

ANNUAL REPORT

&

ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2016

DEEPAK INDUSTRIES LIMITED

P. K. DAGA
Y. K. DAGA

CHAIRMAN-CUM-MANAGING DIRECTOR
VICE-CHAIRMAN-CUM-JOINT MANAGING DIRECTOR

S. CHAKRAVORTI
A. P. AGARWALLA
S. C. MOHTA
MEERA DOKANIA

DIRECTORS

V. D. MALL

COMPANY SECRETARY

SINGHI & CO.
Chartered Accountants

AUDITORS

STATE BANK OF INDIA
UCO BANK

BANKERS

Maheshwari Datamatics Pvt.Ltd
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Phone : 033-2243-5809; 2243-5029
Fax : 033-2248-4787
E-mail : mdpl@cal.vsnl.net.in
Website : www.mdpl.in

REGISTRAR & SHARE TRANSFER AGENTS

DEEPAK INDUSTRIES LIMITED
CIN No. L63022WB1954PLC021638

CORPORATE DETAILS

Registered Office :
16, Hare Street, 2nd Floor
Kolkata - 700 001
Phone : 033-2248-2391/2/3
Fax : 033-2248-9382
Website : www.dil-india.com
E-mail : secretary@dil-india.com

DEEPAK INDUSTRIES LIMITED

CIN : L63022WB1954PLC021638

Regd. Office : 16, Hare Street, Kolkata-700 001

Phone No.033-2248-2391/2/3 Fax No. 033-2243-9382

Website: www.dil-india.com Email: secretary@dil-india.com

NOTICE

Notice is hereby given that the 61st Annual General Meeting of the shareholders of the Deepak Industries Limited will be held at 16, Hare Street, 2nd Floor, Kolkata-700 001 on Thursday, the 29th September, 2016 at 2.00 P.M. to transact the following business:-

Ordinary Business :

1. To receive consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2016 and the statement of profit and loss for the year ended on that date together with the reports of the Board of Directors and Auditors of the Company thereon.
2. To confirm interim dividend @Rs.40/- per share paid to the shareholders of the Company.
3. To appoint a director in place of Shri Yashwant Kumar Daga (Holding DIN No.00040632) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Special Business :

5. To consider and if thought fit to pass the following resolution as an ordinary resolutions:
"RESOLVED THAT pursuant to Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013, M/s Salarpuria Jajodia & Co., Chartered Accountants,(Firm's Registration No.302111E) be and are hereby re-appointed as Branch Auditors to audit the Books of Accounts of Branches New Allenberry Works, at Kolkata, Faridabad, and Rudrapur of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company in consultation with the said Auditors.
6. To consider and if thought fit to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to section 148(3) and all other provisions of the Companies Act, 2013 and read with rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration of the Cost Auditors M/s. SPK Associates, Cost Accountants, Kolkata (Firm's Registration No. 000040) for conducting the audit of the cost records of the company for the year 2015-16 determined by the Board of Directors of the Company at ₹ 50,000/- (apart from service tax including cess as applicable and out of pocket expenses) be and is hereby approved and ratified."

7. To consider and if thought fit to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 ("Act, 2013) (including any statutory modifications(s) or re-enactment thereof for the time being in force), the rules framed thereunder and the policy for Related Party Transaction and as approved by the Audit Committee and Board of Directors, and subject to any other approvals, if any, approval of the Company be and is hereby accorded to sell the 5 MW Solar power plant/ unit situated at Madhya Pradesh at a price not less than ₹ 20.00 crores to Deepak Spinners Limited, a related party of the Company in terms of section 2(76) of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the directors and also the Company Secretary of the Company, be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution".

8. **Appointment of Smt. Meera Dokania as an Independent Director of the Company.**

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution :

"Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder, read with Schedule

IV of the Act, as amended from time to time, and the Listing Regulations, Smt. Meera Dokania (DIN : 07094376), a Director of the Company, who has submitted a declaration that she meets the criteria of independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years from 29th September 2016 to 28th September 2021.

By Order of the Board

Place: Kolkata
Date : 10th August, 2016.

