Current Tax		279,443	5,706,308
Deferred Tax		(3,204)	(51,305)
<b>Total Tax Expenses</b>		<b>276,239</b>	<b>5,655,003</b>
<b>PROFIT/(LOSS) AFTER TAX</b>		<b>692,836</b>	<b>11,345,755</b>
Basic and diluted earning per share.(Face Value Rs. 10/- each)		69.28	1134.58
Significant Accounting Policies	19		
Other Disclosures & Notes	20		

As per our report of even date attached

For V.S.LALPURIA & COMPANY  
Chartered Accountants  
(Firm No. 105581W)

Piyush Shah - Executive Director

S.K.Jain - Director

V.S.LALPURIA  
Proprietor  
M. No. 15926

Sajal S. Jain - Director

Mumbai, May 30, 2016

Govind Parmar-Director

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2016**
**ALL FIGURES IN RUPEES**

	<u>Year ended</u> <u>31.03.2016</u>	<u>Year ended</u> <u>31.03.2015</u>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items adjusted.	9,69,075	1,70,00,758
Adjustments for :		
Depreciation	79,298	98,287
Interest	34,98,586	1,69,37,438
Other Income	-	(29,69,331)
	<u>35,77,884</u>	<u>1,40,66,394</u>
Operating profit before working capital changes	45,46,959	3,10,67,152
Adjustments for :		
Trade and other Receivables	2,46,88,959	(1,83,78,298)
Inventories	3,29,82,743	7,55,10,334
Loans & Advances	56,73,718	(11,41,873)
Trade and other payables	(45,88,703)	(50,75,100)
	<u>5,87,56,717</u>	<u>5,09,15,063</u>
Cash generated from operations	6,33,03,676	8,19,82,215
Interest	(34,98,586)	(1,69,37,438)
Income-Tax	(2,79,443)	(57,06,308)
	<u>(37,78,029)</u>	<u>(2,26,43,746)</u>
Cash Flow before extraordinary items	5,95,25,647	5,93,38,469
Extraordinary items	-	-
<b>Net Cash Flow from Operating activities --- A</b>	<b>5,95,25,647</b>	<b>5,93,38,469</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	-	-
Preliminary Expenses	-	-
Income, gains/loss from Investments	-	29,69,331
<b>Net Cash used in Investing Activities --- B</b>	<b>-</b>	<b>29,69,331</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan from Holding Co.	(2,96,81,111)	(8,44,74,136)
Long term borrowings	(3,13,31,749)	54,09,726
<b>Net Cash from Financing Activities --- C</b>	<b>(6,10,12,860)</b>	<b>(7,90,64,410)</b>
<b>Net Increase / (decrease) in Cash and Cash equivalent</b>	<b>(14,87,213)</b>	<b>(1,67,56,610)</b>
Cash & Cash Equivalent at the beginning of the year	18,77,387	1,86,33,997
<b>Cash &amp; Cash Equivalent end of the year</b>	<b>3,90,174</b>	<b>18,77,387</b>

Note : Figures in brackets represent outflows

**As per our report of even date attached**
**For V.S.LALPURIA & COMPANY**  
**Chartered Accountants**  
**(Firm No. 105581W)**
**V.S. LALPURIA**  
**Proprietor**  
**M. No. 15926**
**Mumbai, May 30, 2016**
**Piyush Shah - Executive Director**
**S.K.Jain - Director**
**Sajal S. Jain - Director**
**Govind Parmar-Director**

**NOTES TO THE BALANCE SHEET AS AT 31st MARCH, 2016**

Notes	Rupees 31 Mar 2016	Rupees 31 Mar 2015
<b>NOTE - 1</b>		
<b>SHARE CAPITAL</b>		
Authorised Capital		
2,50,000 Equity Shares of Rs.10/- each	2,500,000	2,500,000
Issued & Subscribed		
10,000 Equity Shares of Rs. 10/- each	100,000	100,000
Paid up		
10,000 Equity Shares of Rs.10/- each	100,000	100,000
<b>Total</b>	<b>100,000</b>	<b>100,000</b>

1) The reconciliation of the number of shares outstanding is set out below:

	31 Mar 2016		31 Mar 2015	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	10000	100,000	10000	100,000
Equity Shares at the end of the year	10000	100,000	10000	100,000

2) Number of shares held by persons holding more than 5% of outstanding share capital :

	31/03/2016	31/03/2015
Indo Borax & Chemicals Ltd *	10000	10000

\* (including 1 share held by nominee shareholder)

3) Since inception, no shares were allotted without payment being received in cash or as bonus shares or bought back.

