

## FORM A

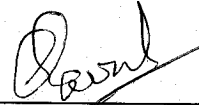
Format of covering letter of the annual audit report to be filed with the Stock Exchange

1. Name of the Company : **Asahi Songwon Colors Limited**
2. Annual Financial Statement for the year ended : **31<sup>st</sup> March, 2015**
3. Type of Audit Observation : **Un-qualified**
4. Frequency of observation : **Not applicable**
5. To be signed by:
  - a. Managing Director



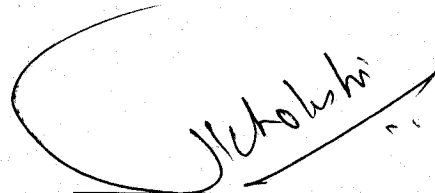
**Mr. Gokul M. Jaykrishna**  
**Joint Managing Director**

- b. CFO



**Mr. Chandravadan R. Raval**  
**General Manager (Accounts) & CFO**

- c. Auditor of the Company



**Mr. Trushit Chokshi**  
**Proprietor**  
**Membership No. 040847**  
**Trushit Chokshi & Associates**  
**Chartered Accountants**  
**Firm Registration No. 111072W**

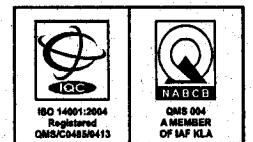
- d. Audit Committee Chairman



**Mr. Gaurang N. Shah**  
**Director**

**AsahiSongwon Colors Ltd.**

Corporate Office: 13, Aaryans Corporate Park, Nr. Shilaj Railway Crossing, Thaltej-Shilaj Road,  
Thaltej, Ahmedabad-380 059, Gujarat. India  
Tele : 91-79 3982 5000 • Fax : 91-79 3982 5100 • Web Site: [www.asahisongwon.com](http://www.asahisongwon.com)





AN EXCITING FUTURE.  
**A NEW  
CHEMISTRY.**

#### Disclaimer

The disclosures of forward-looking information contained in this annual report are made to enable investors to comprehend the prospects and make informed investment decisions. This report and other statements – written or oral – may contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. Maximum effort has been made to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. However, the entire realisation of these forward-looking statements cannot be guaranteed, although the assumptions have been prudent enough to rely upon. The achievement of results is subject to risks, uncertainties and unforeseen events. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. The management does not undertake any obligation to publicly update any forward-looking statement, whether as a result of new information, future event or otherwise.

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The year 2014-15 was challenging for the global pigments industry.  
*Asahi Songwon reported profitable growth.*

Most players struggled to maintain EBITDA margins.  
*Asahi Songwon successfully generated savings from within.*

Most players focused on doing more of the same to remain liquid.  
*Asahi Songwon chose to enhance innovation to reinforce sustainability.*

There were three realities in our demerged company that made this a reality.

Strong management ambition. Strategic planning.

Passion-driven implementation.

**A NEW CHEMISTRY.**



**ASAHI SONGWON.  
INDIA'S LEADING  
PHTHALOCYANINE  
PIGMENT  
MANUFACTURER.**

## Corporate snapshot

The Company was promoted in 1990 by Mrs. Paru M. Jaykrishna to manufacture pigments.

The Company is the leading manufacturer of phthalocyanine pigments (blue) and derivatives in India and one of the fastest growing in the world.

Asahi Songwon is engaged in the manufacture of

phthalo pigments (one of the largest categories of pigments manufactured in India) comprising CPC blue crude and a range of beta blue pigments.

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## Products

**Applications:** About 40% of all phthalocyanine pigments are used in the manufacture of printing inks while the rest find application in paints and plastics.

**Manufacturing capacities:** The Company's principal manufacturing facilities are at Padra (Vadodara), manufacturing CPC blue crude and a range of beta blue pigments with an installed capacity of 11400 tonnes per annum.

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## Brand-enhancing clientele

The Company's clientele comprises global giants like DIC (Japan), Sun Chemicals (USA), Clariant Chemicals (India) Limited and BASF (Korea).

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## Awards and accolades

- The Company's Padra plant is certified with ISO 9001:2008 and ISO 14001:2004 accreditations, validating its stringent compliance with all applicable health, safety and environmental norms.
- Award for 'Outstanding export performance' for four consecutive years from GDMA.
- Award for 'Outstanding performance in the export of dye and dye intermediaries' from CHEMEXCIL for three years running.
- Award for 'Excellent export performance' in the 'Export House' category from FIEO in 2000-01.
- Award for 'Emerging SME' across all sectors in India as well as 'SMEs in the chemical and petrochemical sectors' by Dun and Bradstreet and Fullerton India in 2008.
- Award for 'International Trade' in the 'Chemicals' category by DHL-CNBC TV18 in 2009 and 2010-11.

# CHAIRPERSON'S REVIEW



## Dear Shareholders

It gives me pleasure to state that the Company performed well during the 2014-15 fiscal year which proved to be demanding for more reasons than one.

The year 2014-15 was the first year of operations following the demerger from the green pigments division. The Company's revenues from the previous year were affected on account of the demerger coupled with the fact that the first two quarters proved challenging on account of a demand slowdown. Crude realisations declined, and so did the prices of our products. In this challenging environment, I am pleased that Asahi Songwon successfully surpassed its blue pigment division turnover of the previous year due to enhanced team commitment and increased productivity.

The big message is that despite the demerger, we

were able to improve our profitability on the back of better capacity utilisation, proactive risk management, seamless material management, and the sweat and commitment of our employees. During the year, the Company took a couple of decisive initiatives to come up with new products and fine-tune existing ones, enhance capacity utilisation and optimise energy consumption.

### Looking ahead

The prospects for the colourants industry in the next five years appear brightened on the back of rapid growth coming out of Asian countries like India, China and Japan, among others. In Western countries, industries like paints, dyes and varnishes are continuing to do good business, though end-user industries like inks have somewhat slowed. The

US is on a path of recovery and Japan is showing signs of picking up, both of which are our main markets.

Going ahead, the measures the Company has undertaken are expected to usher incremental growth. We believe that the glut in demand in Europe and China is temporary; things will soon take a turn for the better.

At Asahi Songwon, we are attractively placed to capitalise on account of our robust business model, rigorous environment compliance and longstanding customer relationships, which should translate into enhanced value for our stakeholders.


Regards,

**Mrs. Paru M. Jaykrishna**  
*Chairperson & Managing  
Director*





A NEW CHEMISTRY . . .  
IS ABOUT GETTING  
**MORE OUT**  
**OF LESS**



In the business of pigment manufacture, long-term sustainability is derived from a combination of robust topline growth and high profitability.

The Company intends to accelerate product launches to generate higher revenues.

The Company intends to reinforce its distinctive profitability focus as well. It will increasingly focus on products that are niche and value-added. Besides, it will select to manufacture incremental products from within existing facilities and without additional capital expenditure.

The result is that the Company expects to generate higher returns on employed capital, enhancing surpluses and reinforcing sustainability.

## A NEW CHEMISTRY ...

A NEW CHEMISTRY...  
REPRESENTS A DEEP  
UNDERSTANDING OF  
**MARKET  
DYNAMICS.**





In the business of pigment manufacture, competitiveness is derived from just two words – sectoral understanding.

An understanding of what to make.  
Of downstream needs. Of customisation. Of market gaps. Of processes. Of trends. Of timing.

It is our conviction that the most profitable companies are those that can prudently leverage their understanding of the market segments in which they operate.

At Asahi Songwon, we expect to strengthen our competitiveness through innovation and the accelerated launch of new products within the next two years to rejuvenate our revenues.

The result is that we expect to kickstart revenues, strengthening value-addition and generating larger surpluses for onward re-investment in new products.

## A NEW CHEMISTRY ...

# OUR STATEMENT OF PURPOSE

“The purest and most thoughtful minds are those which love color the most.”  
– John Ruskin, *The Stones of Venice*

## STAKEHOLDER VALUE

We are in business to enhance stakeholder value in a sustainable way. All our decisions will be guided by long-term sustainability over short-term profitability.

## CULTURE

Our DNA will be marked by the urgency to grow the fastest within the shortest time.

## VALUE-CREATION

We intend to create value through capacity growth, high asset utilisation, cost management, ability to grow capacity at a cost lower than the industry average and addressing a larger share of the customer wallet.

## VALUE-ADDITION

Our product mix will progressively move towards value-addition, niche exploration and higher realisations.

## KNOWLEDGE

We are positioning ourselves as a knowledge company, investing in processes, practices and products to reinforce our competitive advantage.

## NICHE

We will continue to work within niches resident in large product spaces, convinced that this is the best way to de-commoditise our business and ring-fence our profitability.

## CUSTOMISATION

We will ensure that a significant chunk of our products are customised around specific customer needs (with correspondingly superior realisations) that translate into enduring relationships.

## GOVERNANCE

Our commitment to governance reflects in the constitution of our Board of Directors, recruitment of specialised professionals, institutionalisation of systemic checks and balances, extensive compliance with all stringent norms, and a commitment to run our business in an ethical manner.

## RESPONSIBILITY

We have protected the sustainability of our business through sizeable forward-looking investments in effluent-treatment units, infrastructure and mindset.

# STRENGTHS

“Colour is the touch of the eye, music to the deaf, a word out of the darkness.”  
– Orhan Pamuk, *My Name is Red*

## CORPORATE STRENGTHS

- **Entrenched experience:** The Company's two-and-a-half-decade-plus industry experience has translated into client retention on the one hand and higher wallet share on the other.
- **Stringent compliance:** The Company's products have been validated by esteemed MNCs, leaders in their respective spaces (ink, paint and plastic). The Company is registered with the Department of Scientific and Industrial Research operating under the aegis of the Ministry of Science and Technology. The Company's plants are certified for ISO 9001:2008 and ISO 14001:2004.
- **Intellectual capital:** The Company's management comprises professionals and technologists (35% of the total employee base).
- **Environmental responsibility:** The Company has made proactive investments in plants, processes and practices to protect the environment, enhancing confidence among stakeholders – communities, customers, shareholders and the government – that the Company's business is safe and sustainable. The Company invested ₹27 crore in effluent emissions management infrastructure.

## MARKETING STRENGTHS

- **Logistical efficiency:** The Company enjoys enduring relationships with distributors in South Africa, Taiwan and Spain, among others.
- **Trusted vendor:** The Company enjoys the reputation of being a trusted vendor addressing evolving customer needs. Exports accounted for 87% of the revenues, marked by incremental order sizes.
- **Client visibility:** The Company's customers comprise some of the largest and most quality-conscious global companies like DIC (Japan), Sun Chemicals (USA), Clariant Chemicals India Limited and BASF (Korea). These four clients accounted for 71% of the Company's revenues in 2014-15.
- **Enduring relationships:** The Company's relationships have evolved from traditional transactional engagements to longstanding collaborative partnerships. The result: 97% of the Company's 2014-15 revenues were derived from the clients with whom it has been associated for more than five years.



## QUALITATIVE STRENGTHS

- **Product quality:** Asahi's business has been woven around first-rate product quality which stems from a best-in-class QMS (Quality Maintenance System), standard operating procedures, a dedicated quality management team. This has led to zero product rejection and the Company being bestowed with the ISO 9001:2008 certification.
- **Top-of-the-line equipment:** The Company has invested in top-of-the-line ink and plastic testing equipment, which includes vibro shakers, muller machines and injection moulding machines which have helped the Company meet the demanding standards of customers worldwide.
- **Industry benchmark:** The Company's quality policy meets and exceeds customer expectations by delivering products of the highest quality through reliability and service improvements.
- **Process expertise:** The Company's quality management is driven by efficient systems and processes, which result in higher operational stability and predictability. The Company's process compliance is audited by third parties at regular intervals.
- **Continuous improvement:** The Company has fostered a culture of continuous improvement with a keen emphasis on process control, variability reduction and waste elimination.

## MANUFACTURING STRENGTHS

- **Strategic location:** The Company enjoys abundant access to technically qualified personnel as Gujarat (the state in which the Company's plants are located) is the largest producer of chemicals in India.
- **Extensive scale:** The Company is a leading manufacturer of phthalocyanine pigments and derivatives in India, accounting for 5% of the world's organic pigment production.
- **Wide portfolio:** The Company is engaged in the manufacture of phthalo pigment varieties like CPC blue crude and the gamut of beta blue pigments. Nearly 99% of the Company's FY15 turnover was accounted for by CPC blue crude and beta blue pigments.
- **Diverse applications:** About 40% of the phthalocyanine pigments are used in the manufacture of printing inks, while the rest finds applications in paints, plastics, textiles and paper industries. The beta blue pigments account for 70% of the pigments used for manufacturing printing inks balance 30% in plastics and paints.
- **Inherent benefits:** The Company's CPC blue division is registered as an EOU (export-oriented unit). The Company's windmill enjoys tax benefits under Section 80 1(A) of the Income Tax Act.
- **Prudent practices:** The Company rationalised manufacturing costs through periodic investments, superior technology absorption and consistent monitoring to emerge as one of the most competitive globally in its segment.

# RISK MANAGEMENT

Asahi Songwon’s risk management team leverages its deep understanding of industry, systemic and process realities to counter business risks.



## How does the Company intend to mitigate the risk of an industry slowdown?

The global market for pigment is expected to grow to \$14.7 billion by 2018, growing at an estimated CAGR of 4.5% between 2013 and 2020. Moreover, the preference for organised players is increasing with the tightening of qualitative and environmental standards. The Company is the leader in the phthalocyanine segment, which

accounts for 5% of the world’s organic pigment market and enjoys conspicuous demand in a range of sectors (printing, paints, plastics, automobile coatings and textiles).



## If there is intense competition in the market, could it lead to a loss in market share for the Company?

The Company has maintained enduring relationships with clients. Nearly 70% of the Company’s revenues were derived from sales to international giants in FY15. Clariant and DIC, prominent customers, made strategic

equity investments in the Company. A large part of the Company’s order book was derived from long-term contracts with global majors.



## Will an increased emphasis on environmental norms affect the Company’s prospects?

The Company made a business-strengthening investment of ₹27 crore in its hi-tech environment facilities. The result is that the Company complies with all relevant requirements pertaining to safety and environment standards (periodically audited

and upgraded). The result is that this investment has helped assure prospective customers that the Company’s operations will never be interrupted due to environment transgressions.



## Would the Company’s prospects be affected if its technology becomes obsolete?

The Company’s manufacturing technology is benchmarked with those of the best in the world. The Company receives technical support from

industry leaders like DIC and Clariant Pigments for manufacturing quality products.



## Would deterioration in quality affect the Company’s brand?

The Company is accredited with ISO 9001:2008. The Company set up a robust quality management system focused on improving quality, reliability and customer service. The Company follows stringent quality checks

resulting in zero product rejection. The Company imported raw materials from dependable international vendors, auditing their facilities and process.



# STATUTORY SECTION

# DIRECTORS' PROFILE

## Mrs. Paru M Jaykrishna

*Chairperson & Managing Director*

She is the Founder, Chairperson & Managing Director of the Company. She is a Law Graduate and holds Bachelor's degree in Philosophy and Sanskrit & Masters' degree in English Literature. Her role in the organisation is that of a strategic decision maker and policy maker to ensure growth. She is one of the most renowned Women Entrepreneurs of India and was the First Elected Lady as a President of Gujarat Chambers of Commerce and Industry in 65 years. In past she has been Director in Tourism Corporation of Gujarat Ltd., Gujarat State Handloom House Corporation and Small Industries Development Bank of India (SIDBI).

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## Mr. H. K. Khan

Mr. H. K. Khan, IAS (Retd.), held very senior position both in Government of India and Government of Gujarat. Besides holding Chairman / Director on the Board of several public sector as well as private sector companies, he has served very important position in Gujarat Government as Chief Secretary, Adviser to Chief Minister, Additional Chief Secretary and Principal Secretary of Industry. In 1988, he was appointed as Secretary to the Government of India in the Department of Chemicals and Petrochemicals.

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## Mr. R. K. Sukhdevsinhji

Mr. R. K. Sukhdevsinhji, is the son of late Maharaja Rajendrasinhji. He graduated from St. Stephens College, Delhi. In 1981 he was deputed to the Ministry of Petroleum and Natural Gas, as Director (Operations) in the Oil Coordination Committee (OCC). He has also served as Chairman and Managing Director of Bharat Petroleum Corporation Ltd. He has held Board level position in various Central Government, Public Sectors Companies / Corporations.

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## Mr. Arvind Goenka

Mr. Arvind Goenka, is a graduated from St. Xavier College, Kolkata, is an industrialist hailing from the renowned family of Goenkas. Mr. Goenka commands rich experience over 27 years in managing and / or looking after industries of diverse business interests such as jute, cotton textiles, rubber, chemical and sophisticated industrial engineering products. He is on the board of reputed companies like Oriental Carbon and Chemicals Ltd. and Schrader Duncan Ltd.

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## Mr. Gaurang N. Shah

Mr. Gaurang N. Shah, is an industrialist having more than 34 years experience in business and in particularly in the chemical industry and is director of Devarsons Industries Private Limited.

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## Dr. Pradeep Jha

Dr. Pradeep Jha, is an mathematician and actively involved in exploring different research areas in mathematics. He has over 39 years of experience in teaching. He is a research guide at many universities and more than 20 research articles are written by him and also under his active guidance articles have been published from different international journals. In addition to this, he designs soft skill programs for cooperate executives. He has authored many books on Mathematics and Operations Research. His busy schedule of educational activities scarcely keep him away from his spiritual disciplines.

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## Mr. Gokul M. Jaykrishna

He is the Joint Managing Director of the Company looking after the production, finance, marketing, quality control and overall development of the Company. He is a Major in Finance and Marketing from Lehigh University, Bethlehem (USA). He has the experience of working with Krieger Associates, New Jersey (USA) one of the largest currency option traders.

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## Mr. Munjal M. Jaykrishna

He is the Joint Managing Director of the Company. He is a Major in Finance and Marketing from Lehigh University, Bethlehem (USA). He has an experience of working with Bank of California (San Francisco) as Financial Analyst and Paragon Knits, Bethlehem, (USA) as a Consultant.

# NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of ASAHI SONGWON COLORS LIMITED will be held on Wednesday, 30th day of September, 2015 at the Registered Office of the Company situated at 167-168, Village Indrad, Kadi - Kalol Road, Dist: Mehsana, Gujarat, at 4.00 P.M. to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2015 including Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares for the financial year ended March 31, 2015.
3. To appoint a Director in place of Mr. Gokul M. Jaykrishna (holding DIN No 00671652) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To ratify the appointment of the Statutory Auditors of the Company and to fix their remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of

the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the resolution passed by the members at the Annual General Meeting held on September 26, 2014 the appointment of M/s. Trushit Chokshi & Associates, Chartered Accountants, Ahmedabad (Firm Registration No. 111072W) as the Statutory Auditors of the Company, to hold office from the conclusion of the Twenty Fourth Annual General Meeting until the conclusion of Twenty Seventh Annual General Meeting of the Company, to hold in the calendar year 2017 be and hereby ratified and that Board of Directors of the Company be and are hereby authorised to fix such remuneration payable to them for the financial year ending March, 2016."

By the Order of the Board of Directors

Place: Ahmedabad

**MRS. PARU M. JAYKRISHNA**

Date: August 12, 2015

*Chairperson & Managing Director*

DIN No. 00671721

## Registered Office:

167-168, Village Indrad

Kadi – Kalol Road, Dist: Mehsana

Gujarat – 382 715 (India)

CIN:L24222GJ1990PLC014789

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING

VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDERS.

2. Register of members and share transfer books of the Company will remain closed from Friday the September 25, 2015 to Wednesday the September 30, 2015 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared, for the financial year 2014-15 and for the purpose of Annual General Meeting.

3. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, shall be paid:
  - a. To all beneficial owners in respect of shares held in dematerialised form as per the data as may be available by the National Securities Depository Limited and Central Depository Services (India) Limited as of the close of business hours on September 24, 2015.
  - b. To all members in respects of shares held in physical form after giving effect to valid transfer in respect of transfer request lodged with the Company on or before the close of business hours on September 24, 2015.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. The Members of the Company are requested to register their email addresses with their DP or with the Registrar and Share Transfer Agent of the Company, to receive documents/notices electronically from the Company in lieu of physical copies. Please note that, in case you have already registered your email address, you are not required to re-register unless there is any change in your email address. Members holding shares in physical form are requested to send email at [cs@asahisongwon.com](mailto:cs@asahisongwon.com) to update their email addresses.
6. Members/proxies/authorized representatives are requested to bring their attendance slip sent herewith duly filled along with their copy of Annual Report at the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Unclaimed dividends for the year 2007-2008 and onwards will be deposited with the Investors Education and Protection Fund. Those members, who have not encashed the dividend cheques are requested to immediately forward the same, duly discharged to the Company's Registrar and Share Transfer Agent to facilitate payment of the dividend.
9. All documents referred to in the notice are available for inspection at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., except Sundays and holidays, up to the date of Meeting and will also be available at the venue of the Meeting.
10. The Register of Directors and key managerial personnel and their Shareholding, maintained under Section 170 of the Companies Act, 2013 will be made available for inspection at the venue of the Meeting by the Members attending the meeting.
11. The Register of contracts or arrangements, in which Directors are interested shall be produced at the commencement of Annual General Meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
12. Re-appointment of Directors (Information pursuant to Clause 49 of Listing Agreement):

At the ensuing Annual General Meeting, Mr. Gokul M. Jaykrishna, retire by rotation and being eligible, offer himself for re-appointment. The Board of Directors of the Company recommends his re-appointment. The information or details to be provided for the aforesaid Director under the corporate governance code are as under:

Mr. Gokul M. Jaykrishna, Joint Managing Director of the Company aged around 47 years is a major in Finance and Marketing from Lehigh University, Bethlehem (USA). He is associated with the Company since 1996. He is looking after production, finance, marketing, quality control and overall development of the Company. He has the experience of working with Krieger Associates, New Jersey (USA) one of the largest currency option traders.

He is on the Board of AksharChem (India) Limited, Skyjet Aviation Private Limited, Akshar Silica Private Limited, Asahi Powertech Private Limited, Flyover Communication Private Limited, Echke Limited, Asahi Energy Private Limited. As on 31.03.2015, he is holding 1,505,049 Equity Shares of the Company.
13. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.
14. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website [www.asahisongwon.com](http://www.asahisongwon.com) for their download. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., except Sundays and holidays.