V D MALL
Company Secretary

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A person holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person can not act a proxy for any person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- The Register of Members and the Share Transfer books of the Company will remain closed from 23/09/2016 to 29/09/2016 (date of AGM) (both days inclusive) for annual closing.
- Company has appointed M/S Maheshwari Datamatics Private Limited, 6, Mangoe Lane,

2nd Floor, Kolkata – 700 001, as its Registrar and Transfer Agents (RTA) for both physical and demat segment of equity shares. Members are requested to send all their correspondence at the above address of RTA. For any communication, the shareholders may also send requests to email ids: mdpldc@yahoo.com and secretary@dil-india.com.

- Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send relevant share certificates to the above referred Registrar for doing the needful.
- Members are requested to notify change in address, if any, immediately to the above referred Registrar quoting their Folio numbers.
- To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- In terms of circulars issued by The Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of Permanent Account Number Card (PAN Card) to the company or its Registrars and Transfer Agents in cases of Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN Card for all the above mentioned transactions.
- Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- Electronic copy of the Annual Report for 2015-16 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 physical copy of the same. For members who have not registered their email addresses, physical copies

of the Annual Report for 2014-2015 is being sent in the permitted mode.

11. In future, Electronic copy of the Notice of the General Meetings of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form will be 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 physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
12. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website www.dil-india.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.
13. Documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 5.00 pm) on all working days except Saturdays up to and including the date of the Annual General Meeting of the Company.
14. Institutional Members/Bodies Corporate (i.e other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution /Attorney letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at secretary@dil-india.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 28/09/2016 up to 5.00 P.M. without which the vote shall not be treated as valid.

15. The Company has connectivity with both NSDL and CDSL under ISIN No INE485J01016

VOTING THROUGH ELECTRONIC MEANS

Pursuant to Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide its members the facility of "remote (e-voting from a place other than the venue at AGM) to exercise their right to vote at the AGM by electronic means. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL)

The facility for E-voting through electronic voting system or through ballot /Polling paper shall also be made available at the venue of the AGM. Only those members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be able to cast their vote again at the AGM.

The Company has appointed Shri Pravin Kumar Drolia, Practising Company Secretary (Certificate of Practice No. 1362) as the Scrutinizer to scrutinize for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. the e-voting process in a fair and transparent manner.

The instructions for shareholders voting electronically are as under :

- (i) The remote E-voting period begins on 26/09/2016 at 9.00 A.M. and ends on 28/09/2016 at 5.00 P.M. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22/09/2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 P M on 28/09/2016.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If both details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field .as mentioned in instruction (vii)

- a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :
- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e voting on the resolutions contained in this Notice.
 - (xi) Click on the EVSN for the relevant "Deepak Industries Limited" on which you choose to vote.
 - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
 - (xiii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT" A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvii) If Demat account holder has forgotten the

same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Institutional Shareholders :

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com>

and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in

the system for the scrutinizer to verify the same.

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

(xxi) The Scrutinizer will submit his report on 01/10/2016 before 1.00 P M and the result will be announced on 01/10/2016 before 2.00 P M by any Director authorized by the Chairman of the Company. The result will be placed on the website of the Company www.dil-india.com and the website of CDSL and communicated to Calcutta Stock Exchange Limited where the equity shares of the Company are listed.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 5

The books of accounts of the Company pertaining to branches of the Company New Allenberry Works, located at Kolkata, Faridabad, and Rudrapur are being audited by the branch auditors M/s. Salarpuria Jajodia & Co., other than the statutory auditors of the Company. It is proposed to re-appoint M/s. Salarpuria Jajodia & Co., Chartered Accountants, as branch auditors to audit the books of Accounts of New Allenberry Works. The Board, therefore, recommends that as required under section 143(8) of the Companies Act, 2013, the members of the Company approve the resolution as ordinary resolution.

None of the director and Key Managerial Personnel of the company and their relatives are concerned or interested financially or otherwise in this resolution.

Item No. 6

Under the provisions of section 148(3) of the Companies Act, 2013 read with rule 14 of the Cos (Audit & Auditors) rules, 2014 the remuneration of the cost auditors is required to be ratified by the shareholders of the Company and your directors recommend the resolutions for approval of the members by Ordinary resolutions.

None of the Directors and Key Management Personnel of the Company and their relatives are concerned or interested in this resolution financially or otherwise.

Item No. 7

The Company is intending to sell the 5 MW solar power plant/unit to Deepak Spinners Limited ("DSL"), a related party of the Company at a price not less than ₹ 20.00 crores. The aforesaid solar power plant is located at Madhya Pradesh.