4) The Company has one class of equity shares having per value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

<b>NOTE - 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
Statement of Profit & Loss		
As per last Balance Sheet		
Profit for the year	17,981,492	8,635,737
Closing Balance	682,836	11,345,755
<b>Total</b>	<b>18,674,328</b>	<b>17,981,492</b>

<b>NOTE - 3</b>		
<b>LONG TERM BORROWINGS</b>		
Unsecured		
Loans from Holding Company	1,734,201	31,415,312
Loans from Directors	15,082,878	46,424,627
(Long term borrowing with no fixed repayment schedule)	Total	18,827,079
		77,839,939

<b>NOTE - 4</b>		
<b>TRADE PAYABLES</b>		
Trade Payables for Service & Expenses	994,726	637,213
Trade Payables for Material & Labour (Net of Advances)	718,061	938,749
<b>Total</b>	<b>1,712,787</b>	<b>1,575,962</b>

<b>NOTE - 5</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Other Payables		
-Deposit received from flat owners	565,000	1,284,000
-Sundry Creditors for dues	210,827	2,944,288
<b>Total</b>	<b>775,827</b>	<b>4,228,288</b>

<b>NOTE - 6</b>		
<b>SHORT-TERM PROVISIONS</b>		
Provision for Income Tax (Net of Advances)	-	1,273,067
<b>Total</b>	<b>-</b>	<b>1,273,067</b>

**NOTE - 7**  
**Fixed Assets**

Sr. No	Fixed Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As at 01-04-2015	Additions/Adjustments during the year	Sale / Transfer / Adjustment	As at 31-03-2016	Up to 01-04-2015	Depreciated on for the year	Transfer/ Adjustment	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
	<b>Tangible Assets</b>										
1	Plant & Equipment	36,856	-	-	36,856	17,544	19,312	-	36,856	-	19,312
2	Furniture & Fixture	1,575	-	-	1,575	1,037	538	-	1,575	-	538
3	Office Equipments	1,250	-	-	1,250	1,127	123	-	1,250	-	123
4	Vehicles	7,24,958	-	-	7,24,958	5,59,992	59,325	-	6,19,317	1,05,641	1,64,966
	<b>TOTAL</b>	<b>7,64,639</b>	<b>-</b>	<b>-</b>	<b>7,64,639</b>	<b>5,79,700</b>	<b>79,298</b>	<b>-</b>	<b>6,58,998</b>	<b>1,05,641</b>	<b>1,84,939</b>
	Previous Year	7,64,639	-	-	7,64,639	4,81,413	98,287	-	5,79,700	1,84,939	2,83,226


**NOTE - 8  
LONG-TERM LOANS  
& ADVANCES**

Security Deposits	175,220	168,970
<b>Total</b>	<b><u>175,220</u></b>	<b><u>168,970</u></b>

**NOTE - 9  
INVENTORIES**

(As taken, valued & certified by the Management)  
Constructed Flat (at the lower of cost and net realizable value)

	34,214,286	67,197,029
<b>Total</b>	<b><u>34,214,286</u></b>	<b><u>67,197,029</u></b>

**NOTE - 10  
TRADE RECEIVABLES**

(Unsecured, Considered good unless otherwise specified)  
Debts due for period exceeding six months  
(Unsecured, considered good)  
Other Debts

	1,736,216	-
	291,405	26,716,580
<b>Total</b>	<b><u>2,027,621</u></b>	<b><u>26,716,580</u></b>

**NOTE - 11  
CASH & CASH EQUIVALENTS**

Cash on Hand  
Balances with Banks,  
'--- In Current Accounts

	45,673	51,719
	344,501	1,825,668
<b>Total</b>	<b><u>390,174</u></b>	<b><u>1,877,387</u></b>

**NOTE - 12  
SHORT TERM LOANS  
& ADVANCES**
**OTHERS**

Advances recoverable in cash or in kind or for value to be received  
Receivable from customers  
- Refer Note 20 (3)  
Income Tax Advances (net of provisions)  
Maintenance Recoverable from flat owners  
Advances to Staff

	10,604	590,138
	-	6,212,400
	792,595	-
	314,371	-
	5,000	-
<b>Total</b>	<b><u>1,122,570</u></b>	<b><u>6,802,538</u></b>

**NOTE - 13  
OTHER INCOME**

Interest on Bank Deposit	-	2,969,331
<b>Total</b>	<b><u>-</u></b>	<b><u>2,969,331</u></b>