## 15. Voting through electronic means

- I. The business as set out in the Notice may be transacted to electronic voting system and the Company will provide a facility for voting by electronic means, in compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Standard 2 of the Secretarial Standards on General Meetings and applicable provisions of the Listing Agreement. The Company is pleased to provide members the facility of casting the votes using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) through e-Voting Services provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the Annual General Meeting of the Company and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on September 26, 2015 (10.00 a.m.) and ends on September 29, 2015 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date of September 23, 2015 may cast their vote by remote e-voting. The remote e-voting module shall be disabled / blocked by the NSDL. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- V. The instructions for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
    - (i) Open email and open PDF file viz; “ASAHISONGWON remote e-Voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login.
- (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-Voting: Active Voting Cycles.
- (vii) Select “EVEN” of Asahi Songwon Colors Limited.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted. (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [cs@asahisongwon.com](mailto:cs@asahisongwon.com) or with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
  - (i) Initial password is provided separately, in below format:

EVEN (Remote e-voting Event Number)
USER ID                      PASSWORD / PIN
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting user manual for Shareholders available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 23, 2015.
- X. Any person, who acquires share of the Company and become members of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 23, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no: 1800-222-990.
- XI. A member may participate in Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
- XII. 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 /voting at the Annual General Meeting through ballot paper.
- XIII. Mr. Bipin L. Makawana, Practicing Company Secretary (Membership No. A15650) has been appointed as the Scrutinizer for providing facility to shareholder of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

- XIV. The Chairperson shall, at the Annual General Meeting of the Company, 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 Paper" or "Polling Paper" for all those members are present at the Annual General Meeting of the Company but have not cast their votes for availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall make not later than three (3) working days from the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against if any, to the Chairperson or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The results shall be declared on or after the Annual General Meeting (AGM) of the Company. The Results declared alongwith the report of the Scrutinizer shall be placed on the Company's website [www.asahisongwon.com](http://www.asahisongwon.com) and on the website of NSDL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited, Mumbai (BSE) and National Stock Exchange of India Limited, Mumbai (NSE).

By the Order of the Board of Directors

Place: Ahmedabad

**MRS. PARU M. JAYKRISHNA**

Date: August 12, 2015

*Chairperson & Managing Director*

DIN No. 00671721

**Registered Office:**

167-168, Village Indrad

Kadi – Kalol Road, Dist: Mehsana

Gujarat – 382 715 (India)

CIN:L24222GJ1990PLC014789

# DIRECTORS' REPORT

*Dear Shareholders*

Your Directors have pleasure in presenting their 25th Annual Report on the business and operations of the Company along with the Audited Financial Statement of your Company for the financial year ended March 31, 2015.

## Financial Highlights

The financial performance of your Company in the year ended March 31, 2015 is summarized below:

(₹ In Lac)

Particulars	2014-2015	2013-2014
Revenue from Operations (Net of Excise Duty)	23,953.44	30,200.99
Other Income	93.18	63.57
<b>Total Income</b>	<b>24,046.62</b>	<b>30,264.56</b>
Profit for the year before Finance Costs, Depreciation, Prior Period adjustments, Extra Ordinary Item and Taxation	3,681.01	3,931.32
Less: Finance Costs	478.18	626.76
Profit for the year before Depreciation, Extra Ordinary Item and Taxation	3,202.83	3,304.56
Less: Depreciation and Amortisation Expenses	606.60	673.17
Profit for the year before Prior Period Adjustments, Extra Ordinary Item and Taxation	2,596.23	2,631.39
Prior period adjustments (Expenses)/Incomes	38.55	-
<b>Profit for the year before Extra Ordinary Item and Taxation</b>	<b>2,634.78</b>	<b>2,631.39</b>
Extra Ordinary Item	-	227.42
Profit for the year before Taxation	2,634.78	2,403.97
Less: Current Tax	806.10	327.06
Less: Deferred Tax	59.17	618.16
<b>Net Profit for the year</b>	<b>1,769.51</b>	<b>1,458.75</b>
Add: Balance brought forward from previous year	5,622.42	4,816.20
<b>Surplus available for Appropriation</b>	<b>7,391.93</b>	<b>6,274.95</b>
<b>Appropriation:</b>		
General Reserve	150.00	150.00
Proposed Dividend at ₹3.50 (Previous Year ₹3.50) per Equity Shares	429.53	429.53
Dividend Distribution Tax	85.88	73.00
Balance Carried to Balance Sheet	6,726.52	5,622.42
<b>Total</b>	<b>7,391.93</b>	<b>6,274.95</b>

\* Figures for the period prior to the appointed date i.e. April 1, 2014 are not comparable, since they include figures of CPC Green division of the Company, which has been since demerged into AksharChem (India) Limited as per the Scheme of Arrangement approved by the Hon'ble High Court of Gujarat.

## Dividend

Your Directors are pleased to recommend final dividend of ₹3.50 (35.00%) per equity share on the face value of ₹10 each subject to approval of the shareholders in the ensuing Annual General Meeting.

The final dividend, if declared as above would involve an outflow of ₹430 lac towards dividend and ₹86 lac towards dividend distribution tax.

During the previous financial year, the Company had paid a dividend of ₹3.50 per equity share.

## Transfer to Reserve

Your Company proposes to transfer ₹150 lac (Previous Year ₹150 lac) to the General Reserves. An amount of ₹6,727 lac is proposed to be retained in the Statement of Profit and Loss.

## State of the Company Affairs

### General

The year 2014-15 continued to be a challenging year. The world largest economy, the US saw better growth, while the countries in the Euro zone registered marginal growth. There was a marked slowdown in China and Japan witnessed near stagnation. The key factors that affected the global economy included a steep decline in oil and commodity prices. The Indian economy too struggled with high interest cost, high energy prices and depreciation of Indian Rupee. However, there was persistent correction in crude oil prices.

The market of the Pthalo pigments was also sluggish during the year, which challenged the volume. During the year under review, Hon'ble High Court of Gujarat vide certified order dated November 29, 2014 sanctioned the Scheme of Arrangement in the nature of demerger and transfer of enter assets and liabilities of CPC division of the Company to AksharChem (India) Limited from Appointed date April 1, 2014. The Scheme have been effective from December 2, 2014 from the date filing

the certified order with the Registrar of Companies, Gujarat. Accordingly, revenue for the current period does not include the business of CPC Green Division.

## Financial Performance

During the year under review, the Company earned a total income of ₹24,047 lac compared to ₹30,264 lac in the previous year.

The total sales of the Company stood at ₹23,953 lac (Previous Year ₹30,201 lac). The profit after tax (PAT) increased by 21% from ₹1,459 lac to ₹1,770 lac in the previous year.

## Operations

### Exports

During the year under review, the total exports value to ₹20,533 lac compared to ₹25,840 lac during the previous year. Your Company is trying to locate new export markets for its products and see good potential for growth to the export business.

### Capital Expenditure

The Company has carried out routine modernization and improvements in the plant and incurred a capital expenditure of ₹679 lac in the year under review compared to ₹1,740 lac in the previous year.

## Material Changes and Commitments, if any, between Balance Sheet date and date of Directors Report

There was no material changes and commitments between the Balance Sheet date and date of Directors' Report affecting the financial position of the Company.

## Composite Scheme of arrangement and change(s) in the Nature of Business

During the year under review, the Hon'ble High Court of Gujarat vide its order dated October 17, 2014, sanctioned the Composite Scheme of Arrangement under Sections 391 and 394 read with Sections 78 and 100 to 103 of the Companies Act, 1956 between the Company and AksharChem (India) Limited



and their respective shareholders and creditors in the nature of de-merger and transfer of CPC Green Division of the Company to AksharChem (India) Limited with all its assets and liabilities transferred to AksharChem (India) Limited with effect from April 1, 2014 (Appointed Date). The Scheme was effective with effect from December 2, 2014 i.e. date of filing of the certified copy of the order of the Hon'ble High Court of Gujarat with the Registrar of Companies, Gujarat. Consequent to the scheme becoming effective, shareholders of the Company were allotted 5 fully paid up equity shares of ₹10 each of AksharChem (India) Limited for every 26 equity share held by them in the Company as on the record date i.e. February 3, 2015.

However, during the year under review, there is no change in the nature of business. The Company continues to manufacture and exports pigments.

### Authorised Share Capital

On the Scheme of Arrangement sanctioned by the Hon'ble High Court of Gujarat in the nature of demerger and transfer of CPC Green Division from the Company to AksharChem (India) Limited becoming effective from December 2, 2014, on filing the certified true copy of the order with Registrar of Companies, Gujarat, the Authorised Share Capital of the Company amounting to ₹350 Lac has been transferred to AksharChem (India) Limited as per the scheme. Accordingly, Authorised Share Capital of the Company has automatically reduced from ₹2,000 Lac to ₹1,650 lac.

### Share Capital

#### a) Issue of equity Shares with differential rights

The paid up Equity Share Capital of the Company as on March 31, 2015 was ₹1,227 Lac. During the year under review, no equity shares with differential rights as to dividend, voting or otherwise were issued.

#### b) Issue of sweat equity shares

The Company has not issued any sweat equity share during the year under review.

#### c) Issue of employee stock options

During the year under review, no Stock Options were granted, vested or exercised. No stock options are in force as on date.

### Subsidiaries, Joint Ventures and Associate Companies

During the year under review, the Company does not have any subsidiaries, joint ventures and Associate Companies.

### Finance and Insurance

The Company has been financed by State Bank of India for both working capital and term loans. Pursuant to Scheme of Arrangement sanctioned by the Hon'ble High Court of Gujarat in the nature of Demerger and transfer of CPC Division to AksharChem (India) Limited, term loans pertaining to CPC Green Division outstanding amounting to ₹304 Lac as on March 31, 2014 has been transferred to AksharChem (India) Limited on the appointed date.

All assets and insurable interests of your Company including building, plant and machinery, stocks, vehicles, stores and spares have been adequately insured against various risks and perils.

### Credit Rating

CARE has reaffirmed credit rating of "CARE A+" (Single A Plus) for long term bank facility, "CARE A1+" (A One Plus) for the short term bank facilities and given "CARE A1+" (A One Plus) for Short Term Debt (including Commercial Paper).

### Listing

The Equity Shares of the Company continue to be listed on BSE Limited and National Stock Exchange of India Limited and Listing Fees for the year 2015-16 has been paid to them.

### Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2015 are given as per "Annexure – A" forming part of this Report.

### Risk Management Policy

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Many risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The Board is of the opinion that there are no identifiable risks which may threaten the existence of the Company.

### Board Evaluation

Evaluation of performance of all Directors of the Company is done annually. The Company has implemented a system of evaluating performance of the Board of Directors and its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed their satisfaction with the evaluation process.

### Public Deposits

During the year under review, the Company has not accepted any deposits from the public falling under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and as such no amount of principal or interest was outstanding as on the balance sheet date.

### Policy on Appointment and Remuneration of Directors and Key Managerial Personnel

The appointment and remuneration of Directors and Key managerial Personnel is as per policy of your Company.

#### Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges, the Board assess and evaluate the effectiveness of functioning of the Committees and the individual directors by seeking their inputs on various aspects of the Board/Committee Governance. The Nomination and Remuneration Committee and the Board have reviewed the performance of the individual directors and the Chairperson. The details of programme for familiarization of the independent directors of your company is available on the Company's website at [www.asahisongwon.com](http://www.asahisongwon.com).

#### Remuneration Policy

The Board has on the recommendation of the Nomination and Remuneration Committee framed the Remuneration Policy of your Company which is attached as per "Annexure – B".

### Particulars of Employees

The information required Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as per "Annexure - C" to this report.

### Corporate Social Responsibility

In terms of the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee which is Chaired by Mrs. Paru M. Jaykrishna the Chairperson & Managing Director of the Company, the other members of the committee are Mr. Gaurang N. Shah and Dr. Pradeep Jha who are independent directors of the Company. Your Company also has in place a CSR policy and the same is available on the website of the Company at [www.asahisongwon.com](http://www.asahisongwon.com). The committee places before the Board the details of the activities to be undertaken during the year. A detail report is attached as "Annexure – D" forming part of this report.

### Independent Director Statement

The Company has received declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges.

### Directors and Key Managerial Personnel

Mr. Gokul M. Jaykrishna, Joint Managing Director of the Company is due to retire by rotation at the ensuing Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and is eligible for re-appointment. The Board recommends the reappointment of above director of the Company.

As stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, brief profile of the Director proposed to be reappointed, nature of their expertise in specific functional areas, names of the Companies in which he hold directorships and shareholding are provided in the Notice attached forming part of the Annual Report.

Mr. Chandravadan R. Raval has been appointed as Chief Financial Officer of the Company w.e.f. March 12, 2015.

### Women Director

The composition of the Board of Directors of the Company includes a women director viz. Mrs. Paru M. Jaykrishna. Accordingly, the Company is in compliance with the requirement of Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

### Independent Director

At the 24th Annual General Meeting held on September 26, 2014, the members of the Company had appointed existing Independent Directors viz. Mr. H. K. Khan, Mr. R. K. Sukhdevsinhji, Mr. Arvind Goenka, Mr. Gaurang N. Shah and Dr. Pradeep Jha as Independent Director of the Company under the Act each for a term of five years up to the conclusion of the 29th Annual General Meeting of the Company in the calendar year 2019.

### Directors' Responsibility Statement

Your Directors state that;

- (i) in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed with no material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2015 and of the profit or loss of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual financial statements for the year ended March 31, 2015 on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively ; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Number of Meetings of the Board of Directors

During the year under review, the Board of Directors of your Company met 6 (Six) times to deliberate on various matters, details of which are given in the Corporate Governance Report.

### Audit Committee

The Board has constituted the Audit Committee comprises of three members:

1	Mr. Gaurang N Shah	Independent Director and Chairman
2	Mr. R. K. Sukhdevsinhji	Independent Director
3	Dr. Pradeep Jha	Independent Director

As per the Section 177 (8) of the Companies Act, 2013 the Board has accepted all the recommendations of the Audit Committee during the Financial Year 2014-15. Further details on the Audit Committee are provided in the Corporate Governance Section of the Annual Report.

### Internal Financial Controls and their Adequacy

Your company has in place adequate internal control systems commensurate with the size of its operations. The internal control systems, comprises of policies and procedures which are designed for safeguarding the assets, optimal utilization of resources, sound management of company's operations. These are continually reviewed by the Company to strengthen the same wherever required. The internal control systems are supplemented by internal audit carried out by an Independent Cost Accountant and periodical review by management. The Audit Committee of the Board addresses issues, if any, raised by both, the Internal Auditors and the Statutory Auditors.

### Statutory Auditors and Auditors' Report

In accordance with Section 139 of the Companies Act, 2013, M/s. Trushit Chokshi & Associates, Chartered Accountants, Ahmedabad (Firm Registration No.111072W) were reappointed by the members of the Company at the 24th Annual General Meeting held on September 26, 2014, as Statutory Auditors of the Company for a period of 3 years to hold office until the conclusion of the 27th Annual General Meeting of the Company to be held in the calendar year 2017. In accordance with the provisions of Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, the appointment of the Statutory Auditors is required to be ratified by the shareholders at every Annual General Meeting during their tenure.

M/s. Trushit Chokshi & Associates, Chartered Accountants,

Ahmedabad have confirmed that they are eligible for having their appointment as Statutory Auditors ratified at this Annual General Meeting.

Your Directors recommend the ratification of their appointment as Statutory Auditors of the Company for the financial year 2015-16.

The Auditors' Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended March 31, 2015. The statements made by the Auditors in their Report are self explanatory and do not call for any further comments.

### Related Party Transactions

During the financial year, your Company has entered into related party transactions which were on an arm's length basis and in the ordinary course of business. The Company has not entered into any transaction with any related party which could be considered material in accordance with the Listing Agreement and the Policy of the Company on materiality of related party transactions. All related party transactions have been approved by the Audit Committee of the Board of Directors of the Company and the same are being reviewed by it on a periodic basis. The Policy on the Related Party Transactions as approved by the Audit Committee and the Board of your Company is posted on the Company's website [www.asahisongwon.com](http://www.asahisongwon.com). The details of contracts and arrangement with related parties of your Company for the financial year ended March 31, 2015 is given in Note No. 32 to the financial statements. Form AOC-2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure – E" to this Report.

### Extract of Annual Return

In terms of the provisions of Section 92 (3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of the Company for the financial year ended March 31, 2015 in Form MGT – 9 is annexed herewith as "Annexure – F".

### Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the

provisions of Section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 are given in the Note to the Financial Statements.

### Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Bipin L. Makwana, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure – G".

The Secretarial Auditors Report does not contain any qualification, reservation or adverse remark and is self – explanatory and thus does not require any further comments.

### Cost Auditors

During the year under review, cost audit was not applicable to the Company.

### Significant an material orders passed by the regulations / courts / tribunals impacting the going concern status and the Company's operation in future

There were no significant and material orders passed by the regulator or court or tribunals impacting the going concern status of the Company and its operations in future.

### Vigil mechanism and whistle blower policy

In compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Clause 49 of the listing Agreement with the Stock Exchanges, your Company has in place a vigil mechanism for the directors and employees to report concerns about unethical behaviour and actual or suspected fraud or violation of your Company Code of Conduct. The Company has established a Vigil Mechanism and Whistleblower Policy for the Directors and employees and same is posted on the website of the Company at [www.asahisongwon.com](http://www.asahisongwon.com).

### Disclosure under the sexual harassment of women at work place (prevention, prohibition & redressal) Act, 2013

The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition

& Redressal) Act, 2013. During the year under review, the Company had not received any complaint.

### Management discussions and analysis report

A detailed review of operations performed and future outlook of your Company and business is given in the Management Discussion and Analysis Report as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s) is presented in "Annexure – H" a separate section forming part of the Directors' Report.

### Corporate governance

Your Company has been practicing principle of Corporate Governance over the years. During the year under review, your Company was in compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange(s) pertaining to the corporate governance compliances. The Report on Corporate Governance as stipulated under Clause 49 of the Listing agreement forms part of this Annual Report.

M/s. Trushit Chokshi & Associates, Chartered Accountants, Ahmedabad, Statutory Auditors of the Company certificate confirming compliance with the Clause 49 of the Listing Agreement with the Stock Exchange(s) is set out in the "Annexure - I" forming part of this report.

### Transfer to investor education and protection fund

As provided in Companies Act dividend amount which was due and payable and remained unclaimed for a period of seven years has to be transferred to Investor Education & Protection Fund.

The Company has transferred an amount of ₹68,714/- remaining unclaimed was transferred to Investor Education and Protection Fund (IEPF) during the year.

### Human Resources and Industrial Relations

The industrial relations of the Company during the year continued to be cordial and amicable. Your Directors wish to place on record their sincere appreciation for the devoted services of all the employees and workers of the Company.

### Environment, Health and Safety

Your Company continues to give greater importance to health and safety of its employees and its neighbourhood. Safety and environmental standards are periodically reviewed and

upgraded. The Company preserves in its efforts to educate safe and environmentally accountable behavior in every employee, as well as its vendors.

The solid waste generated at the Works, after treatment of its liquid effluent is shifted to a Gujarat Pollution Control Board (GPCB) approved site.

The Company has maintained a greenbelt around its sites as a part of its commitment to environment management.

The Company continues to demonstrate its commitment to a clean and safe environment. The state of the art effluent treatment plant continues to run satisfactorily, so that the treated wastewater discharged is well within the stipulated norms set by GPCB. As a part of water conservation efforts, the Company has implemented suitable engineering solution to utilize recycled water as much as possible in cleaning, gardening and other utilities.

Your Company has ISO 14001:2004 certification of its both Units and ISO 9001-2008 for quality management system.

### Appreciation and Acknowledgements

Your Directors would like to express their appreciation for the assistance and cooperation received from the Government of India, Government of Gujarat, Electricity supply companies and Bankers during the year under review.

The Company is thankful to the shareholders for reposing trust in the Company and their unflinching enthusiasm and patronage.

For and on behalf of the Board of Directors

Place: Ahmedabad

MRS. PARU M. JAYKRISHNA

Date: August 12, 2015

Chairperson & Managing Director

DIN No. 00671721

### Registered Office:

167-168, Village Indrad

Kadi – Kalol Road, Dist: Mehsana

Gujarat – 382 715 (India)

CIN:L24222GJ1990PLC014789

## ANNEXURE – “A” TO THE DIRECTORS’ REPORT

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rule, 2014 pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo.

### A. Conservation of Energy

**(i) The steps taken or impact on conservation of energy:**

The Company’s manufacturing facility at Padra, Vadodara has taken various initiative for saving energy consumption. The Company regularly benchmarks its energy conservation levels and consistently work towards improving efficiencies towards getting the cost of energy down to every unit produced. Both units have strong team headed by senior personnel to continuously monitor energy consumption. Efforts have been taken to up grade plant and machinery. The Company has five DG set installed at Vadodara plant out of which two is of 1010 KVA, two of 700 KVA and one 500 KVA. The Company has also undertaken various initiatives towards green energy thereby contributing towards clean environment.

**(ii) The steps taken by the Company for utilizing alternative sources of energy:** To conserve energy the Company has one windmill with total installed capacity of 600 KW WTG, which will help to generate energy through environmental friendly measure and also reduce carbon emission in the atmosphere.

**(iii) The Capital investment on energy conservation equipment:** The Company has not invested on energy conservation equipment during the year under review.