Shri Pradip Kumar Daga and Shri Yashwant Kumar Daga and their relatives are concerned or interested in the proposed Resolution as they hold directorship in DSL and shareholding o more than 2% of the Share Capital of DSL. None of the other directors and Key Managerial Personnel of your company or their relatives are in any way concerned or interested financially or otherwise in the said resolution.

Item No. 8

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendations of Nomination and Remuneration Committee, the Board of Directors has proposed that Smt. Meera Dokania, already serving as a Director on the Board of the Company, be appointed as an Independent Director of the Company.

Smt. Meera Dokania has given a declaration to the Board that she meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board. Smt. Meera Dokania fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations. Smt. Meera Dokania is independent of the management and possesses appropriate skills, experience and knowledge.

Copy of the draft letter for appointment of Smt. Meera Dokania as an Independent Director setting out the terms and conditions is available for inspection by the Members at the registered office of the Company during normal business hours on any working day, excluding Saturday. A brief resume of Smt. Meera Dokania has been provided in the Annexure to this Notice.

Save and except Smt. Meera Dokania and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the Directors or Promoter or KMP or their relatives, either directly or indirectly is any way concerned or interested in the above resolution.

The Board commends the ordinary resolution as set out at item no. 8 of the notice for approval by the Members.

By Order of the Board

Place: Kolkata
Date : 10th August, 2016.

V D MALL
Company Secretary

Details of Director seeking appointment / re-appointment at the ensuring Annual General Meeting fixed on 29th September, 2016 as required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given hereunder :

Name of the Director	Shri Yashwant Kumar Daga	Smt Meera Dokania
Date of Birth	07/03/1961	24/06/1953
Date of Appointment	15/11/2014	01/04/2015
Qualification	B. Com. , (Hons)	B.A.
Experience in specific functional areas	Tea, Spinning, Engineering and Solar and Hydro Power	Social Activities of Upliftment of Tribal Community
Directorship in other Companies	<ol style="list-style-type: none"> 1) Merlin Holdings Private Limited 2) H G I Industries Limited 3) Narsingh Holdings Private Limited 4) Deepak Gears Limited 5) Contransys Private Limited 6) Solding Hydrowatt Private Limited 7) Brua Hydrowatt Private Limited 8) Mint Investments Limited 9) Deepak Spinners Limited 10) The Oudh Sugar Mills Limited 11) Longview Tea Company Limited 12) Merlin International Limited 	NIL
Chairmanship / Membership/of Committees of Other Public Companies (Only Audit Committee and Stakeholders Relationship Committee considered)	<p>Deepak Spinners Limited (Member in Nomination & Remuneration Committee, Stakeholders Relationship Committee and Audit Committee and Chairman in CSR Committee)</p> <p>The Oudh Sugar Mills Limited Member In CSR Committee, Stakeholders Relationship Committee, Risk Management Committee and Audit Committee)</p> <p>Mint Investments Limited (Member in Nomination & Remuneration Committee, Stakeholders Relationship Committee and Audit Committee)</p> <p>H G I Industries Limited (Member in Nomination & Remuneration Committee, Stakeholders Relationship Committee and Audit Committee)</p> <p>Longview Tea Company Limited (Member in Nomination & Remuneration Committee, and Stakeholders Relationship Committee)</p>	NIL
Shareholding in the Company	316088	NIL
Relationship with other directors	Son of Shri Pradip Kumar Daga, CMD	NIL

BOARD REPORT TO THE MEMBERS

The Directors have pleasure in submitting their Annual report on the business and operations of the Company along with the Audited Statement of Accounts for the year ended 31st March, 2016.

FINANCIAL RESULTS

Financial Results of the Company for the year under review are as follows :—

Particulars	₹ in Lakhs 31st March 2016
Profit before Finance Cost, depreciation and amortization & Tax	5279.96
Less : Finance Cost	1226.06
Depreciation and Amortization	2108.51
Profit before Tax	1945.39
Current Tax	690.90
Taxation related to earlier years	-
Deferred Tax	(368.17)
Total Tax	322.73
Profit for the year after tax carried forward	1622.66
Basic and diluted earnings per share (₹)	32.09

DIVIDEND

Your Company has declared interim dividend for the financial year 2015-16 @ ₹ 40/- per share which has been duly paid to the shareholders of the Company as on the record date for the purpose within the prescribed date. No final dividend has been recommended by the Board.