**NOTE - 14  
COST OF CONSTRUCTION**

Architect & Design Expenses	300,000	
Construction Contracts	-	3,154,924
Municipal Approval Charges		15,674,880
Purchase of Materials	-	8,623,954
Other Constructions & Site Expenses	558,565	7,629,404
<b>Total</b>	<b><u>858,565</u></b>	<b><u>35,083,162</u></b>

**NOTE - 15  
CHANGES IN INVENTORY**

Opening Stock - Work-in-Progress(Including cost of Land)	-	142,707,363
Opening Stock - Constructed Flats	67,197,029	-
Closing Stock - Constructed Flat	(34,214,286)	(67,197,029)
<b>Total</b>	<b><u>32,982,743</u></b>	<b><u>75,510,334</u></b>

**NOTE - 16  
EMPLOYEE BENEFITS EXPENSE**

Salaries, Wages and Bonus	1,339,973	2,105,777
Workmen & Staff Welfare	63,200	77,904
<b>Total</b>	<b><u>1,403,173</u></b>	<b><u>2,183,681</u></b>

**NOTE - 17  
FINANCE COSTS**

Interest	3,498,586	16,937,438
<b>Total</b>	<b><u>3,498,586</u></b>	<b><u>16,937,438</u></b>

**NOTE - 18  
OTHER EXPENSES.**

Rates & Taxes	3,400	5,700
Repairs & Maintenance	40,523	17,135
Directors Remuneration	900,000	890,000
Payment to Auditors	191,500	60,000
Legal & Professional Charges	393,524	1,023,996
Miscellaneous Expenses	422,721	472,511
Brokerage & Commission	702,000	2,112,000
Bank Charges	799	843
Electricity Expenses	40,572	-
Water Charges	13,521	-
<b>Total</b>	<b><u>2,708,560</u></b>	<b><u>4,582,185</u></b>



**NOTE -19**

**SIGNIFICANT ACCOUNTING POLICIES**

**a) METHOD OF ACCOUNTING**

The accounts have been prepared under the historical cost convention on an accrual basis in accordance with applicable accounting standards notified under the relevant provisions of the Companies Act, 2013

**b) FIXED ASSETS**

Fixed assets are stated at cost.

**c) DEPRECIATION**

Depreciation is provided on assets with reference to the useful life of the respective assets specified in and in the manner prescribed in Schedule II of the Companies Act, 2013. However, assets's having nil useful life at site, has fully depreciated.

**d) INVENTORIES**

Unsold constructed unit valued at proportionate of cost of land, cost of materials, construction expenses, other direct expenses and indirect expenses, which is valued at cost or net realisable value.

**e) INCOME RECOGNITION**

Income from sale of units are recognised when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

**f) CONTINGENT LIABILITY**

In the opinion of the board of directors there is no contingent liability exist as on date of balance sheet.

**g) DEFERRED TAXATION**

Deferred Tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of income tax.

**h) SEGMENT REPORTING**

The operations of the company fall under a single reportable segment, viz. 'Construction' within the meaning of AS-17.

**i) NORMAL OPERATING CYCLE**

Normal operating cycle of the company commence with the process of acquiring land/ development rights and ends with realisation of sale proceeds of constructed units. Thus the normal operating cycle is longer than a year and differ from project to project.

**j) EARNING PER SHARE**

Basic and diluted earnings per share are computed by dividing the net profit after tax attributable to equity shareholders for the year, with the weighted average number of equity shares outstanding during the year.

**k) Other accounting policies, wherever applicable, are same as followed in normal course of business.**

**NOTE - 20**

**OTHER DISCLOSURES & NOTES**

1 Previous year figures have been rearranged/regrouped, wherever necessary, to make them comparable with current year figures.

2 Disclosure pursuant to Guidance Note on Accounting for Real Estate Transactions ( Revised 2012) and other disclosures pursuant to part II of Schedule III

Aggregate amount of cost incurred during the current reporting period

	Current Year	Previous Year
Opeing work in progress	6,71,97,029	14,27,07,363
Add : Cost incurred during the year	85,48,182	5,88,84,753
	7,57,45,211	20,15,92,116
Less : Closing Constructed Unit	3,42,14,286	6,71,97,029
Cost recognised for the Units sold	4,15,30,925	13,43,95,087
Revenue recognised during the year	4,25,00,000	14,84,26,514
Profit from sale of units	9,69,075	1,40,31,427

3 Amount (receivable from) /payable to customers reflecting difference of progressive billing raised and sales recognised as per Guidance Note on accounting for Real Estate Transactions (Revised 2012).