### B. Technology Absorption

**(i) The efforts made towards technology absorption:** The Company has taken initiatives for training the technical persons with latest technology. The Research and Development centre of the Company is recognized by the Ministry of Science and Technology, Government of India. The centre is engaged in development of new product, cost effective technology for existing and new product which are environment friendly, reduction back cycle time.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:** The above efforts have improved the quality of the product and improved the productivity and reduced wastages.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

a	The details of technology imported	Nil
b	The year of Import	Not Applicable
c	Whether the technology been fully absorbed	Not Applicable
d	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable

**(iv) The Expenditure incurred on Research and Development:**

	(₹ in lac)	
	2014-2015	2013-2014
Capital	2.41	11.36
Recurring	16.99	19.04
<b>Total</b>	<b>19.40</b>	<b>30.40</b>
Total Research and Development Expenditure as percentage of total turnover	0.08	0.10

### C. Foreign Exchange Earnings and Outgo

**a. Activities relating to Exports, initiatives taken to increase exports, development of new export markets for products and service and export plans:**

The Company is an export oriented company, where 87% of the total turnover comes from Exports. During the year under review, the Company exported pigments (Blue) valuing (FOB) ₹20,338 Lac (previous year ₹25,643 Lac) to various countries around the World. The Company is global phthalocyanine pigment exporter to various countries, major to Europe, USA and Asian Markets. Your Company is constantly exploring new markets to enhance the exports of its products.

**b. Foreign Exchange used and earned:**

	(₹ in lac)	
	2014-2015	2013-2014
Foreign Exchange Earned (FOB)	20,337.80	25,643.45
Foreign Exchange Used	5,164.57	6,660.73

## ANNEXURE – “B” TO THE DIRECTORS’ REPORT

### NOMINATION AND REMUNERATION POLICY

#### 1. Preamble

The Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement with the Stock Exchange(s). The Policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of the Company.

#### 2. Objectives

The objective of the policy is to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

#### 3. Remuneration

##### A. Remuneration to Managing Director / Whole –time Directors:

The remuneration / commission etc to be paid to Managing Director / Whole – time Directors etc shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactments for the time being in force and the approvals obtained from the Members of the Company.

The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors as it may consider appropriate with regard to remuneration to Managing Director / Whole–time Director.

##### B. Remuneration to Non-Executive / Independent Directors:

- The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration

Committee and approved by the Board of Director of the Company.

- All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for the attending the meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders as the case may be.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

##### C. Remuneration to Key Managerial Personnel and Senior Management:

- o The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company’s policy.
- o A committee of the Company constituted for the purpose of administering the Employee Stock Options shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
- o The Fixed pay shall include monthly remuneration, employer’s contribution to Provident Fund, contribution to pension fund, pension scheme etc., as decided from time to time.
- o The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management to be decided annually or such interval as may be consider appropriate.

#### 4. Review

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board from time to time as may be necessary.

## ANNEXURE – “C” TO THE DIRECTORS’ REPORT

Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

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

(₹ in Lac)

Sr. No.	Particulars	Remuneration for the year ended March 31, 2015	Ratio of Remuneration to median remuneration of employees
1	Mrs. Paru M. Jaykrishna Chairperson & Managing Director	65.75	27.81
2.	Mr. Gokul M. Jaykrishna Joint Managing Director	44.85	18.97
3.	Mr. Munjal M. Jaykrishna Joint Managing Director	35.00	14.81

- ii. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase/(decrease)* in remuneration in the financial year
Mrs. Paru M. Jaykrishna	(39.31)
Mr. Gokul M. Jaykrishna	(27.75)
Mr. Munjal M. Jaykrishna	(43.83)
Mr. H. K. Khan	Not Applicable
Mr. R. K. Sukhdevsinhji	Not Applicable
Mr. Arvind Goenka	Not Applicable
Mr. Gaurang N. Shah	Not Applicable
Dr. Pradeep Jha	Not Applicable
Mr. Chandravadan R. Raval – CFO#	0.87
Mr. Saji V. Joseph – Company Secretary	19.90

\*The Company has recovered excess remuneration paid to Managing Directors during the financial year 2013-14, hence, the remuneration paid to Managing Directors has decreased.

#Mr. Chandravadan R. Raval was appointed as CFO of the Company w.e.f. March 12, 2015

- iii. The percentage increase in the median remuneration of employees in the financial year: During the year under review, there was an increase of 6% in the median remuneration of employees.
- iv. The number of permanent employees on the rolls of Company: There were 139 permanent employees on the rolls of the Company as on March 31, 2015.
- v. The explanation on the relationship between average increase in remuneration and Company performance: Increase in



remuneration is linked to the Company performance through performance appraisal system. The profit before tax increased by 9.60% whereas the increase in the median remuneration was 6%. The average increase in median remuneration was in line with the performance of the Company.

vi. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY15 (₹ Lac)	153.48
Revenue (₹ Lac)	23,953.44
Remuneration of KMPs (as % of revenue)	0.64
Profit before Tax (PBT) (₹ Lac)	2,634.77
Remuneration of KMP (as % of PBT)	5.83

vii. Variations 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, 2015	March 31, 2014	% Change
Market Capitalisation (₹ Lac)	1,397	1,006	39
Price Earnings Ratio	7.89	5.98	32

viii. Percentage increase over 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: The Company had come out with initial public offer (IPO) in 2007 at a premium of ₹80/- per share and face value ₹10/- per share. The equity share of face value ₹10/- per share closed at ₹113.80 on BSE Limited and ₹114.15 on National Stock Exchange of India Limited on March 31, 2015, representing an increase of 26% (BSE) since the date of last public issue.

ix. 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 percentage of increase made in the salaries of employees other than the managerial personnel in the year under review was 6%., whereas there is decrease in managerial remuneration. The criteria for increase in remuneration of employees other than managerial personnel is based on internal performance appraisal by the management annually which are based on the overall performance of the Company.

x. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

	Mrs. Paru M. Jaykrishna, Chairperson & Managing Director	Mr. Gokul M. Jaykrishna, Joint Managing Director	Mr. Munjal M. Jaykrishna, Joint Managing Director	Mr. Saji V. Joseph Company Secretary
Remuneration during the year under review (₹ Lac)	65.75	44.5	35.00	7.78
Revenue (₹ in Lac)	23,953.44			
Remuneration as % of revenue	0.27	0.19	0.15	0.03
Profit before Tax (PBT) (₹ in Lac)	2,634.70			
Remuneration (as % of PBT)	2.50	1.70	1.33	0.30

- xi. **The key parameters for any variable component of remuneration availed by the directors:** Remuneration of the Directors do not have variable component and are considered by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee and as per the Remuneration Policy of the Company for Directors, Key Managerial Personnel and other employees.
- xii. **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.
- xiii. **Affirmation that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**B. Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014**

Information showing names and other particulars of employees who were employed throughout the year and were in receipt of remuneration in aggregate of not less than ₹60,00,000/- for financial year.

Name of the Employee	Designation	Qualification	Age (years)	Joining Date	Experience (Years)	Gross Remuneration (₹ in lac)	Last Employment	Last Designation	% of Equity Shares Held
Mrs. Paru M. Jaykrishna	Chairperson & Managing Director	MA, LLB	73	Since Inception	46	65.75	Skyjet Aviation Pvt Ltd	Managing Director	37.74

**Notes:**

1. The Gross remuneration includes Salary, Commission and taxable value of Perquisites.
2. Nature of employment is contractual and renewable.
3. No Employees other than Managing Directors hold more than 2% of the equity shares of the Company along with their spouse and dependent children.

## ANNEXURE – “D” TO THE DIRECTORS’ REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

**1. A brief outline of the Company’s CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes**

The Company’ CSR policy has been prepared in accordance with Section 135 Companies Act, 2013 and rules framed there under. The CSR Policy of the Company focuses on the following:-

- To take up programmes that benefit the communities where it operates in enhancing the quality of life & economic well being of the local populace.
- To serve the socially and economically weak, disadvantaged, underprivileged and destitute sections of the Society regardless of age, class, colour, culture, disability, ethnicity, family structure, gender, marital status, nationality origin, race or religion with intention to make the group or individual self dependent and live life more meaningfully.
- To extend humanitarian services in the community to further enhance the quality of life like health facilities, education, basic infrastructure facilities to local areas that have so far not been attended to.
- To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity.

**2. Composition of the CSR Committee:**

The CSR Committee comprises of the following directors:

1. Mrs. Paru M. Jaykrishna - Chairperson
2. Mr. Gaurang N. Shah - Member
3. Dr. Pradeep Jha - Member

**3. Average net profit of the Company for last three financial years (2011-12 to 2013-14): ₹1,581.84 Lac**

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹31.64 Lac**

**5. Details of CSR spend for the financial year:**

- a) Total Amount to be spent for the financial year: ₹31.64 Lac
- b) Amount unspent, if any: ₹31.64 Lac
- c) Manner in which the amount spent during the financial year is detailed below: Nil

**6. Reason for not spending the amount at 5(c):**

During the year the Company has not spent any entitlement on CSR activities, the Company would like to submit that this being the first year of structured implementation of CSR initiatives, considerable time was spent on deciding on the CSR projects suitable and putting systems in place to ensure effective implementation of CSR initiatives. A number of initiatives pertaining to the identified CSR projects are still in the concept stage while the Company is continuing to fine-tune the execution process. Hence, the Company was unable to spend the entire prescribed amount of ₹31.64 lac during the financial year 2014-15. The Company is committed to the underlying intent of CSR and is optimistic of meeting its obligations under Section 135 of the Companies Act, 2013 and thereby make a positive impact on the society.

**7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR policy is in compliance with CSR objective and policy of the Company.**

**Mrs. Paru M. Jaykrishna**  
*Chairperson of the CSR Committee*  
DIN No. 00671721

**Mr. Gokul M. Jaykrishna**  
*Joint Managing Director*  
DIN No. 00671652

Place : Ahmedabad  
Date : August 12, 2015

## ANNEXURE – “E” TO THE DIRECTORS’ REPORT

## Form No. AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 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 - NIL

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts /arrangement /transactions: Not Applicable
- (c) Duration of the contracts /arrangement /transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under proviso to Section 188: Not Applicable

2. Details of material contracts or arrangements or transactions at Arm’s length basis - NIL

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts /arrangement /transactions: Not Applicable
- (c) Duration of the contracts /arrangement /transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board: Not Applicable
- (f) Amount paid as advances, if any: Not Applicable

**Note:**

1. In accordance with Clause 49 of the Listing Agreement with the stock exchanges and related party transaction policy adopted by the Company, there was no Material Related Party Transaction entered during the financial year 2014-15.
2. All the transactions with the related parties were in the Ordinary Course of business and at arm’s length basis and were specifically approved by the Audit Committee and the Board of Directors of the Company. Details of such transactions entered during the year ended March 31, 2015

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value (in ₹), if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
AksharChem (India) Limited – Entity in which directors and their relatives are interested.	Sale of Goods	Continuous basis	Sale of Finished goods from the Company	27.05.2014	Nil
Skyways (in which One or more directors are trustees)	Renting of property	Lease Rent	Property for Office use of the Company	12.11.2014	Nil

For and on behalf of the Board of Directors

Place: Ahmedabad  
Date: August 12, 2015

MRS. PARU M. JAYKRISHNA  
Chairperson & Managing Director  
DIN 00671721

## ANNEXURE – “F” TO THE DIRECTORS’ REPORT

**Form No. MGT - 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31.03.2015**  
*[Pursuant to section 92(3) of the Companies Act, 2013*  
*and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

### I. REGISTRATION AND OTHER DETAILS

1.	CIN	L24222GJ1990PLCO14789
2.	Registration Date:	December 10, 1990
3.	Name of the Company	Asahi Songwon Colors Limited
4.	Category / Sub-Category of the Company	Company having Share Capital
5.	Address of the Registered office and contact details	167/168, Indrad Village, Kadi - Kalol Road, Dist: Mehsana, Gujarat - 382 715 Tel: 02764 -233007
6.	Whether listed company Yes / No	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any –	Link Intime India Private Limited C - 13, Pannalal Silk Mill Compound, LBS Road, Bhandup (West), Mumbai - 400 078 Tel: +91- 22-25960320

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S I. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Pigments	3031	100
2.	Trading Activity and Power Generation	-	-

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S I. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	NA	NA	NA	NA	NA

## IV. SHARE HOLDING 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>	7,642,152	0	7,642,152	62.27	7,642,152	0	7,642,152	62.27	0
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	600	0	600	0.01	600	0	600	0.01	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>7,642,752</b>	<b>0</b>	<b>7,642,752</b>	<b>62.28</b>	<b>7,642,752</b>	<b>0</b>	<b>7,642,752</b>	<b>62.28</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>7,642,752</b>	<b>0</b>	<b>7,642,752</b>	<b>62.28</b>	<b>7,642,752</b>	<b>0</b>	<b>7,642,752</b>	<b>62.28</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	8,790	0	8,790	0.07	0.07
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>8,790</b>	<b>0</b>	<b>8,790</b>	<b>0.07</b>	<b>0.07</b>

## Category-wise Share Holding (Contd.)

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>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1,206,899	0	1,206,899	9.83	1,242,152	0.00	1,242,152	10.12	0.29
ii) Overseas	0	0	0	0.00	0	0.00	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0.00	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto ₹1 lakh	1,924,788	24	1,924,812	15.68	1,860,219	2,099	1,862,318	15.18	-0.50
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	447,006	0	447,006	3.64	413,031	0	413,031	3.37	-0.27
c) Others (specify)									
NRI/OBC	98,433	0	98,433	0.80	73,265	0	73,265	0.60	-0.20
Clearing Member/ House	87,160	0	87,160	0.71	164,754	0	164,754	1.34	0.63
Foreign Company	0	865,200	865,200	7.05	0	865,200	865,200	7.05	0.00
Sub-total (B)(2):-	3,764,286	865,224	4,629,510	37.72	3,753,421	867,299	4,620,720	37.72	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	11,407,038	865,224	12,272,262	100.00	11,404,963	867,299	12,272,262	100.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>11,407,038</b>	<b>865,224</b>	<b>12,272,262</b>	<b>100.00</b>	<b>11,404,963</b>	<b>867,299</b>	<b>12,272,262</b>	<b>100.00</b>	<b>0.00</b>

## ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			%change in Share -holding 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	Mrs. Paru M. Jaykrishna	4,632,054	37.74	0.00	4,632,054	37.74	0.00	0.00
2	Mr. Gokul M. Jaykrishna	1,505,049	12.27	0.00	1,505,049	12.27	0.00	0.00
3	Mr. Munjal M. Jaykrishna	1,505,049	12.27	0.00	1,505,049	12.27	0.00	0.00
4	M/s. Intercon Finance Private Limited	600	0.00	0.00	600	0.00	0.00	0.00
	<b>Total</b>	<b>7,642,752</b>	<b>62.28</b>	<b>0.00</b>	<b>7,642,752</b>	<b>62.28</b>	<b>0.00</b>	<b>0.00</b>

(iii) Change in Promoters' Shareholding

Sl. 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
1	<b>MRS. PARU M. JAYKRISHNA</b>				
	At the beginning of the year	4,632,054	37.74	4,632,054	37.74
	At the End of the year			4,632,054	37.74
2	<b>MR. GOKUL M. JAYKRISHNA</b>				
	At the beginning of the year	1,505,049	12.27	1,505,049	12.27
	At the End of the year			1,505,049	12.27
3	<b>MR. MUNJAL M. JAYKRISHNA</b>				
	At the beginning of the year	1,505,049	12.27	1,505,049	12.27
	At the End of the year			1,505,049	12.27
4	<b>M/S. INTERCON FINANCE PRIVATE LIMITED</b>				
	At the beginning of the year	600	0.00	600	0.00
	At the End of the year			600	0.00

\* There is no change in total shareholding of promoters during 01.04.2014 to 31.03.2015.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Share holding at the end of the year	
		No of shares at the beginning (01/04/2014)/ end of the year (31/03/2015)	% of total shares of the Company				No of shares	% of total shares of the Company
1.	DIC Corporation	865,200	7.05	01.04.2014	-	No Change	865,200	7.05
		865,200	7.05	31.03.2015			865,200	7.05
2.	Clariant Chemicals India Limited	718,600	5.86	01.04.2014	-	No Change	718,600	5.86
		718,600	5.86	31.03.2015			718,600	5.86
3.	Amit Jain	50,000	0.41	01.04.2014	-	No Change	50,000	0.41
		50,000	0.41	31.03.2015			50,000	0.41
4.	Rural Engineering Co. Pvt Ltd	45,000	0.37	01.04.2014	-	No Change	45,000	0.37
		45,000	0.37	31.03.2015			45,000	0.37
5.	Manishkumar Sumatilal Mehta (HUF)	42,500	0.35	01.04.2014			42,500	0.35
				05.09.2014	-4,000	Sell	38,500	0.31
				07.11.2014	-1,206	Sell	37,294	0.30
				28.11.2014	-4,455	Sell	32,839	0.27
				02.01.2015	-5,625	Sell	27,214	0.22
				09.01.2015	-4,400	Sell	22,814	0.19
				16.01.2015	-1,615	Sell	21,199	0.17
				13.03.2015	-200	Sell	20,999	0.17
6.	D. Srimathi	38,958	0.32	01.04.2014			38,958	0.32
				04.04.2014	2,524	Purchase	41,482	0.34
				11.04.2014	4,663	Purchase	46,145	0.38



## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Share holding at the end of the year	
		No of shares at the beginning (01/04/2014)/ end of the year (31/03/2015)	% of total shares of the Company				No of shares	% of total shares of the Company
				04.04.2014	2,524	Purchase	41,482	0.34
				16.05.2014	1,000	Purchase	47,145	0.38
				30.06.2014	-19,216	Sale	27,929	0.23
				08.08.2014	21	Purchase	27,950	0.23
		29,450	0.24	31.03.2015	1,500	Purchase	29,450	0.24
7.	Kanchan Sunil Singhania	17,166	0.14	01.04.2014	-	No Change	17,166	0.14
		17,166	0.14	31.03.2015			17,166	0.14
8.	Kedar Ramesh Deshpande	17,085	0.14	01.04.2014			17,085	0.14
				25.04.2014	-2,338	Sale	14,747	0.12
				14.11.2014	-5,018	Sale	9,729	0.08
				19.12.2014	1,000	Purchase	10,729	0.09
				06.02.2015	2,973	Purchase	13,702	0.11
		13,702	0.11	31.03.2015			13,702	0.11
9.	Vijaykumar C.	14,902	0.12	01.04.2014			14,902	0.12
				10.10.2014	9,000	Purchase	23,902	0.19
		23,902	0.19	31.03.2015			23,902	0.19
10.	Turnkey Dealers Private Limited	14,903	0.12	01.04.2014	-	No Change	14,903	0.12
		14,903	0.12	31.03.2015			14,903	0.12
11.	Globe Capital Market Ltd**	0	0.00	01.04.2014			0	0.00
				09.01.2015	37,271	Purchase	37,271	0.30
				06.03.2015	17,433	Purchase	54,704	0.45
		54,704	0.45	31.03.2015			54,704	0.45
12.	Saujyot Consultancy LLP**	0	0.00	01.04.2014			0	0.00
				03.10.2014	11,080	Purchase	11,080	0.09
				10.10.2014	9,120	Purchase	20,200	0.16
				17.10.2014	10,802	Purchase	31,002	0.25
				21.11.2014	9,998	Purchase	41,000	0.33
				09.01.2015	2,161	Purchase	43,161	0.35
		43,161	0.35	31.03.2015			43,161	0.35
13	MSPL Limited**	9,722	0.08	01.04.2014			9,722	0.08
				09.05.2014	9,065	Purchase	18,787	0.15
				23.05.2014	1,115	Purchase	19,902	0.16
				06.06.2014	408	Purchase	20,310	0.17
				13.06.2014	1,800	Purchase	22,110	0.18
				30.06.2014	4,990	Purchase	27,100	0.22
				08.08.2014	-890	Sale	26,210	0.21

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Share holding at the end of the year	
		No of shares at the beginning (01/04/2014)/ end of the year (31/03/2015)	% of total shares of the Company				No of shares	% of total shares of the Company
				15.08.2014	2,110	Purchase	28,320	0.23
				22.08.2014	1,510	Purchase	29,830	0.24
				29.08.2014	685	Purchase	30,515	0.25
				05.09.2014	9,679	Purchase	40,194	0.33
				12.09.2014	550	Purchase	40,744	0.33
				10.10.2014	-1,549	Sale	39,195	0.32
				17.10.2014	650	Purchase	39,845	0.32
				31.10.2014	-1,500	Sale	38,345	0.31
				07.11.2014	-730	Sale	37,615	0.31
				14.11.2014	575	Purchase	38,190	0.31
				27.03.2015	-1,250	Sale	36,940	0.30
		36,940	0.30	31.03.2015			36,940	0.30

\*\*\* Not in the list of Top 10 shareholders as on 01.04.2014. However, since the name of the shareholder falling in the list of top 10 shareholders as on 31.03.2015, the same is appearing in the above table.