4 The Balances of sundry creditors, loans and advances are subject to confirmation & reconciliation, if any. In the opinion of the management, adjustment, if any, arising out of reconciliation are not expected to be significant.

5 In the opinion of the Board of Directors, the value of assets , if realised in the ordinary course of business, at least equal to the amount at which they are stated.

6 Break up of remuneration paid to the Executive Director

	Current Year	Previous Year
Salary & allowances	9,00,000	8,90,000
	9,00,000	8,90,000

7 Related party Disclosures :-

**A Where Control Exists**

a) Name : Indo Borax & Chemicals Ltd.  
 Relationship : Holding Company  
 Holding : 100%

	Current Year	Previous Year
b) Details of Transactions		
Outstanding Investment in Share Capital	1,00,000	1,00,000
Loans received during the year	32,54,238	1,07,25,864
Amount repaid during the year	3,29,35,349	9,52,00,000
Loans outstanding at year end	17,34,201	3,14,15,312
Interest Expense	6,13,189	1,19,17,627



- B Key Management Personnel & their relatives**  
 Shri Piyush Shah, Executive Director, Shri S. K. Jain, Director and Shri. Sajal Jain, Director of the Company and hold key management position in the Company. Details of transaction with above referred persons are as under:

	Current Year	Previous Year
1 Interest Expense	28,85,397	50,19,811
2 Loans received during the year	25,96,858	73,17,830
3 Loans repaid during the year	3,39,28,607	19,08,104
4 Loans outstanding at year end	1,50,92,878	4,64,24,627
5 Remuneration paid to Executive Director	9,00,000	8,90,000

- 8 Major components of deferred tax liabilities are arising on account of timing difference are :-**

	31.03.2016	31.03.2015
<b>Liabilities</b>		
On account of Depreciation	54,509	51,305
Net Deferred Tax Assets	54,509	51,305

- 9 Earning per share is computed based on the following:-**

	31-Mar-16	31-Mar-15
a) Profit after tax - (Rs.)	6,92,836	1,13,45,755
b) Weighted average number of equity Shares	10,000	10,000
c) Basic and diluted Earning per Share Rs. (Face Value of Share Rs. 10/-)	69.28	1,134.58

- 10 a) None of the supplier of the company has informed that they are a SSI unit . Therefore, outstanding to SSI units is nil.
- b) In the absence of any intimation received from vendors regarding the status of their registration under the "Micro, Small and Medium Enterprises Development Act, 2006 " the company is unable to comply with the disclosure required to be made relating thereto.

As per our report of even date attached

For V.S.LALPURIA & COMPANY  
 Chartered Accountants  
 (Firm No. 105581W)

V.S . LALPURIA  
 Proprietor  
 M. No. 15926  
 Mumbai, May 30, 2016

Piyush Shah - Executive Director

S.K.Jain - Director

Sajal S. Jain - Director

Govind Parmar-Director

**INDO BORAX & CHEMICAL LIMITED**

**Regd. Off. :** 302, Link Rose, Linking Road, Santacruz (W), Mumbai - 400 054  
(CIN-L24100MH1980PLC023177)

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and  
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
E-mail Id	
Regd. Folio/Client ID No.	
DP ID No.	

I/We being the member of Indo Borax & Chemicals Limited holding -----shares, hereby appoint:

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

as my/our proxy to attend and vote (on poll) for me/us and on my or our behalf at the 35<sup>th</sup> Annual General Meeting of the company, to be held on 13<sup>th</sup> August, 2016 at 1.00 p.m. at Mini Auditorium of S.N.D.T. Women's University, Sir Vithaldas Vidya Vihar, Opp. Lido Cinema, Juhu Road, Santacruz (w), Mumbai – 400 049 and at any adjourned thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
1.	To receive, consider and adopt: a) the audited financial statements of the Company for the financial year ended 31 <sup>st</sup> March 2016, together with the Reports of the Board of Directors and the Auditors thereon; and b) the Audited consolidated financial statements of the company for the financial year ended 31 <sup>st</sup> March, 2016, together with the Report of Auditors thereon.
2.	To declare a Final Dividend for the year 2015-16 on Equity Shares.
3.	To appoint a Director in place of Mr. S.K. Jain, Chairman & Managing Director, who retires by rotation and being eligible offers himself for re-appointment.
4.	To Re-appoint of M/s V S Lalpuria & Co, Chartered Accountants as Auditors of the company.
5.	To approve the remuneration of the Cost Auditor for the financial year ended 31 <sup>st</sup> March, 2017.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Affix  
Revenue  
Stamp of  
Rs. 1/-