- The above information is based on weekly downloads of beneficiary position received from Depositories.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	<b>Mrs. Paru M. Jaykrishna</b>				
	At the beginning of the year	4,632,054	37.74	4,632,054	37.74
	At the End of the year			4,632,054	37.74
2.	<b>Mr. Gokul M. Jaykrishna</b>				
	At the beginning of the year	1,505,049	12.27	1,505,049	12.27
	At the End of the year			1,505,049	12.27
3.	<b>Mr. Munjal M. Jaykrishna</b>				
	At the beginning of the year	1,505,049	12.27	1,505,049	12.27
	At the End of the year			1,505,049	12.27
4.	<b>Mr. H. K. Khan</b>				
	At the beginning of the year	0	0.00	0	0.00
	At the End of the year			0	0.00
5.	<b>Mr. R. K. Sukhdevsinhji</b>				
	At the beginning of the year	0	0.00	0	0.00
	At the End of the year			0	0.00

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
6.	<b>Mr. Arvind Goenka</b>				
	At the beginning of the year	0	0.00	0	0.00
	At the End of the year			0	0.00
7.	<b>Mr. Gaurang N. Shah</b>				
	At the beginning of the year	0	0.00	0	0.00
	At the End of the year			0	0.00
8.	<b>Dr. Pradeep Jha</b>				
	At the beginning of the year	0	0.00	0	0.00
	At the End of the year			0	0.00
9.	<b>Mr. Chandravadan R. Raval</b>				
	At the beginning of the year	0	0.00	0	0.00
	At the End of the year			0	0.00
10.	<b>Mr. Saji V. Joseph</b>				
	At the beginning of the year	0	0.00	0	0.00
	At the End of the year			0	0.00

**V) INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				(Amount in ₹)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	566,605,261	0	0	566,605,261
i. Principal Amount	566,605,261	0	0	566,605,261
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	566,605,261	0	0	566,605,261
Change in Indebtedness during the financial year				
• Addition	6,439,142,812	600,000	0	6,439,742,815
• Reduction	6,534,667,227	600,000	0	6,535,267,227
Net Change	(95,524,415)	0	0	(95,524,415)
Change in Indebtedness during the financial year	471,080,846	0	0	471,080,846
i. Principal Amount	471,080,846	0	0	471,080,846
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	471,080,846	0	0	471,080,846

## VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ In Lac)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mrs. Paru M. Jaykrishna (CMD)	Mr. Gokul M. Jaykrishna (JMD)	Mr. Munjal M. Jaykrishna (JMD)	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	65.00	39.00	15.00	119.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.75	5.85	0	6.60
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0	0	0	0
2.	Stock option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission -as % of profit -Other, specify	0	0	20.00	20.00
5.	Other, please specify	0	0	0	0
	<b>Total (A)</b>	<b>65.75</b>	<b>44.85</b>	<b>35.00</b>	<b>145.60</b>
	<b>Ceiling as per the Act</b>	₹287 Lac (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)			

## B. Remuneration to other directors:

(₹ In Lac)

Sl. No.	Name of Directors	Particulars of Remuneration			Total Amount
		Fees for attending the Board/ Committee Meetings	Commission paid	Other, please specify	
I.	Independent Directors				
1.	Mr. H. K. Khan	0.02	0	0	0.02
2.	Mr. R. K. Sukhdevsinhji	0.02	0	0	0.02
3.	Mr. Arvind Goenka	0.015	0	0	0.015
4.	Dr. Pradeep Jha	0.14	0	0	0.14
	Total (I)	0.195	0	0	0.195
II.	Other Non-Executive Director	0.00	0	0	0.00
	<b>Total (II)</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
	<b>Total Managerial Remuneration (I+II)</b>	<b>0.195</b>	<b>0</b>	<b>0</b>	<b>0.195</b>
	<b>Overall Ceiling as per the Companies Act, 2013</b>	₹316 Lac (being 11% of the net profits of the Company as per Section 196 of the Companies Act, 2013)			

\* Mr. Gaurang N. Shah has not accepted any Sitting Fees or Commission.

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

(₹ In Lac)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Saji V. Joseph Company Secretary	Mr. Chandravadan R. Raval CFO#	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	7.88	0.87	8.75
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0	0	0
2.	Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission -as % of profit -Other, specify	0	0	0
5.	Other, please specify	0	0	0
	<b>Total (A)</b>	<b>7.88</b>	<b>0.87</b>	<b>8.75</b>

#Mr. Chandravadan R. Raval was appointed as CFO of the Company w.e.f. March 12, 2015

VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

## ANNEXURE – “G” TO THE DIRECTORS’ REPORT

## SECRETARIAL AUDIT REPORT

*For the financial year ended 31st March, 2015*

*[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,  
Asahi Songwon Colors Limited,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by ASAHI SONGWON COLORS LIMITED (hereinafter called ‘the Company’) for the audit period covering the financial year ended on 31st March, 2015. 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 our verification of the Company’s 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 generally 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 the Company for the financial year ended on 31st March, 2015 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 overseas direct investment and external commercial borrowings; (Not applicable during the audit period);

- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during audit period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable during audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during audit period);

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable during audit period);
- (vi) Other laws as applicable specifically to the Company broadly covering pollution laws, manufacturing laws, safety laws and other general and commercial laws including industrial laws, labour laws.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified during the audit period and hence not applicable);
- (ii) Listing Agreements entered into by the Company with the Stock Exchanges.

I report that during the year under audit, the Company has generally complied with the provisions of the Act, rules, regulations, guidelines etc. as mentioned above.

I further report that based on the information provided by the Company, its officers there exists adequate systems, process and control commensurate with the size and operation of the Company to monitor and ensure compliance of other laws. I have not reviewed the compliance by the company of applicable financial laws like direct and indirect tax laws as the same has been reviewed by the other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at

least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines referred to above.

I further report that during the audit period there were following specific event/action having a major bearing on the Company' s affairs in pursuance to the above referred laws, rules, regulations, guidelines, etc referred to above.

- (i) Demerger and transfer of CPC Green Division of the Company with AksharChem (India) Limited and consequential restructuring in share capital of the company pursuant to Composite Scheme of arrangement, as approved by the Hon'ble High Court of Gujarat between the Company and AksharChem (India) Limited.
- (ii) In the annual general meeting of the Company held on 26/09/2014, the Consent of the Company has been given to the Board of Directors to borrow moneys and mortgaging/ charging of properties of the company pursuant to Section 180 (1) (c) & (a) respectively of the Companies Act, 2013.

**Bipin L. Makwana,**

*Company Secretary in Practice*

ACS 15650/ C. P. No.5265

Place: Ahmedabad

Date: 12/08/2015

## ANNEXURE – “H” TO THE DIRECTORS’ REPORT

## MANAGEMENT DISCUSSION AND ANALYSIS

**Overview**

The world is becoming more and more colorful with new chemistry of colors, that you see in your daily life in the form of paints, inks, plastics fabrics.

Your Company is leading player in Indian Pigment industry and is firmly focused in becoming a leading global player in the Phthalocyanine Pigments.

The Company’s product range constitutes of Copper Phthalocyanine (CPC Blue) and its derivatives like Beta Blue. The Company has a dedicated plant at Padra near Vadodara in the State of Gujarat, manufacturing CPC Blue Crude and Beta Blue Pigments.

**During the year under review:**

- o Hon’ble High Court of Gujarat have sanctioned vide certified order dated November 29, 2014, the Scheme of Arrangement in the nature of demerger and transfer of CPC Green Division of the Company (“Demerged Company”) to AksharChem (India) Limited (“Resulting Company”) and consequential restructure of the share capital in the form of utilization of securities premium account of the Company.
- o The Scheme became effective from December 2, 2014 on filing the certified order the Registrar of Companies, Gujarat.
- o On the Scheme becoming effective and as per the Scheme the authorized share capital of the Company amounting to ₹35,000,000/- was automatically transferred to AksharChem (India) Ltd without any further act or deed and accordingly the Authorised Share Capital of the Company was reduced from ₹200,000,000/- to ₹165,000,000/-.
- o On the Appointed date viz April 1, 2014 all assets and liabilities of CPC Green Division (i.e business and interests in manufacture of CPC Green Division) of the Company has been transferred to and vested in AksharChem (India) Limited at their respective book values on a going concern basis.

- o All loans, advances and other facilities sanctioned to the Company in relation to the CPC Green Division by State Bank of India prior to the Appointed date, which are partly drawn or utilized is transferred to AksharChem (India) Limited. Further such loans, advances and other facilities utilized by either party or fully by the Company from the appointed date till the effective date of the CPC Green Division (within the overall limits sanctioned by the State Bank of India) is on the effective date treated as loans, advances and other facilities made available by AksharChem (India) Limited without any further act or deed on the part for the Resulting Company.
- o The employees of CPC Green Division of the Company was transferred to the resulting Company on their existing terms of employment of the Company.
- o All contingent liabilities relating to CPC Green Division of the Company has been transferred to resulting company.
- o The transaction pertaining to CPC Green Division of the Company from the appointed dated up to the effective date of the Scheme of Arrangement has been deemed to be made by the resulting company.

**Industry Structure and Developments**

The Chemical industry plays a significant role in economic development of the country, providing wide range of product to all sectors of the economy. The pigment industry is one of the important segment of the Chemical industry. Pigments are used for coloring paints, inks, plastics, fabric, cosmetics, food and other materials.

Pigment industry can be classified into organic pigments and inorganic pigments, whereas organic pigments consists of high performance pigments, AZO pigments and Phthalocyanines pigments and inorganic pigments consists of iron oxide, titanium dioxide and carbon black.

The global market of pigments has witnessed a steady growth in the last couple of years, due to increase in growth in the end-



user industry like paints, printing inks and packaging. The global market of pigment is estimated to grow at a compounded annual growth rate of 4.5% from 2013 to 2018 and by 2018 the market is expected to reach 4.4 million tone (Transparency Market Research). Some of the main features that are constituting to the growth are increase in demand for pigments, growth in end-user industries and increase in preference for environmentally - friendly products. Asia - Pacific is dominant market for pigments followed by Europe and US. With rapidly growing manufacturing base, Asia - Pacific region continue to remain one of the fast growing market in future.

### Opportunities, Threats, Risk & Concerns

Phthalocyanne pigments are one of the largest categories of pigments manufactured in India. Your Company is one of the leading manufacturing of Phthlo pigment in India. The Company has significant presence in responding to the needs of ink, paint, coating, fabrics and plastic application and is a preferred supplier to major MNC's who are leaders in the industry. There exist opportunities for significant growth in the pigment industry with steady growth in housing, automobiles, construction and FMCG and which will open up newer opportunities for the Company.

The Company is exposed to the risk of foreign currency fluctuation as major chunk of the revenue comes from the foreign countries. The manufacturing inputs are also sourced from outside India. However, the Company has consistent policy to mitigate the currency variation risks.

The main raw materials used in the manufacture of the pigments are Phthalic Anhydride and Cuprous Chloride are petroleum derivatives and metal base and their prices fluctuate along with the global crude/metal prices. The Company has an in built system of monitoring the inventory and logistics. Further, production process of the Company is vertically integrated, where CPC Blue Crude is the primary raw material for the production of pigment blue's. This helps the Company to manage the raw material cost.

There has been tightening of pollution control norms in India particularly related to water and industrial waste treatment.

The Company has to address the issues of REACH compliance. The Company has been investing continuously in meeting the relevant statutory and environmental compliances. Safety and environmental standards are periodically reviewed and upgraded. The customer preference for eco-friendly products are growing. The Company has installed a state of the art emissions and effluent management system.

The Company is having a well structured risk management system under the guidance of experienced Board of Directors. The Audit Committee monitors the implementation of the risk mitigation plans.

### Outlook

The global economy is slowly getting back on its feet especially in emerging countries, but recovery is hesitant and slow. There is significant growth in the construction, paints and coating industry, hence the demand for pigments will continue to grow.

Your Company has several new environment-friendly products in the pipeline and has plans in commercialisation of Pigment Beta Blue 15.: 4 and expanding its market network. Continued focus will be on remaining an environmentally responsible company with investment in waste recycling and upgradation of waste disposal system.

The Company strategy for the financial year 2015-16 would be, improving the operating margins through better productivity, capacity enhancement, overall cost control, customer satisfaction, new product addition, environment and safety management and better working capital management.

### Internal Control Systems and their Adequacy

The Company has a proper and adequate system of internal controls commensurate with its size and business operation to ensure timely and accurate financial reporting in accordance with applicable accounting standards, safeguarding of assets against unauthorised use or disposition and compliance with all applicable regulatory laws and Company policies.

Internal Auditors of the Company review the internal control systems on a regular basis for its effectiveness and necessary

changes and suggestions which are duly incorporated into the system. Internal audit reports are also reviewed by the Audit Committee of the Board.

### Financial Performance

The year under review has been difficult one in terms of the operating business environment. The economic downturn both at global and national level has affected the business volume. Further, in accordance with the Scheme of Arrangement sanctioned by the Hon'ble High Court of Gujarat the CPC Green Division of the Company was transferred to the resulting Company AksharChem (India) Limited with effect from appointed date April 1, 2014, hence the revenue and profit of the Company for the current year do not include revenue and profit of CPC Green Division. Despite the all the odds, profit of the Company jumped by 21%.

Particulars	₹ In Lac)	
	2014-2015	2013-2014
Revenue from Operations	23,953.44	30,200.99
Other Income	93.18	63.57
Total Income	24,046.62	30,264.56
Operating Profit	3,681.01	3,931.32
Finance Costs	478.18	626.76
Depreciation and Amortization Expenses	606.60	673.17
Profit for the year before prior period adjustments, extra ordinary item and tax expenses	2,596.23	2,631.39
Prior Period adjustments (Expenses)/Incomes	38.55	-
Profit for the year before extra ordinary item and tax expenses	2,634.78	2,631.39
Extra Ordinary Item	-	227.42
Profit for the year before tax expenses	2,634.78	2,403.97
Tax Expenses	865.27	945.22
Profit after Tax	1,769.51	1,458.75

\* Figures for the period prior to the appointed date i.e. April 1, 2014 are not comparable, since they include figures of CPC Green division of the Company, which has been since demerged into

AksharChem (India) Limited as per the Scheme of Arrangement approved by the Hon'ble High Court of Gujarat.

### Results of Operations

During the year under review, the Company earned a total income of ₹24,047 lac compared to ₹30,264 lac in the previous year.

The total sales of the Company stood at ₹23,953 lac (Previous Year ₹30,201 lac) The profit after tax (PAT) increased by 21% from ₹1,459 lac to ₹1,770 lac in the previous year.

### Exports

During the year under review, the total exports value to ₹20,533 lac compared to ₹25,840 lac during the previous year. Your Company is trying to locate new export markets for its products and see good potential for growth to the export business.

### Human Resources Development

The intra-industrial relations of your Company continue to remain harmonious with a focus on productivity, quality and safety. During the year under review, there were, no significant labour issues outstanding or remaining unresolved during the year.

The Board records their appreciation of the commitment and support of the employees and looks forward to its continuation.

### Cautionary Statement

Some of the statements in this "Management Discussion and Analysis", describing the Company's objectives, projections, estimates, expectations and predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

## REPORT ON CORPORATE GOVERNANCE

Detail report on Corporate Governance for the financial year ended March 31, 2015 pursuant to Clause 49 of the Listing Agreement entered into with Stock Exchanges is set out as below:

### 1. Company’s Philosophy on Corporate Governance

Asahi Songwon Colors Limited is committed to doing business in an efficient, responsible and ethical manner. Corporate Governance practice ensures transparency, integrity and accountability in its functioning. The Company constantly endeavor for the best corporate governance and for complete satisfaction of all its shareholders.

Our governance practice is to build the trusts between the Company and its stakeholder’s viz. shareholders, customers, suppliers and employees. The Company believes that Corporate Governance is a requisite for attaining sustained growth in this competitive world.

In the line with this philosophy, your company continuously strives for excellence through timely compliances and maximum disclosure of information to investors.

### 2. Board of Directors

#### 2.1 Composition of the Board

The Company has a balanced mix of Executive and Non-Executive Directors. As at March 31, 2015, the total strength of the Board of Directors of the Company was eight (8) members including three executive directors and five non executive independent directors. The Company has five (5) Non Executive directors, all of them are Independent Directors. There are three directors in whole time employment being the Managing Directors of the Company. The Board of Directors of your Company represents optimum combination of professionalism, knowledge and experience.

#### Independent Directors

Mr. H. K. Khan, Mr. R. K. Sukhdevsinhji, Mr. Arvind Goenka, Mr. Gaurang N. Shah, Dr. Pradeep Jha are the independent directors of the Company.

The independent directors on the Board are senior, competent and highly respected persons from their respective fields. None of the Directors on the Board is a

member of more than 10 committees and Chairman of more than five committees across all companies in which they are directors. The necessary disclosures regarding compliance have been made by the directors.

The Board does not have any Nominee Director representing any institution.

#### 2.2 Non-Executive Directors’ Compensation and Disclosures

The Non-Executive Independent Directors are entitled for sitting fees only which have been approved by the Board of Directors. Apart from sitting fees no other fees/compensation are paid to them.

#### 2.3 Other provisions as to the Board and Committees

The Board plays an important role to ensure good governing practices and functioning of the Company. The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the Company is vested in the Board of Directors presided over by the Chairperson & Managing Director. The Board has delegated some of its powers to the executives of the Company. The Board reviews from time to time such delegated powers and their utilization for executive functioning of the Company. The Board also reviews compliance reports of all laws applicable to the Company as well as take necessary steps to rectify instances of non-compliances, if any.

#### 2.4 Board Procedures

The Board meets atleast once in the every quarter to review the financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issue concerning to business of your Company. The Board complete access to any information within your Company which includes the information as specified in Clause 49 of the Listing Agreement with the Stock Exchanges. The meeting dates of the Board Meeting are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. Senior Level Executives are often invited to attend the Board Meeting and provide clarifications as and when required.

During the year under review, the Board of Directors met six (6) times and time gap between two meetings does not exceed 120 days.

The details of Board Meeting and Attendance thereof are as below:

Sl. No.	Date of Board Meeting	Place	No. of Directors Present
1.	May 27, 2014	Indrad, Kadi	5
2.	August 12, 2014	Indrad, Kadi	8
3.	November 12, 2014	Indrad, Kadi	5
4.	January 16, 2015	Indrad, Kadi	4
5.	February 13, 2015	Indrad, Kadi	4
6.	March 12, 2015	Indrad, Kadi	4

The composition of the Board of Directors and attendance at the Board Meeting and the last Annual General Meeting and also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are given here below:

Name of the Director	No. of Outside Directorship Held		No. of Outside Committee Positions Held		No. of Board Meetings		Attended at Last AGM
	Public	Private	Public	Private	Held	Attended	
Mrs. Paru M. Jaykrishna	1	4	2	-	6	6	Yes
Mr. H.K. Khan	2	1	2	-	6	1	No
Mr. R. K. Sukhdevsinhji	2	2	-	-	6	1	No
Mr. Arvind Goenka	2	1	3	-	6	1	No
Mr. Gaurang N. Shah	2	3	-	-	6	6	Yes
Dr. Pradeep Jha	1	-	3	-	6	6	No
Mr. Gokul M. Jaykrishna	2	5	-	-	6	6	Yes
Mr. Munjal M. Jaykrishna	1	5	-	-	6	3	Yes

## 2.5 Evaluation of Board

In terms of the provisions of the Companies Act, 2013 read with rule issued there under and Clause 49 of the Listing Agreement with the stock exchanges, the Board of Directors on the recommendation of the Nomination and Remuneration Committee have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each directors and the committee was done.

## 2.6 Details of Directors seeking re-appointment at the ensuing Annual General Meeting

Information required under Clause 49 of the listing

agreement with the stock exchange on Directors seeking appointment / re-appointment is annexed to the notice convening ensuing Annual General Meeting.

## 2.7 Code of Conduct

The Board has formulated Code of Conduct for all Board members and senior level employees of the Company. Requisite annual affirmations of compliance with the Code have been made by the Board member and senior level employees for the financial year 2014-15. Annual Declaration by the Chairperson & Managing Director to this effect is annexed at the end of this report.

## 2.8 Familiarisation Programme

Your Company has put in place a well structured induction and familiarisation programme for all its directors including independent directors of the Company.

## 2.9 Independent Director Meeting

In accordance with the provisions of Schedule IV (Code of Independent Director) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the stock exchanges, a meeting of the independent directors of the Company was held with on the attendance of non-independent directors.

## 3. Committees of the Board

The committee constituted by the Board play very important role in governance structure of the Company. The terms and reference of these committees are approved by the Board and are in line with requirements of Companies Act, 2013 and Clause 49 of the Listing Agreement. The minutes of the committee meetings are tabled at the Board Meeting and the Chairman of the each committee brief the deliberations and the decisions of the respective committees. Currently there are Four (4) committees of the Board.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility (CSR) Committee

The detailed terms of reference, composition, quorum, meetings, attendance and other details of the Committees are as under:

### 3.1. Audit Committee

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process.

#### A. Composition of Audit Committee

The Audit Committee comprises of three Non Executive Directors all of whom are independent directors. All members of the Audit Committee are financially literate and a majority having accounting or financial management expertise.

The following are members of Audit Committee:

1.	Mr. Gaurang N. Shah	Chairman
2.	Mr. R. K. Sukhdevsinhji	Member
3.	Dr. Pradeep Jha	Member

Mr. Gaurang N. Shah, Chairman of the Audit Committee attended the last Annual General Meeting (AGM).

#### B. Invitees

The Managing Director, Joint Managing Directors, Senior Level Executives, Head of Accounts, Internal Auditors and the Statutory Auditors are invited to attend the Meetings.

#### C. Secretary

The Company Secretary act as secretary to the committee.

#### D. Meeting and Quorum

The Audit Committee meets at least four times in a year. The quorum for the meeting is two members. The Audit Committee met four (4) times during the year.

#### E. Attendance of the Audit Committee

The details of meeting and attendance of the members are as below:

Name of Members	No. of Meetings	
	Held	Attended
Mr. Gaurang N. Shah	4	4
Mr. R. K. Sukhdevsinhji	4	1
Dr. Pradeep Jha	4	4

#### F. Terms of reference of the Audit Committee

The terms of reference of Audit Committee covers all the matters specified for Audit Committee in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement with stock exchange(s) which inter-alia includes the following:

#### Powers and role of the Audit Committee:

The powers of Audit Committee include the following:

##### Powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

##### Role:

The role of the Audit Committee includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, and examination of

- the financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Review of information by the Audit Committee:**  
The Audit Committee reviews the following information:
- a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- G. Subsidiary Company**  
Your Company does not have any Subsidiary Company.
- 3.2. Nomination and Remuneration Committee**  
In compliance with the provisions of the Companies Act, 2013 and the Listing Agreement with the stock exchange(s), the Board has renamed its "Remuneration Committee"

as the "Nomination and Remuneration Committee". The Composition and terms of reference and other details of the committee is as under:

#### A. Composition of the Nomination and Remuneration Committee

The Committee is consisting of three (3) Non-Executive Independent Directors:

1.	Mr. Gaurang N. Shah	Chairman
2.	Mr. H. K. Khan	Member
3.	Dr. Pradeep Jha	Member

Mr. Gaurang N. Shah, Chairman of the Nomination and Remuneration Committee attended the last Annual General Meeting (AGM).

#### B. Terms of Reference

The Nomination and Remuneration Committee is responsible for, among other things, as may be required by the Company from time to time the following:

To formulate criteria for:

- determining qualifications, positive attributes and independence of a director;
- evaluation of independent directors and the Board;

To devise the following policies on:

- remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the board of the Company;
- board diversity laying out an optimum mix of executive, independent and non independent directors keeping in mind the needs of the Company.

To identify persons who are qualified to:

- become directors in accordance with the criteria laid down, and recommend to the Board the appointment

and removal of directors;

- be appointed in senior management in accordance with the policies of the Company.

#### C. Remuneration policy, details of remuneration and other terms of appointment of directors

A brief outline of the Nomination and Remuneration policy is mentioned in the Directors Report, forming part of Annual Report. The Nomination and Remuneration Policy of the Company is prepared in accordance with provisions of Section 178 of the Companies Act, 2013 and Clause 49(IV) of the Listing Agreement with Stock Exchanges.

#### D. Secretary

The Company Secretary acts as secretary to the committee.

#### E. Meeting and Quorum

The Nomination and Remuneration Committee meets as frequently as circumstances necessitate. The quorum for the meeting is either two members.

#### F. Attendance of the Remuneration Committee during 2014-15

During the period under review the Committee met once. The details of members are as below:

Name of Members	No. of Meetings	
	Held	Attended
Mr. Gaurang N. Shah	2	2
Mr. H. K. Khan	2	1
Dr. Pradeep Jha	2	2

#### G. Details of remuneration paid to Directors

##### Executive Directors

Details of the remuneration paid to the Whole-time Directors are as below:

Whole – Time Director	Business relationship with the Company	Remuneration during the year 2014-15 (inclusive of P. F. Contribution, Perquisites and Commission) (₹ in Lac)
Mrs. Paru M. Jaykrishna	Chairperson & Managing Director	65.75
Mr. Gokul M. Jaykrishna	Joint Managing Director	44.85
Mr. Munjal M. Jaykrishna	Joint Managing Director	35.00
<b>Total</b>		<b>145.60</b>

#### 1. Service Contract, Severance Fees and Notice Period:

The appointment of the Managing Director and whole time directors are governed by Articles of Association of the Company and the resolution passed by Board of Directors and the members of the Company. These covers and terms and condition

of such appointment. No separate service contract is entered into by the Company with Managing Directors. There is no separate provision for payment of Severance fees under the resolution governing the appointment of the Managing Directors.

## 2. Stock Option details, if any

The Company does not have any stock option plan for the Executive Directors.

## Non Executive Directors

Non-Executive Directors were paid sitting fees for attending the Board Meeting and Committee Meetings, except to Mr. Guarang N. Shah who has voluntarily consented not to avail any benefits including sitting fees from the Company.

## Shareholding of Non-Executive Directors

None of the Non-Executives of the Company are holding any shares in the Company.

## 3.3. Stakeholders Relationship Committee

In compliance with the provisions of the Companies Act, 2013 and the Listing Agreement with the stock exchange(s), the Board has renamed its "Shareholder's / Investor's Grievances Committee" as the "Stakeholder's Relationship Committee". The composition, terms of reference and other details of the committee is as follows:

### A. Composition of the Committee

The Committee comprises of following directors:

1.	Mr. Guarang N. Shah	Chairman
2.	Mrs. Paru M. Jaykrishna	Member
3.	Dr. Pradeep Jha	Member

### B. Terms of Reference

The Committee approves the matters relating to:

1. Oversee and review all matters connected with the transfer of the Company's securities.
2. Monitor redressal of investors' / shareholders' / security holders' grievances.
3. Oversee the performance of the Company's Registrar and Transfer Agents.
4. Recommend methods to upgrade the standard of services to investors.
5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

### C. Secretary

The Company Secretary acts as secretary to the committee.

## D. Meeting and Quorum

The committee meets as and when required. The quorum for the meeting is either two members.

## E. Attendance of the Stakeholders Relationship Committee

The details of meeting held of Stakeholders Relationship Committee

Name of the Committee Member	No. of Meetings	
	Held	Attended
Mr. Gaurang N. Shah	2	2
Mrs. Paru M. Jaykrishna	2	2
Dr. Pradeep Jha	2	2

## F. Details of Shareholders Complaints

Number of complaints received and resolved to the satisfaction of Stakeholders Relationship Committee during the year under review is below:

Number of complaints received	39
Number of complaints solved	39
Number of pending complaints	Nil

All the complaints received from the shareholders during the year were duly resolved. There are no complaints remaining unresolved as at the beginning and end of the year. There were no share transfers pending for registration for more than 15 days as on the said date.

## G. Compliance Officer

The Company Secretary and Compliance Officer is entrusted with the responsibility to specifically look into the redressal of the shareholders and investors complaints and report the same to the Stakeholder's Relationship Committee.

## 3.4. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee of the Company was constituted by the Board of Directors at its meeting held on May 27, 2015 in compliance with the provision of Companies Act, 2013 and Rules made there under. As on March 31, 2015 the Composition and terms of reference of Corporate Social Responsibility (CSR) Committee is as under:

### A. Terms of Reference

The terms of reference of the Committee as under:

1. To formulate, monitor and recommend to the Board the CSR Policy including the activities to be undertaken by the Company;
2. To recommend the amount of expenditure to be incurred on the activities undertaken;
3. To monitor the implementation of the framework of



Corporate Social Responsibility Policy;

4. To evaluate the social impact of the Company's CSR Activities;
5. To review the Company's disclosure of CSR matters;
6. To submit a report on CSR matters to the Board at such intervals and in such format as may be prescribed.
7. To consider other functions, as defined by the Board or as may be stipulated under any law, rule or regulation including the listing agreement, Corporate Social Responsibility Voluntary Guidelines 2009 and the Companies Act, 2013.

#### B. Composition of the Committee

The Committee comprises of following directors:

1.	Mrs. Paru M. Jaykrishna	Chairperson
2.	Mr. Guarang N. Shah	Member
3.	Dr. Pradeep Jha	Member

#### C. Secretary

The Company Secretary acts as secretary to the committee.

#### D. Meeting and Quorum

The committee meets as and when required. The quorum for the meeting is either two members.

#### E. Attendance of the Corporate Social Responsibility (CSR) Committee

The details of meeting and attendance of the members are

as below:

Name of Member	No. of Meetings	
	Held	Attended
Mrs. Paru M. Jaykrishna	2	2
Mr. Gaurang N. Shah	2	2
Dr. Pradeep Jha	2	2

#### 4. Management

No material transaction has been entered into by the Company with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company.

#### 5. CEO/CFO Certification

A certificate from Managing Directors and CFO of the Company on the financial reporting and internal controls was placed before the Board in terms of Clause 49 of the listing agreement with Stock Exchange(s).

#### 6. Prevention of Insider Trading

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees which in possession of unpublished price sensitive information in relation to the Company. The Company Secretary is responsible for implementation of the Code.

### 7. General Body Meetings

7.1 Details of location, time and date of last three Annual General Meeting are given below:

Financial Year	Location	Date	Time
2011-12	At the Registered Office at 167-168, Village Indard, Kadi - Kalol Road, Mehsana, Gujarat	September 27, 2012	11.30 a.m
2012-13	At the Registered Office at 167-168, Village Indard, Kadi - Kalol Road, Mehsana, Gujarat	September 27, 2013	11.30 a.m
2013-14	At the Registered Office at 167-168, Village Indard, Kadi - Kalol Road, Mehsana, Gujarat	September 26, 2014	11.30 a.m

#### 7.2 Extra Ordinary General Meeting

There was no Extra Ordinary General Meeting held during the Financial Year 2014-15.

#### 7.3 Special Resolution passed in the last three years at the Annual General Meetings

At the 24th Annual General Meeting held on 26th September, 2014:

- a. Resolution in respect of revision in terms of appointment

of Mrs. Paru M. Jaykrishna (DIN No. 00671721), the Chairperson & Managing Director.

- b. Resolution in respect of revision in terms of appointment of Mr. Gokul M. Jaykrishna (DIN No. 00671652), the Joint Managing Director.
- c. Resolution in respect of revision in terms of appointment of Mr. Munjal M. Jaykrishna (DIN No. 0067693), the Joint Managing Director.

- d. Resolution in respect of borrowing powers of the Board of Directors of the Company under section 180 (1) (c) of the Companies Act, 2013 up to ₹500 crores.
- e. Resolution in respect of authority to charge/mortgage assets of the Company both present and future.
- f. Resolution in respect of adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.
- g. Resolution in respect of Maintenance of Register of Members and other statutory registers at a place other than the registered office of the Company.

#### 7.4 Resolution passed with requisite majority in last year through Postal Ballot

During the year under review, in terms of Securities and Exchange Board of India ("SEBI") Circular CIR/CFD/DIL/8/2013 dated May 21, 2013 read with Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 shareholders' approval was sought by Postal Ballot for a resolution to approve Composite Scheme of Arrangement in the nature of demerger and transfer of CPC Green Division of the Company (the Demerged Company) to AksharChem (India) Limited (the Resulting Company) an their respective shareholders and creditors and consequential restructure of the share capital in form of utilization of securities premium account of the Company Based on Report of Mr. Ashish C. Doshi, Company Secretary in practice and Scrutinizer for conducting of the aforesaid Postal Ballot, the resolution was passed with an overwhelming majority. The votes cast in favour aggregated to 97.84% of the total vote cast.

None of the business proposed to be transacted in the ensuing Annual General Meeting requires passing a special resolution through postal ballot.

## 8. Disclosures

### 1. Related party transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length basis and do not attract the provisions of the Section 188 of the Companies Act, 2013. The Company does not have materially significant related party transactions which may have potential conflict with the interest of the Company at large. The Board has approved a policy on related party transaction. The Registrar of Contracts/Statement of related party transactions is placed before the Board / Audit Committee regularly. Transactions with the related parties as per requirements of Accounting Standard 18

are disclosed in Note 37 to the Financial Statements in the Annual Report and they are not in conflict with the interest of the Company at large.

### 2. Details of Non Compliance

The Company has complied with the requirements of the Stock Exchange, Securities Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

### 3. Whistle Blower

The Company has established a Whistle Blower policy and has established necessary mechanism in line with Clause 49 of the Listing Agreement with Stock Exchanges to enable directors and employees to report concerns about ethical behaviour, actual or suspected fraud or violation of the Companies code of conduct. The policy offer appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. No employee is denied the opportunity to meet the Audit Committee members of the Company.

### 4. Compliance with non-mandatory requirements of Clause 49 of the Listing Agreement

Adoption of non-mandatory requirements under Clause 49 of the Listing Agreement are reviewed from time to time.

- a. Among the non-mandatory requirements adopted by the Company are remuneration committee and whistle blower policy.
- b. During the year under review, there was no audit qualification in the Company's statutory financial statements.
- c. The quarterly, half yearly and annual financial results of the Company are furnished to the Stock Exchanges and published in the newspapers as per the requirements of the Listing Agreement and the same are also posted on the website of the Company.
- d. The internal auditors of the Company make presentations to the Committee on the findings of their report.

### 5. Adherence to Accounting Treatment

The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) and in compliance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013 and Rules there under.

## 6. Risk Management

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedure. The Audit Committee regularly reviews the risk assessment and control process of the Company. The Board also periodically review the risk assessment procedures laid by the Company.

## 7. Proceed from public issues, rights issue, preferential issue etc.,

During the period under review, the Company has not raised any proceeds from public issue, right issue, preferential issue etc.

## 8. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a policy on prevention of Sexual Harassment in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year the Company had not received any complaint.

## 9. Means of Communication

### Results

During the year under review quarterly, half yearly and Annual

Financial Results of the Company were submitted to the Stock Exchanges immediately after they are approved by the board and are normally published in widely circulating national and local dailies such as "Business Standard" in English and 'Jaihind" Gujarati. The shareholding pattern, financial results, corporate governance report other announcements are also filed electronically on BSE Ltd and NSE Electronic Application Processing System (NEAPS).

### Website

The Annual Report of the Company as well as the quarterly/ half yearly and annual results are posted on the website of the Company at [www.asahisongwon.com](http://www.asahisongwon.com) and can be downloaded by the shareholders.

### Presentation to Institutional Investors or to analysts

The presentation of Company's performance are made to the Institutional Investors / Financial Analysts as and when felt expedient.

### Management Discussion & Analysis Report

The management discussion and analysis report forms a part of Directors Report. All matters pertaining to industry structure and developments, opportunities and threats, outlook, risk and concern internal controls and systems are discussed in the said report.

## 10. General Shareholder's Information

1.	<b>Annual General Meeting</b>	
	Day, Date, Time & Venue	Wednesday, September 30, 2015 at 4.00 P.M. At the Registered Office of the Company at 167-168, Village: Indrad, Kadi- Kalol Road, Mehsana, Gujarat - 382715.
2.	<b>Financial Year Calendar (2015-16)</b>	The following are tentative dates:
	Financial Year	April 1, 2015 to March 31, 2016
	Annual General Meeting	August/ September, 2016
	<b>Results for quarter ended on</b>	
	First Quarter Results	On or before August 14, 2015
	Second Quarter and Half yearly Results	On or before November 14, 2015
	Third Quarter Results	On or before February 14, 2016
	Annual Results 2015-16	On or before May 29, 2016
3	<b>Date of Book Closure</b>	
	Closure of Register of Members and Share Transfer Books	The Book Closure for payment of dividend, if any, is from Friday, September 25, 2015 to Wednesday, September 30, 2015 (both days inclusive).

4.	Dividend Payment Date	<p>Final Dividend of ₹3.50 per share (35%) for the Financial Year 2014-15 is proposed. The payment of final dividend upon declaration by the shareholders at the forthcoming Annual General Meeting will made:</p> <ol style="list-style-type: none"> <li>1. to all those shareholders holding shares in physical and whose names appear in Company' Register of Members as on September 24, 2015.</li> <li>2. to all those beneficial owners holding shares in electronic mode, as per the ownership data made available to the Company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the end of the day on September 24, 2015.</li> </ol> <p>The dividend, if declared, will be paid within 30 days from the date of Annual General Meeting.</p>				
5	Listing of Equity Shares on Stock Exchange at	<p>The Equity Shares of the Company are listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) Annual Listing Fees for the Financial Year 2015-16 has been paid to the above stock exchange.</p> <p><b>Name and Address of Stock Exchange</b></p> <p><b>BSE Limited</b> Floor 25, P. J. Towers Dalal Street, Fort Mumbai - 400 001</p> <p><b>National Stock Exchange of India Ltd</b> Exchange Plaza Bandra – Kurla Complex Bandra (East) Mumbai – 400 051</p>				
6	Stock Code/Symbol	<table border="1"> <tr> <td data-bbox="204 1342 746 1377">BSE</td> <td data-bbox="754 1342 1477 1377">532853</td> </tr> <tr> <td data-bbox="204 1384 746 1419">NSE</td> <td data-bbox="754 1384 1477 1419">ASAHISONG</td> </tr> </table>	BSE	532853	NSE	ASAHISONG
BSE	532853					
NSE	ASAHISONG					
7	Corporate identification Number (CIN) of the Company	The Company's CIN, allotted to the by the Ministry of Corporate Affairs, Government of India is <b>L24222GJ1990PLC014789</b> .				
8	International Securities Identification Number (ISIN)	The Company's scrip form part of Securities Exchange Board of India (SEBI) compulsory demat segment bearing ISIN No. <b>INE228101012</b>				

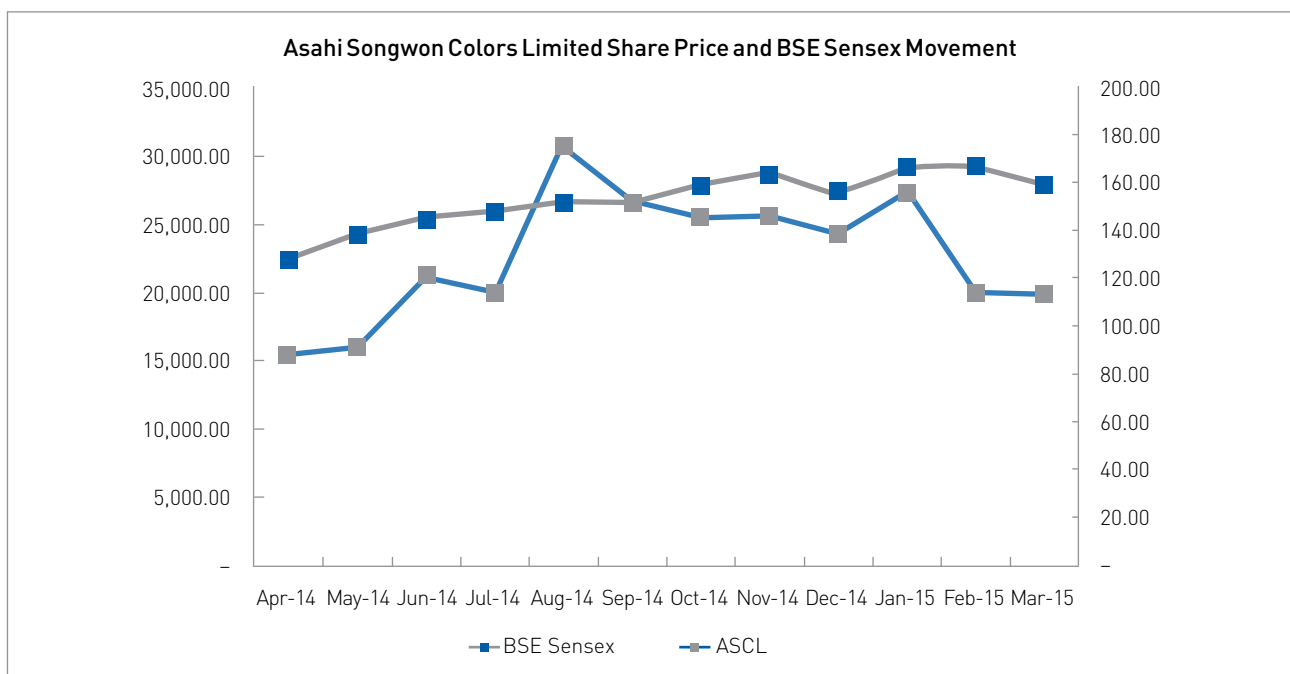
## 9 Market Price Data

The monthly High, Low (based on closing prices) during each month in the year 2014-15 on BSE Limited and National Stock Exchange of India Limited are given below:

Month	BSE Limited		National Stock Exchange of India Ltd	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2014	95.95	81.20	95.50	81.20
May, 2014	103.60	82.00	102.95	81.60
June, 2014	128.00	91.00	128.60	91.00
July, 2014	125.00	90.00	124.00	92.10
August, 2014	176.55	110.00	176.25	109.05
September, 2014	191.55	137.35	191.70	120.00
October, 2014	160.00	128.05	162.00	125.00
November, 2014	178.95	138.00	179.00	138.20
December, 2014	151.95	125.00	152.85	123.10
January, 2015	163.65	137.10	163.10	137.10
February, 2015	133.95	105.15	134.90	103.55
March, 2015	129.70	108.00	130.50	110.30

### Performance of the Company' Equity Share vis-a-visa BSE Sensex during 2014-15

The chart below provides the relative movement of the closing price of the Company's share and the BSE Sensex. The period covered is April 1, 2014 to March 31, 2015. The Management cautions that the stock movement shown in the chart should not be considered indicative of potential future stock price performance.



**10. Registrar and Transfer Agent**

Link Intime India Private Limited

UNIT: ASAHI SONGWON COLORS LIMITED

**Mumbai Office**

C-133, Pannalal Silk Mills Compound

Kantilal Maganlal Ind. Estate

L. B. S. Marg,

Bhandup (West)

Mumbai – 400 078.

Tel: 022-25960320-28

Fax: 022-25960329

**Ahmedabad Branch Office**

303, Shoppers Plaza V

Opp. Municipal Market

Off. C. G. Road, Navrangpura

Ahmedabad - 380009.

Tel: 079-26465179.

**11. Share Transfer System**

The Shares of the Company are traded in compulsory dematerialised form. The Registrar and Transfer Agent deal with Share Transfer both in Physical and dematerialised Mode. The Demat shares are transferable through the depository system. Shares in physical form are processed by the Registrar and Transfer Agent and the share certificates are generally return to the transferee within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

Pursuant to Clause 47(c) of the Listing Agreement with Stock Exchanges, certificates on half-yearly basis, have been issued by the Company Secretary in practice for due compliance of share transfer formalities by the Company.

**12. Payment of Dividend through National Electronic Clearing Services (NECS)**

The Company provides the facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS, members who hold shares in demat mode should inform their Depository Participant and members holding shares in physical mode should update the bank details with the Register and Shares Transfer Agent.

**13. Reconciliation of Share Capital Audit**

As required by the Securities & Exchange Board of India (SEBI) a qualified practicing Company Secretary carries out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, the issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the shares are listed.

**14. Unclaimed Dividends**

Dividend remaining unclaimed for seven years from the date of transfer to unpaid dividend account will be transferred to the Investor Education and Protection Fund ("The Fund"). Dividend unpaid/unclaimed for the year 2007-08 onwards will be transferred to the above Fund. Shareholders who have not encashed their dividend are requested to approach Registrar and Share Transfer Agent.

**15. Information pursuant to Clause 49 IV (G) (i) of the Listing Agreement with the Stock Exchanges**

Information pertaining to particulars of Directors to be appointed/reappointed at the forthcoming Annual General Meeting is being included in the Notice convening the Annual General Meeting.

**16. Distribution of shareholding**

The distribution of shareholding as on March 31, 2015 is as under:

**a. Distribution by number of shares:**

Number of Equity Shares Held	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
1-500	4,111	81.54	608,426	4.96
501-1000	457	9.06	371,367	3.03
1001-2000	233	4.62	352,941	2.88
2001-3000	76	1.51	191,653	1.56
3001-4000	40	0.79	140,647	1.15
4001-5000	32	0.64	151,435	1.23
5001-10000	51	1.01	373,576	3.04
10001 and above	42	0.83	10,082,217	82.15
<b>Total</b>	<b>5,042</b>	<b>100.00</b>	<b>12,272,262</b>	<b>100.00</b>

b. Shareholding Pattern as on March 31, 2015 (Category-wise)

Sr. No.	Category	No of Shares	% of Shareholding
<b>A.</b>	<b>Promoters</b>		
<b>1.</b>	<b>Indian Promoters</b>		
	Individuals	7,642,152	62.28
	Bodies Corporate	600	-
<b>2.</b>	<b>Foreign Promoters</b>	-	-
	Total Promoters Holding	<b>7,642,752</b>	<b>62.28</b>
<b>B.</b>	<b>Non Promoters</b>		
<b>1.</b>	<b>Institutional Investors</b>		
a.	Mutual Funds	-	-
b.	Banks, Financial Institutions, Insurance Companies	8,790	0.07
c.	Foreign Institution Investors	-	-
	<b>Sub Total</b>	-	-
<b>2.</b>	<b>Others</b>		
a.	Bodies Corporate	1,242,152	10.12
b.	Indian Public	2,275,349	18.54
c.	NRIs/OCBs	938,465	7.65
d.	Clearing Members	164,754	1.34
	<b>Sub Total</b>	<b>4,629,510</b>	<b>37.72</b>
	<b>Grand Total</b>	<b>12,272,262</b>	<b>100.00</b>

17. Dematerialization of Shares and Liquidity

The shares of the Company fall under the category of compulsory traded in dematerialized mode and are available for trading in both the depository systems of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company is INE228I01012. Nearly 92.93% of total listed Equity Shares have been dematerialised as on March 31, 2015.