Signature of Proxyholder (s)

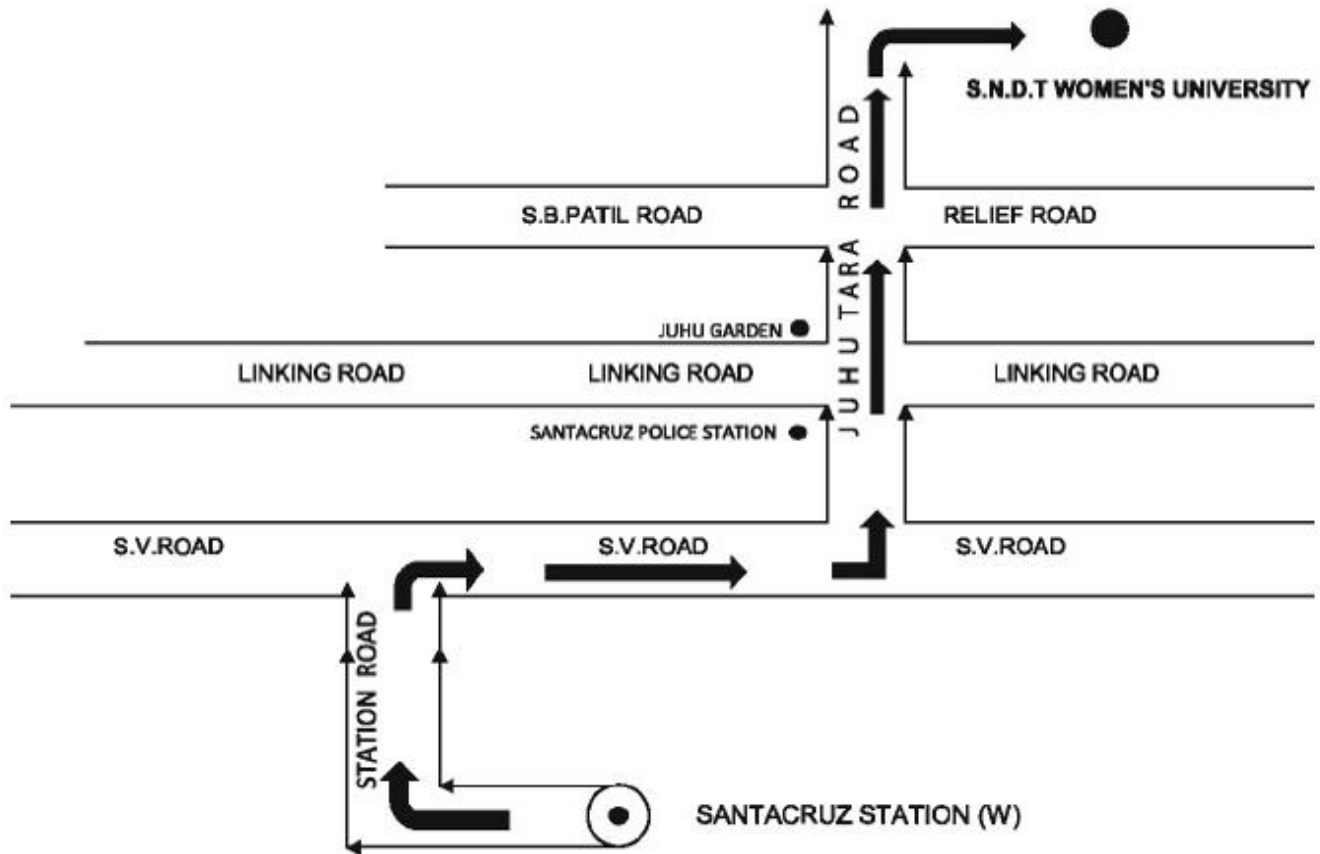
Signature of Shareholder

- Note: This form of proxy, in order to be effective, should be duly stamped, completed and deposited at the Registered Office of the company, not less than 48 hours before the commencement of the meeting.
- For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Thirty-fifth Annual General Meeting.
- Please complete all the details including details of members in above box before submission.





ROUTE MAP OF AGM VENUE



● S.N.D.T. WOMEN'S UNIVERSITY  
SIR VITHALDAS VIDYA VIHAR,  
OPP.LIDO CINEMA, JUHU ROAD,  
SANTACRUZ (W), MUMBAI - 400 049.