Details of Dematerialised Shares as at March 31, 2015

	No of shareholders	No of Shares	% of Capital
NSDL	3,210	9,428,634	76.83
CDSL	1,827	1,976,329	16.10
Physical Form	5	867,299	7.07
<b>Total</b>	<b>5,042</b>	<b>12,272,262</b>	<b>100.00</b>

18. Outstanding GDRs / ADRs /Warrants or any Convertible Instruments, conversion date and likely impact on Equity  
As on March 31, 2015, there are no outstanding GDRs/ ADRs / Warrants or any convertible instruments.

19. Plant Locations

**Pigment Blue Division**  
429-432, Village: Dhudwad,  
ECP Channel Road, Padra  
Vadodara, Gujarat – 391 450.

20. Address for correspondence

**At Company**

Asahi Songwon Colors Limited  
"Asahi House" 13, Aaryans Corporate Park  
Nr. Shilaj Railway Crossing, Thaltej – Shilaj Road, Thaltej  
Ahmedabad – 380 059, Gujarat  
Tel: (079) 39825000, Fax: (079) 39825100  
www.asahisongwon.com  
CIN: L24222GJ1990PLC014789  
Email: cs@asahisongwon.com

**At Registrar and Transfer Agent**

Link Intime India Private Limited  
303, Shoppers Plaza V, Opp. Municipal Market  
Off. C. G. Road, Navrangpura, Ahmedabad - 380009  
Tel: (079) 26465179  
Fax:(079) 26465179  
Email: ahmedabad@linkintime.co.in

For and on behalf of the Board of Directors

Place: Ahmedabad  
Date: August 12, 2015

**MRS. PARU M. JAYKRISHNA**  
Chairperson & Managing Director  
DIN No. 00671721

## DECLARATION ON CODE OF CONDUCT

To the Members of  
Asahi Songwon Colors Ltd.

In accordance with Clause 49(III)(E) of the Listing Agreement with the Stock Exchanges, We hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the financial year ended March 31, 2015.

For and on behalf of the Board of Directors

Place: Ahmedabad  
Date: August 12, 2015

**MRS. PARU M. JAYKRISHNA**  
*Chairperson & Managing Director*  
DIN No. 00671721

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
Asahi Songwon Colors Limited

We have examined the compliance of conditions of corporate governance by Asahi Songwon Colors Limited for the year ended 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

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

For, Trushit Chokshi and Associates  
*Chartered Accountants*  
Firm Registration No: 111072W

Place: Ahmedabad  
Date: August 12, 2015

**Trushit Chokshi**  
*Proprietor*  
Membership No.: 040847





# **FINANCIAL** SECTION

## Independent Auditors' Report

To  
the Members of  
Asahi Songwon Colors Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Asahi Songwon Colors Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Companies Act, 2013, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash

Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending

litigations on its financial position in its financial statements.

- (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, Trushit Chokshi and Associates  
*Chartered Accountants*  
Firm Registration No.: 111072W

Trushit Chokshi  
*Proprietor*

Place: Ahmedabad  
Date: 12/08/2015

Membership No.: 040847

## Annexure to Independent Auditors' Report

Referred to in paragraph 1 of the Auditors' Report of even date to the members of Asahi Songwon Colors Limited on the financial statements as at and for the year ended 31st March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets, according to the practice of the company, are physically verified by the management at reasonable intervals, in phased verification programme, which in our opinion, is reasonable looking to the size of the Company and the nature of its business. As explained to us, on such physical verification of fixed assets, no major discrepancies have been noticed.
2. (a) During the year, the inventories have been physically verified, by the Management at regular intervals, except for the stock lying with the outside parties, which have, however, been confirmed by them. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and

explanations given to us, the procedure of the physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the company and the nature of its business.

- (c) On the basis of our examination of records of the inventories, we are of the opinion that, the Company has maintained proper records of inventories. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.
3. As per the information and explanations given to us, the Company has not granted any loans, secured or unsecured loans to Companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
  4. In our opinion and as per the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regards to purchase of inventory and fixed assets and sale of goods and services. During the course of our audit, no major weaknesses in the internal control system have been noticed and there is no continuing failure in the same.

5. According to the information and explanations given to us, as the company has not accepted any deposits from the public, Therefore the provision of clause(v) of paragraph 3 of the CARO 2015 are not applicable to the Company.
6. According to the information and explanation provided for the provisions of clause 3(vi) of the Order are not applicable to the company as the company is not covered by the Companies (Cost Records and Audit) Rules, 2014. The company does maintain cost records in accounting system as per financial data, however the detailed examination has not been made to determine whether they are sufficient accurate or correct.
7. (a) In our opinion and as per the information and explanations given to us, the Company is generally regular in depositing

undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Value added Tax, custom duty, excise duty, Investor Education and Protection Fund and cess and other statutory dues, if any, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty / Cess were in arrears, as at 31st March, 2015 for a period of more than six months from the date of they become payable.

- (b) The disputed dues on account of income tax, which have remained unpaid as on 31.03.2015 are as follows:

Name of the Statute	Nature of Dues	Amount of Demand net of Deposits	Year to Which Amount Relates	Forum where Dispute is Pending
Income Tax Act, 1961	Income Tax	554,840	2001-2002	The said Demand is outstanding because of non disposal of the application filed u/s 154
Income Tax Act, 1961	Income Tax	1,344,550	2002-2003	Income Tax Appellate Tribunal Ahmedabad
Income Tax Act, 1961	Income Tax	2,755,672	2004-2005	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	151,555	2006-2007	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	953,530	2008-2009	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	793,947	2009-2010	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax	16,470	2010-2011	Income Tax Appellate Tribunal Ahmedabad
Income Tax Act, 1961	Income Tax	272,520	2011-2012	Income Tax Appellate Tribunal Ahmedabad

- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

8. The Company neither has any accumulated losses at the end of the financial year as at 31st March 2015, nor has it incurred any cash losses in the current financial year ended on that date and in the immediately preceding financial year.
9. In our opinion and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks and Financial Institutions and debenture holders.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us and based on the verification the company has availed disbursement of sanctioned Term Loan and have been applied for the purposes for which they were raised.

12. According to the information and explanations given to us and to the best of our knowledge and belief, no fraud on or by Company was noticed or reported in the course of our audit during the year.

For, Trushit Chokshi and Associates  
Chartered Accountants  
Firm Registration No: 111072W

Place: Ahmedabad  
Date: 12/08/2015

Trushit Chokshi  
Proprietor  
Membership No.: 040847

## Balance Sheet as at 31st March, 2015

(Amount in ₹)

Particulars	Notes	As at March 31, 2015	As at March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital	2	122,722,620	122,722,620
(b) Reserves and surplus	3	1,057,068,127	1,175,894,643
		<b>1,179,790,747</b>	<b>1,298,617,263</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	34,488,023	88,631,800
(b) Deferred tax liabilities (Net)	5	161,756,457	189,528,859
(c) Long-term Provisions	6	6,981,222	8,318,696
		<b>203,225,702</b>	<b>286,479,355</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	392,661,632	618,975,707
(b) Trade payables	8	215,430,904	398,347,681
(c) Other current liabilities	9	70,631,106	119,256,793
(d) Short-term provisions	10	61,165,243	60,863,472
		<b>739,888,885</b>	<b>1,197,443,653</b>
<b>TOTAL</b>		<b>2,122,905,334</b>	<b>2,782,540,271</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		944,657,298	1,224,635,005
(ii) Intangible assets		–	–
(iii) Capital work-in-progress		8,128,775	69,880,852
(iv) Intangible assets under development		–	2,126,180
(b) Non-current investments	12	178,532,613	159,282,788
(c) Long-term loans and advances	13	12,593,116	16,508,555
(d) Other non-current assets	14	310,079	1,628,129
		<b>1,144,221,881</b>	<b>1,474,061,509</b>
<b>2 Current assets</b>			
(a) Inventories	15	288,421,633	320,223,740
(b) Trade receivables	16	426,941,044	679,510,778
(c) Cash and cash equivalents	17	27,040,833	23,104,450
(d) Short-term loans and advances	18	234,534,201	283,315,725
(e) Other current assets	19	1,745,742	2,324,069
		<b>978,683,453</b>	<b>1,308,478,762</b>
<b>TOTAL</b>		<b>2,122,905,334</b>	<b>2,782,540,271</b>
Significant Accounting Policies	1		
The accompanying notes are an integral part of financial statements	2 to 45		

As per our Report of even date attached.

For and on behalf of Board of Directors

For, Trushit Chokshi & Associates  
Chartered Accountants  
Firm Registration No. 111072W

Mrs. Paru M. Jaykrishna  
Chairperson & Managing Director  
DIN No. 00671721

Gokul M. Jaykrishna  
Joint Managing Director  
DIN No. 00671652

Munjal M. Jaykrishna  
Joint Managing Director  
DIN No. 00671693

Trushit Chokshi  
(Proprietor)  
Membership No. 040847  
Place: Ahmedabad  
Date: 12/08/2015

Chandravadan R. Raval      Saji V. Joseph  
General Manager (Accounts)      Company Secretary  
& CFO

## Statement of Profit & Loss for the year ended 31st March, 2015

(Amount in ₹)

Sr. No.	Particulars	Notes	Year ended March 31, 2015	Year ended March 31, 2014
I.	Revenue from operations	20	2,395,343,688	3,020,099,204
II.	Other income	21	9,317,609	6,356,975
III.	<b>Total Revenue</b>		<b>2,404,661,297</b>	<b>3,026,456,179</b>
IV.	<b>Expenses:</b>			
	Cost of Materials consumed	22	1,447,700,057	1,930,198,592
	Purchases of Stock-in-Trade	23	–	30,688,400
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(66,081,812)	(42,763,888)
	Employee benefits expense	25	81,951,482	93,760,793
	Finance costs	26	47,818,101	62,676,384
	Depreciation and amortization expense	27	60,659,812	67,316,687
	Other Expenses	28	572,991,348	621,439,645
	<b>Total expenses</b>		<b>2,145,038,988</b>	<b>2,763,316,613</b>
V.	<b>Profit before extraordinary items, prior period items and tax expenses</b>		<b>259,622,309</b>	<b>263,139,566</b>
	Prior period adjustments (Expenses) / Income		3,855,000	–
VI.	<b>Profit before extraordinary items and tax expenses</b>		<b>263,477,309</b>	<b>263,139,566</b>
	Extraordinary items		–	22,742,810
VII.	<b>Profit before tax expenses</b>		<b>263,477,309</b>	<b>240,396,756</b>
VIII.	<b>Tax expense:</b>			
	(1) Current tax		80,609,578	32,705,880
	(2) Deferred tax		5,917,060	61,816,209
IX.	<b>Profit after tax</b>		<b>176,950,671</b>	<b>145,874,667</b>
X.	<b>Earnings per equity share: ( face value of ₹10/- per share )</b>	29		
	Basic and diluted (before extraordinary item) Earning per Share ₹		14.42	13.74
	Basic and diluted (after extraordinary Items) Earning per Share ₹		14.42	11.89
	Significant Accounting Policies	1		
	The accompanying notes are an integral part of financial statements	2 to 45		

As per our Report of even date attached.

For and on behalf of Board of Directors

For, Trushit Chokshi & Associates  
Chartered Accountants  
Firm Registration No. 111072W

Mrs. Paru M. Jaykrishna  
Chairperson & Managing Director  
DIN No. 00671721

Gokul M. Jaykrishna  
Joint Managing Director  
DIN No. 00671652

Munjal M. Jaykrishna  
Joint Managing Director  
DIN No. 00671693

Trushit Chokshi  
(Proprietor)  
Membership No. 040847  
Place: Ahmedabad  
Date: 12/08/2015

Chandravadan R. Raval      Saji V. Joseph  
General Manager (Accounts)      Company Secretary  
& CFO

## Cash Flow Statement for the year ended 31st March, 2015

(Amount in ₹)

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit Before Tax		263,477,309		240,396,756
Add: Depreciation and Amortisation Expenses	60,659,812		67,316,687	
Finance Cost	47,818,101		62,676,384	
Miscellaneous Expenditure written off	1,318,050		1,781,748	
Less: Interest Received	(3,373,187)		(2,633,989)	
Profit / loss from sale of Current Investment	2,644,730		85,855	
Dividend Income	(1,294,280)	107,773,226	(632,257)	128,594,428
<b>Operating Profit Before Working Capital Changes</b>		<b>371,250,535</b>		<b>368,991,184</b>
<b>Working Capital Changes</b>				
(Increase)/Decrease Trade & Other receivables	117,239,821		(194,147,587)	
(Increase)/Decrease Inventories	(70,444,401)		(81,812,721)	
Increase/ (Decrease) Trade & other payables	(45,745,433)		138,918,068	
Changes in Loans and Advances	(60,620,393)	(59,570,406)	22,366,816	(114,675,424)
<b>Cash Generated from Operating Activities</b>		<b>311,680,129</b>		<b>254,315,760</b>
Direct taxes paid	(61,655,310)		(49,556,786)	
		(61,655,310)		(49,556,786)
<b>Net Cash from Operating Activities</b>		<b>250,024,819</b>		<b>204,758,974</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(67,915,628)		(173,961,157)	
Proceeds from sale of Fixed Assets	–		4,100,936	
Purchase of Current Investments	(103,851,291)		(56,850,000)	
Sale of Current Investments	81,956,736		40,086,420	
Margin money deposit (placed) / matured	(2,500,000)		(6,700,000)	
Interest and Other Income	4,667,467		3,266,246	
		(87,642,716)		(190,057,555)
<b>Net Cash (used in) Investing Activities</b>		<b>(87,642,716)</b>		<b>(190,057,555)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long term borrowings	30,604,479		91,827,631	
(Repayment) of Long term borrowings	(69,183,170)		(112,051,269)	
Availment/(Repayment) Short term borrowings	(41,884,693)		116,172,675	
Payment of Dividend (including Dividend Distribution Tax)	(30,905,450)		(50,252,765)	
Interest Paid	(47,818,101)	(159,186,935)	(62,676,384)	(16,980,112)
<b>Net Cash from / (used in) Financing Activities</b>		<b>(159,186,935)</b>		<b>(16,980,112)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>3,195,168</b>		<b>(2,278,693)</b>
<b>Cash and cash equivalent at the beginning of the year</b>		<b>7,404,450</b>		<b>9,683,143</b>
Less: Transferred pursuant to scheme of arrangement (Refer note No. 41)		1,758,785		–
		5,645,665		9,683,143
<b>Cash and cash equivalent at the end of the year</b>		<b>8,840,833</b>		<b>7,404,450</b>

## Cash Flow Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
<b>Notes to Cash Flow Statement:</b>		
1. Reconciliation of cash and cash equivalent with the Balance Sheet		
Cash and cash equivalent as per balance Sheet: (refer Note - 17)	27,040,833	23,104,450
Less: Margin money not considered as cash and cash equivalents as defined in AS 3 "Cash Flow Statement"	18,200,000	15,700,000
	<b>8,840,833</b>	<b>7,404,450</b>
2. Components of cash and cash equivalents:		
Cash on hand	727,224	739,763
In current accounts	3,144,011	1,712,658
In unclaimed dividend accounts	593,637	576,068
In deposit accounts	4,375,961	4,375,961
	<b>8,840,833</b>	<b>7,404,450</b>

- Previous year figures have been regrouped wherever necessary, to confirm to this year's classification.
- The cash flow statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statement' issued by Institute of Chartered Accountants of India.
- The figures of current year are not comparable with the previous years figures, pursuant to the scheme of arrangement sanctioned by the Hon'ble High Court of Gujarat in the nature of demerger of CPC Green Division of the Company transferred to AksharChem (India) Limited on the appointed date i.e. April 01, 2014. All the Assets and liabilities are transferred to AksharChem (India) Ltd. on that date. (Refer to Note No.- 41).

As per our Report of even date attached.

For and on behalf of Board of Directors

For, Trushit Chokshi & Associates  
Chartered Accountants  
Firm Registration No. 111072W

Mrs. Paru M. Jaykrishna  
Chairperson & Managing Director  
DIN No. 00671721

Gokul M. Jaykrishna  
Joint Managing Director  
DIN No. 00671652

Munjal M. Jaykrishna  
Joint Managing Director  
DIN No. 00671693

Trushit Chokshi  
(Proprietor)  
Membership No. 040847  
Place: Ahmedabad  
Date: 12/08/2015

Chandravadan R. Raval      Saji V. Joseph  
General Manager (Accounts)      Company Secretary  
& CFO



# Notes Forming Part of Financial Statements

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Disclosure of Accounting Policies

#### a. Nature of operation

Asahi Songwon Colors Limited ("The Company") is a public limited company incorporated under the Companies Act, 1956. The Company is currently engaged in the business of manufacturing and export of color pigments. The company's equity shares are listed at BSE Limited and National Stock Exchange of India Ltd.

#### b. Basic Preparation of Financial Statements

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

#### c. Use of Estimates

The preparation of financial statements in conformity with the Indian GAAP requires management to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

#### d. Current and non-current classification

All assets and liabilities have been classified as current and non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of the activities, the Company has determined its operating cycle as 12 Months for the purpose current and non-current classification of assets and liabilities.

### 1.2 Valuation of Inventories

a. Stock of Raw material, are valued at lower of the cost on FIFO basis including incidental expenses to bring the inventories to their present location and condition and estimated net realizable value after providing for cost of obsolescence and other anticipated losses, wherever considered necessary.

b. Packing Materials and Stores & Spares are valued at cost on FIFO basis.

c. Stock of Finished goods and work in process include cost, cost of conversion and other cost incurred in bringing the inventories to their present location and condition; and market realizable value whichever is lower. Trading goods are valued at cost on FIFO basis or market value whichever is lower. By products are valued at net realizable value.

d. The Company is mainly engaged in the export business, the closing stock at the year end is generally exported in the next year. Exports are being exempted from excise duty, Hence no provision for excise duty has been made in Statement of Profit & Loss and Finished goods are valued without adding therein excise duty. However the said liability if accounted would have no effect on the profit for the year.

### 1.3 Cash Flow Statements

The Cash Flow Statements are reported using "Indirect method". The cash flow from operating, investing and financing activities of the Company are segregated.

Cash and Cash Equivalents comprises of Cash at Bank, Cash on Hand, Current and other accounts held with Banks.

### 1.4 Contingencies and Event Occurring after the Balance Sheet Date

a. Disclosure of contingencies as required by the accounting standard are furnished to the Notes on Financial Statements.

b. Assets and Liabilities are adjusted for events occurring after the balance sheet date that provide additional evidence to assist the estimation of amounts relating to conditions existing at the balance sheet date.

c. Dividends, which are proposed/declared by the Company after the Balance Sheet date but before the approval of the financial statements are adjusted.

### 1.5 Net Profit or Loss for the period, Prior Period items and Changes in accounting Policies

Significant items or Extra-ordinary items and Prior Period Incomes and Expenditures are shown separately in the Statement of Profit and Loss.

### 1.6 Depreciation

a. Depreciation on tangible assets has been provided on Straight Line bases, over the useful lives of the assets as prescribed in Schedule - II of the Companies Act. 2013.

# Notes Forming Part of Financial Statements

## 1. SIGNIFICANT ACCOUNTING POLICIES (contd...)

- b. Depreciation on additions / deductions in respect of fixed assets are charged on pro-rata from / up to date on which asset is available for use / disposal.
- c. In respect of Individual assets costing less than ₹5000/- are depreciated fully in the year / period of the purchase.
- d. Assets identified and evaluated technically as obsolete and held for disposal are stated at their estimated net realizable values.

### 1.7 Revenue Recognition

- a. Revenue from sale of goods are recognized when goods are supplied and are recorded net of trade discounts, rebates and VAT but include, wherever applicable, excise duties, export incentives such as Duty Drawbacks and premiums on sale of Import Licenses.
- b. Export benefits / incentives are accounted on accrual basis. Accordingly, estimated export benefits against exports affected during the year are taken into account as estimated incentives accrued till the end of the year. In case of License not revalidated after the date of expiry, the proportionate export benefit / incentive taken credit in earlier year(s) is written off in the year of expiry of License and /or changes made by the Central Government during the year in the rate of tariff of Import Duty.
- c. Revenue from services rendered are booked based on agreements/ arrangements with the concerned parties.
- d. Income from investments are booked on accrual basis inclusive of Tax deducted at source.
- e. Dividends from Investments is recognized when the payment is established.

### 1.8 Accounting of Tangible and Intangible Assets

- a. Tangible assets are stated at original cost of acquisition or construction /erection, less accumulated depreciation / amortization. Cost of acquisition or construction is inclusive of purchase price, freight, and other incidental expenses related to acquisition and installation and exclusive of VAT, Excise Duty etc. credit availed as per prevailing rules thereof and any directly attributable cost of bringing the asset to its working condition for the intended use. Interest incurred during the period of erection of Tangible Assets on Borrowing Finance for such fixed assets is capitalized.
- b. Tangible Assets which are not ready for their intended use on reporting date are carried as capital work-in progress at cost, comprising direct cost and other incidental expenses. Depreciation is not provided on such work-in -progress.

### 1.9 The Effects of Changes in Foreign Exchange Rates

- a. Foreign Currency loans in respect of tangible assets are translated at exchange rate prevalent on the last day of accounting year. Any loss or gain arising due to foreign exchange fluctuation of the foreign currency loan of fixed assets outstanding on the last day of the year is charged to Statement of Profit & Loss for the same year.
- b. Current assets and liabilities in foreign currency outstanding at the last day of the accounting year are valued at exchange rate prevalent at the last day of the accounting year. The loss or gain due to fluctuation of exchange rates is charged to Statement of Profit & Loss. Treatment of Forward Contract Transactions are dealt with as per AS – 11.

### 1.10 Accounting for Government Grants

Government grants are recognized when there is reasonable assurance that the same will be received. Government grants relating to revenue are recognized on accrual and are shown under other income. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets and other Capital grants are treated as Capital Reserve.

### 1.11 Accounting for Investments

Investments those are already realizable and intended to be held for more then a year from the date on which such investments are made, are classified as Current Investments. All other Investments are classified as Long-term Investments.

Current investments are carried at lower cost or fair value. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is permanent in the opinion of the management.

### 1.12 Employee Benefits

- a. Defined Contribution Plan  
Provident Fund and Employee State Insurance Scheme are defined contribution Scheme and the contribution are charged to Statement of Profit and Loss of the year when the contributions to the respective funds are due.
- b. Defined Benefit Plan  
Gratuity liability for eligible employees is defined benefit obligation and are provided for on the basis of an actuarial valuation at the end of the each financial year.

### 1.13 Borrowing Costs

Borrowing cost that is attributable to the acquisition or construction of qualifying assets are capitalized for the period until the asset is ready for its intended use. All other borrowing costs are charged to revenue.

# Notes Forming Part of Financial Statements

## 1. SIGNIFICANT ACCOUNTING POLICIES (contd...)

### 1.14 Segment Reporting

The Company has only one main reportable segment i.e. Pigments.

### 1.15 Related Party Disclosures

Transactions with Key Managerial Personnel and Related Parties as defined under Accounting Standard, other than Independent Non- Executive Directors is disclosed as "Related Party Transactions" in the Notes to Financial Statements.

### 1.16 Accounting for Leases

All leases are classified into operating and finance lease at the inception of the lease. Leases that transfer substantially all risks and rewards from leaser to lessees are classified as finance lease and others being classified as operating lease.

There are no any finance or operating lease transactions entered into by the company.

### 1.17 Earning Per Share

The Basic and Diluted Earnings Per Share (EPS) is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

### 1.18 Accounting for Taxes on Income

Tax expenses comprises of current tax and deferred tax

- a. Current tax is determined as the amount of tax payable to the taxation authorities in respect of taxable income for the period.
- b. Deferred tax is recognized, subject to the consideration of prudence, on timing difference being differences between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods.
- c. MAT credit entitlements are treated as advance payment of tax.

### 1.19 Discontinuing Operations

The Company has not discontinued any operations during the year.

### 1.20 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment losses, if any.

### 1.21 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the Statement of profit and loss.

### 1.22 Provisions, Contingent Liabilities and Contingent Assets

- a. The provisions are recognized and measured by using a substantial degree of estimation.
- b. Contingent Liabilities  
Disputed liabilities and claims against the Company including claims raised by the authorities (e.g. Commercial Tax, Value Added Tax, Income Tax, Excise etc.) pending in appeal / Court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in Notes forming part of Financial Statements.
- c. Contingent Assets are neither accounted nor disclosed by was of Notes to financial statements.

### 1.23 Accounting of Derivative Financial Instruments

Presently, the Company is not engaged in Derivative Financial Instruments. However, for derivative contracts, premium paid and gains/losses on settlement will be charged to Statement of Profit and Loss. Losses arising on the restatement of the outstanding derivative contracts as at the year end by marking them to market will be charged to the Statement of Profit and Loss.

### 1.24 Expenses for Corporate Social Responsibility

In case of Corporate Social Responsibility "CSR" activities undertaken by the Company, if any expenditure of the revenue nature is incurred on any of the activities mentioned in Schedule VII of the Companies Act, 2013, the same is charged to it's Statement of Profit and Loss. In case, the expenditure incurred by the Company is of such a nature which gives rise to an asset, such an asset is recognized where the company retains the control of the asset and any future economic benefit occurs to it. A liability incurred by entering into a contractual obligation is recognized to the extent to which CSR activity is completed during the year.

## Notes Forming Part of Financial Statements

### 2. SHARE CAPITAL

(Amount in ₹)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
<b>a. Authorised Shares #</b>		
16,500,000 (Previous Year 20,000,000) Equity Shares of ₹10 each *	165,000,000	200,000,000
<b>b. Issued, Subscribed and Fully Paid up Shares</b>		
12,272,262 (Previous Year 12,272,262) Equity Shares of ₹10 each	122,722,620	122,722,620
<b>TOTAL</b>	<b>122,722,620</b>	<b>122,722,620</b>

# On the Scheme of Arrangement sanctioned by Hon'ble High Court of Gujarat in the nature of demerger and transfer of CPC Green Division from the Company to AksharChem (India) Limited became effective from December 2, 2014, on filing the certified true copy of the order with Registrar of Companies, Gujarat, the Authorised Share Capital of the Company amounting to ₹35,000,000/- has been transferred to AksharChem (India) Limited. Accordingly Authorised Share Capital of the Company has automatically reduced from ₹200,000,000/- to ₹165,000,000/-.

#### c. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
At the beginning of the period	12,272,262	122,722,620	12,272,262	122,722,620
Add: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Add: Other movements during the year	-	-	-	-
Outstanding at the end of the period	12,272,262	122,722,620	12,272,262	122,722,620

#### d. Terms / rights attached to Equity Shares

The Company has issued only one class of equity shares having a par value of ₹10 per share. Each holder of Equity Shares are entitled to one vote per share. The Company declares dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after the payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at	As at
	March 31, 2015	March 31, 2014
<b>e. Shares held by holding / ultimate holding company / or their subsidiaries / associates</b>	-	-

#### f. Details of shares in the Company held by each shareholder holding more than 5 percent shares.

Name of the shareholder	As at March 31, 2015		As at March 31, 2014	
	No of Equity Shares	% of holding in the class	No of Equity Shares	% of holding in the class
Mrs. Paru M. Jaykrishna	4,632,054	37.74	4,632,054	37.74
Mr. Gokul M. Jaykrishna	1,505,049	12.27	1,505,049	12.27
Mr. Munjal M. Jaykrishna	1,505,049	12.27	1,505,049	12.27
DIC Corporation	865,200	7.05	865,200	7.05
Clariant Chemical (India) Ltd	718,600	5.86	718,600	5.86
<b>Total</b>	<b>9,225,952</b>	<b>75.19</b>	<b>9,225,952</b>	<b>75.19</b>

As per records of the company, including its register of members and other declarations received from them regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of the shares.

- g. 1. Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash: **NIL**
2. Aggregate number and class of shares allotted as fully paid by way of Bonus Shares : **NIL**
3. Aggregate number and class of shares bought back : **NIL**

## Notes Forming Part of Financial Statements

### 3. RESERVES AND SURPLUS

(Amount in ₹)

Particulars	As at	
	March 31, 2015	March 31, 2014
<b>a. Securities Premium Account</b>		
Balance at the beginning of the year	394,952,913	394,952,913
Transferred pursuant to scheme of arrangement #	244,236,213	–
Balance at the end of the year	<b>150,716,700</b>	<b>394,952,913</b>
<b>b. General Reserve</b>		
Balance at the beginning of the year	218,699,588	203,699,588
Add: Transfer from the Statement of Profit & Loss	15,000,000	15,000,000
Balance at the end of the year	<b>233,699,588</b>	<b>218,699,588</b>
<b>c. Surplus in Statement of Profit and Loss</b>		
Balance at the beginning of the year	562,242,142	481,620,240
Add: Profit for the year	176,950,671	145,874,667
<b>Less: Appropriations</b>		
Transfer to General Reserves	15,000,000	15,000,000
Final Dividend ₹3.50 (Previous year ₹3.50) per Equity Share	42,952,917	42,952,917
Tax on Dividend	8,588,057	7,299,848
Balance at the end of the year	<b>672,651,839</b>	<b>562,242,142</b>
<b>Total</b>	<b>1,057,068,127</b>	<b>1,175,894,643</b>

# Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Gujarat in the nature of demerger of CPC Green Division of the Company to AksharChem (India) Limited, on Scheme becoming effective and from the appointed date i.e. April 01, 2014, the Company has reduced from its Books the book value of assets and liabilities of CPC Green Division of the Company to AksharChem (India) Limited. The difference in the book value of assets and liabilities have been transferred entirely against the Securities Premium Account of the company as per the sanctioned scheme.

### 4. LONG TERM BORROWINGS \*

(Amount in ₹)

Particulars	Non-current portion		Current maturities	
	As at March	As at March	As at March	As at March
	31, 2015	31, 2014	31, 2015	31, 2014
<b>Secured Loans</b>				
<b>a. Term Loans</b>				
<b>Indian Rupees Loan</b>				
From State Bank of India	33,693,223	88,631,800	58,461,436	96,000,000
<b>b. Other Loans and Advances</b>				
Vehicle Loan	794,800	–	530,786	181,409
Amount disclosed under the head				
Other Current Liabilities (see Note: 9b)	–	–	(58,992,222)	(96,181,409)
<b>Total</b>	<b>34,488,023</b>	<b>88,631,800</b>	<b>–</b>	<b>–</b>

\* Term Loans of CPC Green Division of the Company outstanding as on April 1, 2014 of ₹30,454,262/- as non current portion and current maturity ₹22,118,602/- has been transferred as per the scheme of arrangement (Refer Note No. 41).

#### a. Secured loans are covered by:

Term Loans from State Bank of India (SBI) are secured by Equitable Mortgage of Land and Buildings and a first charge by way of hypothecation of the whole of the movable properties of the company including its movable plant & machinery, stores, tools & accessories, present & future and other movables save & except book debts & current assets.

## Notes Forming Part of Financial Statements

### 4. LONG TERM BORROWINGS \* (contd...)

Particulars of Balance and repayment schedules of the Term Loans

Particulars	As at 31st March, 2015	Amount of Quarterly Installments	Quarterly Installments for current maturity	Quarterly Installments payable within 12 Months	Total Nos of Quarterly Installments payable
<b>SBI Rupee Term loan</b>					
	Rupees	Rupees		Rupees	
Term Loan IV	63,164,430	13,990,359	4	55,961,436	See Note below
Corporate Term Loan*	28,990,229	2,500,000	1	2,500,000	
Term Loan IV	(159,631,800)	(17,750,000)	4	(71,000,000)	
MU Term Loan	(25,000,000)	(6,250,000)	4	(25,000,000)	

**Note:**

Note: Term Loan IV is repayable by 4 quarterly equal installments of ₹13,990,359/- and 5th for ₹7,202,994/- and Corporate Term Loan is for ₹60,000,000/- repayable in 8 quarterly equal installments of ₹2,500,000/- and 8 quarterly installments of ₹5,000,000/- (Previous year Term Loan IV was repayable by 8 quarterly equal installments of ₹17,750,000/- and 9th for ₹17,631,800/-, MU term loan was repayable within 4 quarterly installments of ₹6,250,000/-). \* Corporate Term Loan is sanctioned for ₹60,000,000/- and not fully disbursed as on March 31, 2015.

#### b. Repayment terms of Vehicle Loan

Vehicle loans are repayable in equal monthly installment over the terms of 28 installments

Vehicle loans are secured by hypothecation of concerned vehicles.

There was no default in repayment of loan or interest.

### 5. DEFERRED TAX LIABILITIES (NET)

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Deferred Tax Liabilities	167,400,663	195,962,963
b. Deferred Tax Assets	5,644,206	6,434,104
<b>Liabilities (Net)</b>	<b>161,756,457</b>	<b>189,528,859</b>

### 6. LONG-TERM PROVISIONS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Provisions for employees benefits		
Gratuity	6,981,222	8,318,696
<b>Total</b>	<b>6,981,222</b>	<b>8,318,696</b>

### 7. SHORT TERM BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Secured Loans **</b>		
Loans repayable on demand from bank		
From State Bank of India		
Working Capital Loans*	338,817,004	573,054,784
Buyers credit arrangement	53,844,628	45,920,923
<b>Total</b>	<b>392,661,632</b>	<b>618,975,707</b>

\* Working Capital Loans of CPC Green Division of the Company as on April 1, 2014 of ₹184,429,382/- has been transferred pursuant to the scheme of arrangement (Refer Note No. 41).

\*\*Secured loans are secured by hypothecation of raw materials, finished goods, stock in process and book debts, other current assets of the Company.

## Notes Forming Part of Financial Statements

### 8. TRADE PAYABLES

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Trade payable - Micro, Small and Medium Enterprises	5,282,707	46,629,715
b. Others	210,148,197	351,717,966
<b>Total</b>	<b>215,430,904</b>	<b>398,347,681</b>

(1) The following disclosure have been made on the information available with the Company, for suppliers who are registered as micro, small and medium enterprises under 'MSMED Act, 2006' as at March 31, 2015.

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each period:		
Principal	5,282,707	46,629,715
Interest	-	-
b. The amount of interest paid by the buyer in terms of Section - 16 of the MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during each period	-	-
c. The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
d. The amount of interest accrued and remaining unpaid at the end of the period.	-	-
e. The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
<b>Total</b>	<b>5,282,707</b>	<b>46,629,715</b>

(2) There are no Micro, Small & Medium Enterprises to whom the company has over dues, which are outstanding for more than 45 days as at March 31, 2015. This information is disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 which has been determined to the extent such parties have been identified on the basis of the information available with the company.

### 9. OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Unclaimed Dividends #	593,636	576,066
b. Current maturities of long term borrowings (See note: 4)	58,992,222	96,181,409
c. Others		
Advances from customers	45,473	26,077
Statutory liabilities	3,531,904	5,781,215
Payable for fixed assets	2,544,042	6,748,767
Other Current liabilities and payables	4,923,829	9,943,259
<b>Total</b>	<b>70,631,106</b>	<b>119,256,793</b>

# There is no amount due and outstanding to be transferred to the Investors Education and Protection Fund (IEPF) as on March 31, 2015. Unclaimed dividend if any shall be transferred to IEPF as and when they become due.

### 10. SHORT TERM PROVISIONS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Proposed Dividend	42,952,917	42,952,917
b. Tax on Dividend	8,588,057	7,299,848
c. Provision for employee benefits		
Gratuity	9,624,269	10,610,707
<b>Total</b>	<b>61,165,243</b>	<b>60,863,472</b>

# Notes Forming Part of Financial Statements

## 11. FIXED ASSETS (Amount in ₹)

Particulars	Gross Block					Depreciation and amortization expenses			Net Block		
	As at 01-04-2014	Additions	Transferred pursuant to scheme of arrangement*	Disposals / Capitalized	As at 31-03-2015	As at 01-04-2014	Depreciation for the year	Transferred pursuant to scheme of arrangement**	On disposals	As at 31-03-2015	As at 31-03-2014
<b>A</b>											
Tangible Assets											
Own Assets											
Freehold Land	69,742,423	-	30,541,457	-	39,200,966	-	-	-	-	39,200,966	69,742,423
Buildings	191,992,559	15,484,582	92,048,142	-	115,428,999	29,046,419	8,443,186	-	25,165,604	90,263,395	162,946,140
Plant & Machinery	1,246,986,683	94,627,320	265,588,202	-	1,076,025,801	290,557,020	65,135,992	-	279,078,299	796,947,502	956,429,663
Furniture and Fixtures	14,484,898	1,194,403	8,626,064	-	7,053,237	3,734,277	2,816,400	-	1,538,773	5,514,464	10,750,621
Office equipments	11,656,342	1,147,195	10,072,155	-	2,731,382	6,357,441	488,017	-	1,177,501	1,553,881	5,298,901
Vehicles	27,852,562	12,163,348	27,452,720	-	12,563,190	8,385,305	1,331,257	-	1,386,100	11,177,090	19,467,257
<b>Total</b>	<b>1,562,715,467</b>	<b>124,616,848</b>	<b>434,328,740</b>	-	<b>1,253,003,575</b>	<b>338,080,462</b>	<b>60,659,812</b>	<b>90,393,997</b>	-	<b>944,657,298</b>	<b>1,224,635,005</b>
Previous Year	1,291,063,710	277,987,754	-	6,335,997	1,562,715,467	272,826,320	67,316,687	-	2,062,545	1,224,635,005	1,018,237,390
<b>B</b>											
Intangible Assets											
Total	-	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-
<b>C</b>											
Capital Work in Progress	61,256,404	31,575,946	5,050,857	79,652,718	8,128,775	-	-	-	-	8,128,775	61,256,404
Pre Operative Expenses	8,624,448	11,151,093	-	19,775,541	-	-	-	-	-	-	8,624,448
<b>Total</b>	<b>69,880,852</b>	<b>42,727,039</b>	<b>5,050,857</b>	<b>99,428,259</b>	<b>8,128,775</b>	-	-	-	-	<b>8,128,775</b>	<b>69,880,852</b>
Previous Year	174,325,449	158,888,976	-	263,333,573	69,880,852	-	-	-	-	69,880,852	174,325,449
<b>D</b>											
Intangible Assets Under Development											
Software under development	2,126,180	-	2,126,180	-	-	-	-	-	-	-	2,126,180
<b>Total</b>	<b>2,126,180</b>	<b>-</b>	<b>2,126,180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,126,180</b>
Previous Year	1,708,180	418,000	-	-	2,126,180	-	-	-	-	2,126,180	1,708,180
<b>Grand -Total</b>	<b>1,634,722,499</b>	<b>167,343,887</b>	<b>441,505,777</b>	<b>99,428,259</b>	<b>1,261,132,350</b>	<b>338,080,462</b>	<b>60,659,812</b>	<b>90,393,997</b>	<b>-</b>	<b>952,786,073</b>	<b>1,296,642,037</b>

\* Pursuant to scheme of arrangement approved by Hon'ble High Court of Gujarat in the nature of demerger of CPC Green Division of the Company to AksharChem (India) Limited, all the total Block of assets and depreciation of CPC Green Division of the Company has been transferred to AksharChem (India) Limited on the appointed date i.e. April 01, 2014. (Refer Note No. 41)



## Notes Forming Part of Financial Statements

### 12. NON CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Investment in Equity Instruments (Other companies)</b>		
<b>Quoted - At Cost - Fully paid up</b>		
100,000 (Previous Year 5,000) Equity Shares of ₹2/- each of Bodal Chemicals Ltd	3,976,704	20,000
4,000 (Previous Year NIL) Equity Shares of ₹1/- each of Asian Paints Ltd.	2,467,862	–
7,000 (Previous Year Nil) Equity Shares of ₹2/- each of HDFC Bank Ltd.	5,906,591	–
70,000 (Previous Year NIL) Equity Shares of ₹10/- each of IDFC Ltd.	10,589,010	–
5,000 (Previous Year NIL) Equity Shares of ₹2/- each of Kaveri Seed Company Ltd.	3,777,248	–
20,180 (Previous Year NIL) Equity Shares of ₹1/- each of Patel Engineering Ltd.	2,576,486	–
10,000 (Previous Year NIL) Equity Shares of ₹1/- each of Pidilite Industries Ltd.	3,797,001	–
60,000 (Previous Year NIL) Equity Shares of ₹1/- each of Sonata Software Ltd.	5,227,057	–
65,000 (Previous Year NIL) Equity Shares of ₹10/- each of Sun Pharma Advance Research Company Ltd.	14,587,700	–
17,500 (Previous Year 17,500) Equity Shares of ₹10/- each of Eclerx Services Ltd.	12,297,142	12,297,142
5,000 (Previous Year 5,000) Equity Shares of ₹10/- each of Shriram Transport Finance Company Ltd.	2,729,906	2,729,906
10,155 (Previous Year 5,155) Equity Shares of ₹2/- each of Housing Development Finance Ltd.	8,374,170	3,434,740
20,000 (Previous Year NIL) Equity Shares of ₹10/- each of IRB Infrastructure Developers Ltd	4,610,133	–
10,000 (Previous Year NIL) Equity Shares of ₹2/- each of Gruh Finance Ltd.	2,488,491	–
21,500 (Previous Year NIL) Equity Shares of ₹10/- each of Dewan Housing Finance Corporation Ltd.	10,026,188	–
100,000 (Previous Year NIL) Equity Shares of ₹2/- each of Suzlon Energy Ltd	2,599,924	–
	<b>96,031,613</b>	<b>18,481,788</b>
<b>Unquoted - At Cost - Fully paid up</b>		
100 (Previous Year 100) Equity Shares of ₹10/- each of Akshar Silica Pvt Ltd	1,000	1,000
8,25,000 (Previous Year 1,408,000) Redeemable Preference Shares of Akshar Silica Pvt Ltd of ₹100/- each	82,500,000	140,800,000
	<b>82,501,000</b>	<b>140,801,000</b>
<b>Total</b>	<b>178,532,613</b>	<b>159,282,788</b>
Aggregate amount of quoted investments	96,031,613	18,481,788
Market Value of quoted investments	147,397,430	26,992,402
Aggregate amount of unquoted investments	82,501,000	140,801,000

### 13. LONG TERM LOANS AND ADVANCES (unsecured, considered good unless otherwise stated)

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Security Deposits	12,093,116	16,008,555
b. Advance Against Expenses	500,000	500,000
<b>Total</b>	<b>12,593,116</b>	<b>16,508,555</b>

### 14. OTHER NON CURRENT ASSETS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Miscellaneous Expenditure (to the extent not written off)	310,079	1,628,129
<b>Total</b>	<b>310,079</b>	<b>1,628,129</b>

## Notes Forming Part of Financial Statements

### 15. INVENTORIES (Valued at lower of cost or net realized value as taken, valued and certified by management) (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Raw materials	72,071,236	99,730,536
b. Raw materials - in Transit	20,874,012	2,148,448
c. Work in progress	9,896,514	46,552,587
d. Finished goods	163,119,492	141,884,303
e. Stores and spares	18,169,064	26,600,920
f. Fuel & Oil	4,291,315	3,306,946
<b>Total</b>	<b>288,421,633</b>	<b>320,223,740</b>

### 16. TRADE RECEIVABLES (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Trade receivable outstanding for a period less than six months unsecured, considered good.	418,602,489	676,935,629
b. Trade receivable outstanding for a period more than six months unsecured, considered good.	8,338,555	2,575,149
<b>Total</b>	<b>426,941,044</b>	<b>679,510,778</b>

### 17. CASH & CASH EQUIVALENTS (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>a. Cash and Cash Equivalents:</b>		
Balance with Banks in Current accounts	3,144,011	1,712,658
Deposits	4,375,961	4,375,961
Cash on hand	727,224	739,763
<b>b. Other Bank Balances</b>		
Unclaimed Dividend accounts	593,637	576,068
Term Deposits with Bank as Margin Money against Letters of Credit and Guarantees		
Maturity within 3 months	2,500,000	2,500,000
Maturity within 12 months	15,700,000	13,200,000
Maturity over 12 months	–	–
<b>Total</b>	<b>27,040,833</b>	<b>23,104,450</b>

### 18. SHORT TERM LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated) (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Loans and advances to Employees	269,459	910,138
b. Advances to Capital Goods Suppliers	12,146,645	19,789,195
c. Prepaid expenses	7,164,836	6,383,253
d. Balance with government authorities		
i) CENVAT credit receivables	37,422,123	68,532,499
ii) VAT - CST credit receivables	63,040,737	73,711,742
iii) Export Incentive Receivable	16,837,056	12,745,979
iv) Advance payment of tax (Net of Provisions)	78,318,202	97,139,901
e. Others - Advance to suppliers	13,335,143	4,103,018
f. Inter Corporate Deposits	6,000,000	–
<b>Total</b>	<b>234,534,201</b>	<b>283,315,725</b>

### 19. OTHER CURRENT ASSETS (Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Interest receivables on deposits	1,745,742	2,324,069
<b>Total</b>	<b>1,745,742</b>	<b>2,324,069</b>

## Notes Forming Part of Financial Statements

### 20. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
<b>Sale of Products</b>		
a. Export Sales	2,053,349,826	2,584,041,484
b. Domestic Sales	321,602,729	417,346,237
Less: Excise Duty	40,387,357	48,566,728
<b>Net Domestic Sales</b>	<b>281,215,372</b>	<b>368,779,509</b>
<b>Total Sale of Products</b>	<b>2,334,565,198</b>	<b>2,952,820,993</b>
c. Other operating revenues (Refer 1 below)	60,778,490	67,278,211
<b>Total</b>	<b>2,395,343,688</b>	<b>3,020,099,204</b>
1 Other Operating revenues		
Export incentives	39,002,524	39,426,115
Exchange Rate difference related to export sales	21,775,966	27,852,096
<b>Total - Other Operating revenues</b>	<b>60,778,490</b>	<b>67,278,211</b>

### 21. OTHER INCOME

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
a. Interest from Deposits	3,373,187	2,633,989
b. Dividend Income	1,294,280	632,257
c. Gain on Investment in Shares / Assets	272,714	–
d. Others	4,377,428	3,090,729
<b>Total</b>	<b>9,317,609</b>	<b>6,356,975</b>

### 22. COST OF MATERIALS CONSUMED

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
<b>a. Raw Materials</b>		
Opening Stock	65,504,672	56,704,492
Add: Purchases	1,418,888,358	1,923,868,250
	1,484,393,030	1,980,572,742
Less: Closing Stock	61,306,486	82,007,471
<b>Cost of Raw Material Consumed</b>	<b>1,423,086,544</b>	<b>1,898,565,271</b>
<b>b. Packing Material</b>		
Opening Stock	4,492,421	1,114,966
Add: Purchases	23,320,536	35,674,176
	27,812,957	36,789,142
Less: Closing Stock	3,199,444	5,155,821
<b>Cost of Packing Material Consumed</b>	<b>24,613,513</b>	<b>31,633,321</b>
<b>Cost of Total material consumed</b>	<b>1,447,700,057</b>	<b>1,930,198,592</b>

### 23. PURCHASE OF STOCK-IN-TRADE

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Pigments	–	30,688,400
<b>Total</b>	<b>–</b>	<b>30,688,400</b>

## Notes Forming Part of Financial Statements

### 24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
a. Inventories at the end of the year		
Finished goods	163,119,492	141,884,303
Work-in-progress	9,896,514	46,552,587
<b>Total</b>	<b>173,016,006</b>	<b>188,436,890</b>
Less:		
b. Inventories at the beginning of the year		
Finished goods	96,856,880	100,535,388
Work-in-progress	10,077,314	45,137,614
<b>Total</b>	<b>106,934,194</b>	<b>145,673,002</b>
Net (Increase) / decrease	(66,081,812)	(42,763,888)

### 25. EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
a. Salaries, Wages & Bonus	61,914,596	63,915,044
b. Contribution to Provident and other funds	3,001,205	4,467,058
c. Staff welfare expenses	2,475,552	2,105,918
d. Directors Remuneration including perquisites and commission	14,560,129	23,272,773
<b>Total</b>	<b>81,951,482</b>	<b>93,760,793</b>

### 26. FINANCE COSTS

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
a. Interest		
On long term borrowings *	2,510,278	5,344,589
On short term borrowings	36,048,964	42,709,595
b. Bank & Other Charges		
Bank Charges	9,258,859	12,882,911
Exchange rate differences	–	1,739,289
<b>Total</b>	<b>47,818,101</b>	<b>62,676,384</b>

\* Interest on long-term borrowings, ₹11,151,093/- (Previous year ₹20,237,578/-) is capitalised being the interest pertaining to the construction period.

### 27. DEPRECIATION AND AMORTIZATION EXPENSE

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Depreciation and amortization for the year on tangible assets	60,659,812	67,316,687
Depreciation and amortization for the year on intangible assets	–	–
Depreciation and amortization relating to continuing operations	60,659,812	67,316,687

## Notes Forming Part of Financial Statements

### 28. OTHER EXPENSES

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
<b>a. Manufacturing Expenses</b>		
Power and Fuel	279,408,005	310,690,991
Consumption of Stores and Spares parts	24,992,398	42,119,125
Pollution Treatment Expenses	68,258,826	63,301,747
Repairs to Machinery	22,377,349	12,200,517
Repairs to Building	1,753,688	1,322,917
Manufacturing & Labour Charges	60,337,971	70,871,588
	<b>457,128,237</b>	<b>500,506,885</b>
<b>b. Selling and Distribution Expenses</b>	<b>70,962,594</b>	<b>75,349,534</b>
<b>c. Establishment Expenses</b>		
Rent	4,258,192	3,280,694
Rates & Taxes (excluding taxes on income)	264,431	301,769
Insurance	3,642,282	4,648,507
Travelling, Conveyance & Vehicle Expenses	6,162,237	6,651,910
Directors Travelling Expenses	8,514,076	9,655,784
Stationery and Printing Expenses	1,033,722	1,347,588
Communication Expenses	2,144,418	3,186,780
Auditors Remuneration (Refer Note No. 32)	183,118	361,118
Internal Audit Fees	272,500	300,000
Directors Sitting Fees	19,500	23,000
Legal & Professional Expenses	9,737,905	8,472,219
General Charges	4,042,816	4,131,732
Other Repairs	313,826	628,466
Donation	76,000	417,111
Freight, Handling & Transportation Expenses	–	308,945
Miscellaneous expenses written off	1,318,050	1,781,748
Loss on sales of Assets, Investments	2,917,444	85,855
<b>Total</b>	<b>572,991,348</b>	<b>621,439,645</b>

### 29. EARNING PER SHARE

(Amount in ₹)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
Profit after tax and before extraordinary items	176,950,671	168,617,477
Profit after tax and extraordinary items	176,950,671	145,874,667
Weighted average number of Equity Shares used as Denominator for Calculating EPS	12,272,262	12,272,262
Basic and diluted (before extraordinary item) Earning per Share ₹	14.42	13.74
Basic and diluted (after Extraordinary Item) Earning per Share ₹	14.42	11.89

## Notes Forming Part of Financial Statements

### 30. CONTINGENT LIABILITIES AND COMMITMENTS

(Amount in ₹)

	March 31, 2015	March 31, 2014
1. Letter of Credit and Bank Guarantees issued by bankers and outstanding at the end of the year	83,939,833	115,963,265
2. Estimated amount of Contracts / purchase orders remaining to be executed and not provided for Capital goods / Capital work in progress	26,911,916	50,205,798
3. Bills discounted against Letter of Credit but not realized and credited to the parties accounts	–	3,360,140
4. In respect of Income Tax	6,843,084	8,715,081

Name of Statute:	Income Tax Act, 1961
Nature of the dues:	Income tax (A.Y. 2001-02 to 2011-12)
Forum where dispute is pending:	Commissioner of Income Tax (Appeal) /ITAT

### 31. SUNDRY DEBTORS, SUNDRY CREDITORS AND LOANS AND ADVANCES

The Company has received balance confirmations from major parties and for few exceptions, the management is in the opinion that the current assets, loans and advances have a value on realization in ordinary course of business at least equal to the amount at which they are stated.

### 32. PAYMENT TO AUDITORS

(Amount in ₹)

	March 31, 2015	March 31, 2014
For audit fees (Including tax audit fees)	115,618	290,618
For others (Certification work)	67,500	70,500
<b>Total</b>	<b>183,118</b>	<b>361,118</b>

### 33. IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS, SPARE PARTS CONSUMED

	March 31, 2015		March 31, 2014	
	Amount ₹	%	Amount ₹	%
<b>A Raw Materials</b>				
Imported	777,662,506	54.65	678,174,202	35.72
Indigenous	645,424,038	45.35	1,220,391,069	64.28
<b>Total</b>	<b>1,423,086,544</b>	<b>100.00</b>	<b>1,898,565,271</b>	<b>100.00</b>
<b>B Packing Materials</b>				
Imported	–	–	–	–
Indigenous	24,613,513	100.00	31,633,321	100.00
<b>Total</b>	<b>24,613,513</b>	<b>100.00</b>	<b>31,633,321</b>	<b>100.00</b>

### 34. FOREIGN CURRENCY TRANSACTIONS

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>a) Value of Imports on CIF Basis</b>		
Raw Materials	506,036,858	649,211,748
Capital Goods	229,902	3,781,606
<b>b) Expenditure in Foreign Currency</b>		
Purchase of Raw Materials	506,036,858	649,211,748
Capital Goods	229,902	3,781,606
Commission	2,395,628	4,316,787
Others	7,794,129	8,762,522

## Notes Forming Part of Financial Statements

### 34. FOREIGN CURRENCY TRANSACTIONS (contd...)

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
<b>c) Dividends remitted in Foreign Currency</b>		
1) Final Dividend		
Number of Non-Resident Shareholders	1	1
Number of Shares held by Non-Resident Shareholders	865,200	865,200
Amount of Dividend remitted in Rupees	3,028,200	3,028,200
Period to which dividend relates	2013-2014	2012-2013
<b>d) Earnings in Foreign Exchange</b>		
Export of Goods (FOB)	2,033,779,658	2,564,345,332
<b>e) Effect of Exchange Fluctuations including Forward Contracts:</b>		
Statement of Profit and Loss	39,002,524	27,852,096

### 35. EMPLOYEES BENEFITS

In compliance with the Accounting Standard on "Employee Benefits" (AS 15) (Revised 2005) notified by Companies (Accounting Standards) Rules, 2006, the following disclosures have been made:

#### 1. Defined Contribution Plan:

The Company has recognized the following amount as an expense:

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014
i) Contribution to Provident and Other Funds	2,985,433	4,108,634
ii) Contribution to Employee's State Insurance Corporation	15,772	358,424

#### 2. Defined Benefit Plan

The present value of gratuity and leave encashment obligations is determined based on actuarial valuation using the Projected Unit Credit Method as recommended under AS – 15.

I Assumption	April 2014 – March 2015
Discount Rate Previous Period	9.32%
Discount Rate Current Period	7.94%
Rate of Return on Plan Assets Previous Period	9.32%
Rate of Return on Plan Assets Current Period	7.94%
Salary Escalation Previous Period	6.00%
Salary Escalation Current Period	6.00%
II Table showing change in Benefit obligation	April 2014 – March 2015
Liability at the beginning of the Period	18,929,403
Interest Cost	1,763,247
Current Service Cost	883,906
Liability transferred in pursuant to the scheme of arrangement (Refer Note No. 41)	137,346
Liability transferred out pursuant to the scheme of arrangement (Refer note No. 41)	(13,096,152)
Benefit Paid	(203,078)
Actuarial (gain)/loss on obligations due to change in financial assumptions	1,023,366
Actuarial (gain)/loss on obligations due to experience	7,167,453
Liability at the end of the period	16,605,491

### 36. SEGMENT REPORTING

The Company has only one identified reportable business segment namely "Pigments" and does not fall under secondary segment for the purpose of Accounting Standard on "Segment Reporting" (AS 17) notified by Companies (Accounting Standards) Rules, 2006.

## Notes Forming Part of Financial Statements

### 37. RELATED PARTY DISCLOSURES

Related Party Disclosures as required by Accounting Standard 18 issued by Institute of Chartered Accountants of India are given below:

#### 1 Related Parties and Nature of Relationship

##### a) The Enterprises in which Key Managerial Personnel (KMP) and their relatives have significant influence:

AksharChem (India) Ltd  
Skyjet Aviation Pvt Ltd  
Skyways  
Asahi Energy Pvt Ltd  
Asahi Powertech Pvt Ltd  
Flyover Communication Pvt Ltd  
Akshar Silica Pvt. Ltd

##### b) Key Management Personnel:

Mrs. Paru M. Jaykrishna  
Mr. Gokul M. Jaykrishna  
Mr. Munjal M. Jaykrishna  
Mr. Saji V Joseph  
Mr. Chandravadan R. Raval

##### c) Relative of Key Managerial Personnel

Mr. Mrugesh Jaykrishna

#### 2 Details of Transactions

(Amount in ₹)

	March 31, 2015	March 31, 2014
a. Purchase of Goods		
AksharChem (India) Ltd	–	401,244
Sales of Goods	–	–
AksharChem (India) Ltd	19,623,878	–
b. Investment		
Akshar Silica Pvt Ltd. (Non cumulative Redeemable Preference Shares)	–	17,000,000
c. Rent Paid		
Skyways	193,000	231,800
d. Remuneration Paid	11,900,000	16,800,000
e. Commission	2,000,000	6,000,000
f. Perquisites	660,129	472,773
g. Provident Fund Contribution	1,224,000	2,016,000
h. Consultancy	180,000	240,000

### 38. ACCOUNTING FOR TAX ON INCOME

Provision for current tax is made under normal computation. Provision of Income Tax has been made in the accounts taking into consideration various concessions available and depreciation under the Income Tax Act 1961. MAT Credit entitlement has been treated as advance payment of Tax.

### 39. IMPAIRMENT OF ASSETS

No material impairment of Assets has been identified by the Company and as such no provision is required as per Accounting Standard 28 issued by The Institute of Chartered Accountants of India.

40. The figures of the previous period have been regrouped / reclassified, wherever necessary, so as to be in conformity with the figures of the current period's classification / disclosure.



## Notes Forming Part of Financial Statements

### 41. SCHEME OF ARRANGEMENT

- Pursuant to the Scheme of Arrangement ("the Scheme") under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 between AksharChem (India) Limited ("ACIL"), Asahi Songwon Colors Limited ("the Company") and their respective shareholders and creditors as approved by the Hon'ble High Court of Gujarat vide its certified order dated November 29, 2014, which became effective from December 2, 2014 on filing with Registrar of Companies, Gujarat and accordingly all assets and liabilities of the CPC Green Division (i.e. business and interests in manufacture of CPC Green Division) of the Company has been transferred to and vested in AksharChem (India) Limited at their respective book values on a going concern basis with effect from the appointed date (i.e. April 1, 2014). Accordingly, these financial statements do not include the financial statements of the said CPC Green Division of the Company for the period from 01.04.2014 to 31.03.2015.
- The whole of the assets and liabilities of the Green Division of the Company became the assets and liabilities of AksharChem (India) Ltd., and were transferred at their book values as appearing in the books of the Company with effect from the appointed date (i.e. 01-04-2014) pursuant to the scheme of arrangement. The details of the assets and liabilities transferred to AksharChem (India) Ltd. are as under:

(Amount in ₹)

<b>ASSETS</b>		
<b>Non-Current Assets</b>		
<b>Fixed Assets</b>		
Tangible Assets	343,934,743	
Intangible Assets in Progress	2,126,180	
Capital Work-in-Progress	5,050,857	
	<b>351,111,780</b>	
Deferred Tax Assets	5,845,488	
Long Term Loans and Advances	5,788,725	362,745,993
<b>Current Assets</b>		
Inventories	102,246,509	
Trade Receivables	135,310,930	
Cash & Bank Balance	1,758,785	
Short Term Loans & Advances	88,572,151	
Other Current Assets	713,108	328,601,483
<b>Total</b>		<b>691,347,476</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Long Term Borrowing	30,454,262	
Deferred Tax Liabilities	39,534,950	
Long Term Provisions	7,557,670	77,546,882
<b>Current Liabilities</b>		
Short Term Borrowing	184,429,382	
Trade Payable	125,124,017	
Other Current Liabilities	31,023,668	
Short Term Provisions	28,987,314	369,564,381
<b>Total</b>		<b>447,111,263</b>
Pursuant to the scheme, the difference between the book value of the assets and liabilities transferred to AsksharChem (India) Ltd., has been debited to securities premium account		244,236,213

## Notes Forming Part of Financial Statements

- 3 Upon the scheme being effective the Authorised Share Capital of the Company amounting to ₹35,000,000/- has been transferred to AksharChem (India) Limited and accordingly the Authorised Share Capital of the Company automatically stands reduced to the said extent as on the effective date without any further act or deed.
- 4 The transaction pertaining to the CPC Green Division of the Company from the appointed date up to the effective date of the Scheme of Arrangement has been deemed to be made by AksharChem (India) Limited.
- 5 The employees of the demerged undertaking have been transferred to AksharChem (India) Limited on their existing terms of employment with the Company.
- 6 All contingent liabilities relating to demerged undertaking has been transfer to AksharChem (India) Limited on the appointed date.
- 7 All loans, advances and other facilities sanctioned to the Company in relation to the CPC Green Division sanctioned by State Bank of India prior to the Appointed Date, which are partly drawn or utilized is transferred to AksharChem (India) Limited. Further, such loans, advance and other facilities utilized either partly or fully by the Company from the appointed date till the effective date of the CPC Green Division (within the overall limits sanctioned by State Bank of India) is on the effective date treated as loans, advances and other facilities made available by AksharChem (India) Limited without any further act or deed on the part of the Resulting Company.
- 8 Pursuant to the sanctioned scheme of arrangement, AksharChem (India) Limited (the resulting Company) without any further application or deed, issued and allotted 23,60,050 equity shares of ₹10/- each at par to the equity shareholders of the Company in the ratio of 5 (five) fully paid up Equity Shares of ₹10/- each of AksharChem (India) Limited (Resulting Company) has been issued and allotted for every 26 (twenty six) fully paid up Equity Shares of ₹10/- each held in the Company (Demerged Company) on the record date February 3, 2015.

### 42. DEPRECIATION

In accordance with the provisions of the Companies Act, 2013 effective from April 1, 2014. The Company has revised depreciation rate on fixed assets as per the useful life specified in part "C" of schedule II of the Act. As a result of this change, the depreciation charged during the year ended March, 2015 is higher by ₹31.23 Lacs.

43. Extra Ordinary Items shown in Profit and Loss ₹ Nil (Previous year ₹13,521,305/- represents unrealised export licenses written off, ₹10,077,181/- unrealised claims written off and ₹855,676/- excess depreciation written back).
44. The Prior Period Adjustments for ₹3,855,000/- pertains to the recovery of excess payment made as remuneration to Managing Directors of the Company during the Financial Year 2013-2014. (Previous year ₹ Nil).
45. The figures stated in the previous year are inclusive of figures of CPC Green Division of the Company which have been demerged with effect from the appointed date of the scheme (i.e. April 01, 2014) the accounting effect of which has been given and as such current year figures are not comparable with those of previous year figures.

As per our Report of even date attached.

*For and on behalf of Board of Directors*

For, Trushit Chokshi & Associates  
Chartered Accountants  
Firm Registration No. 111072W

Mrs. Paru M. Jaykrishna  
Chairperson & Managing Director  
DIN No. 00671721

Gokul M. Jaykrishna  
Joint Managing Director  
DIN No. 00671652

Munjal M. Jaykrishna  
Joint Managing Director  
DIN No. 00671693

Trushit Chokshi  
(Proprietor)  
Membership No. 040847  
Place: Ahmedabad  
Date: 12/08/2015

Chandravadan R. Raval      Saji V. Joseph  
General Manager (Accounts)      Company Secretary  
& CFO

# CORPORATE INFORMATION

## Board of Directors

Mrs. Paru M. Jaykrishna *Chairperson & Managing Director*

Mr. H. K. Khan

Mr. R. K. Sukhdevsinhji

Mr. Arvind Goenka

Mr. Gaurang N. Shah

Dr. Pradeep Jha

Mr. Gokul M. Jaykrishna *Joint Managing Director*

Mr. Munjal M. Jaykrishna *Joint Managing Director*

## Chief Financial Officer

Mr. Chandravadan R. Raval

## Company Secretary

Mr. Saji V. Joseph

## Auditors

Trushit Chokshi & Associates

## Bankers

State Bank of India

## Registered Office

167-168, Village Indrad,  
Kadi Kalol Road,  
Dist. Mehsana,  
Gujarat - 382 715 (India).  
CIN : L24222GJ1990PLC014789

## Works

Pigment Blue Division  
429-432 Village Dudhwada,  
ECP Channel Road,  
Taluka – Padra, District – Vadodara,  
Gujarat - 391 450 (India).



**ASAHI SONGWON COLORS LIMITED**

Registered Office

167/168, Indrad Village, Kadi Kalol Road, Dist. Mehsana, Gujarat - 382 715

Tel: +91 2764 2330 07/8/9/10

Email: [cs@asahisongwon.com](mailto:cs@asahisongwon.com)

[www.asahisongwon.com](http://www.asahisongwon.com)

CIN: L24222GJ1990PLC014789