REVIEW OF OPERATIONS

Revenues with other income for financial year ended 31st March, 2016 stood at ₹ 31727.99 lacs, profit before finance cost depreciation and amortization, and tax, ₹ 5279.96 lacs, and profit after tax for the year was ₹ 1622.66 lacs.

During the year under review, the demand for all industrial products was generally subdued in view of lower capex by most Industries. The rural sector also suffered from drought resulting in lower demand for agricultural equipment. The replacement market displayed similar characteristics. With competition more severe than before, there has been sharp erosion of profitability. The present government's active efforts towards reviving the infrastructure and agricultural sectors is expected to provide a much needed boost to the entire manufacturing segment of our economy. Your company has continued its planned capacity enhancement albeit at a slower pace in order to conserve resources and to capitalise on the increased demand in coming months.

Generation of solar plant was satisfactory although the

REC market remained near dormant.

ISSUE OF CAPITAL AND BUY BACK OF SHARES

There has been no issue of capital by the Company during the year.

In order to reward the shareholders by return of the accumulated cash, your company initiated the process of buy back of the 3973500 Equity Share of ₹10/- each in the Company at an offer price of ₹300/- per share including premium of ₹290/- per share as per the SEBI (Buy back of Securities) Regulations, 1998 upon the approval of the Board of Directors, Shareholders of the Company and SEBI. Under this process, the Company bought back 242032 Equity Shares and the Buy back of the Shares has been completed on 03/03/2016. The Change in the paid up capital in the current year is due to the said buy back.

DIRECTORS

Shri Yashwant Kumar Daga, VCJMD, is liable to retire by rotation and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

BOARD EVALUATION

Pursuant to the Provisions of the Companies Act, 2013 the Board has carried out an annual evaluation of its own performance, the directors individually, that of its committees and individual directors. At the meeting of

the Board all the relevant factors that were material for evaluating the performance were discussed in detail.

The Independent directors of the Company in its separate meeting reviewed the performance of the Non-independent directors and the Board as a whole, performance of the chairperson of the company taking into account the views of the executive directors and non-executive directors and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

As per the requirement of the Companies Act, 2013 and regulation 17(10) of SEBI(LODR) Regulations, 2015, the performance evaluation of Independent directors was done by the entire Board of Directors as per the procedure.

BOARD MEETINGS

During the year six Board meetings were held. The details thereof are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDITORS AND THEIR REPORT

M/s. Singhi & Co., Chartered Accountants (Firm Registration NO. 302049E), Kolkata retire at the forthcoming Annual General Meeting of the company and being eligible offer themselves for re-appointment. Salarpuria Jajodia & Co., (Firm's Registration No. 302111E) are the Branch auditors of the company. The Company has received a certificate from the auditors to the effect that their re-appointment if made, would be in accordance with the provisions of section 141 of the Companies Act, 2013. The Board recommends their re-appointment in the forthcoming annual general meeting.

The Auditors' Report to the Shareholders does not contain any reservations, qualification or adverse remarks.

COST AUDITORS AND THEIR REPORT

Pursuant to the directives of the Central Government under the provisions of 148 of the Companies Act, 2013, SPK Associates, Cost Accountants, (Firm Registration No.000040) Kolkata, has been appointed to conduct the cost audit relating to the eligible products under central excise tariff 8483, manufactured by the Company and the Solar Power Generation for the year 2016-17. The Company has received a certificate from the cost auditors to the effect that their appointment is in accordance with the provisions of section 141 of the Companies Act, 2013.

Cost Audit report for the year 2014-15 will not be filed since there has been no notification for the Cost audit for the said year.

Cost Audit for the year 2015-16 is under progress.

SECRETARIAL AUDIT AND THE APPOINTMENT OF THE SECRETARIAL AUDITORS

The Company has appointed Binay Kumar Pandey, Company Secretaries (C P No. 12074) to hold the office of the Secretarial Auditors and to conduct the Secretarial Audit for the year 2016-17. Secretarial Audit Report for the year 2015-16 is being annexed with this report. The Secretarial Audit report does not contain any reservation, qualification or adverse remark. A copy of the report is annexed herewith as **Annexure-I**.

AUDIT COMMITTEE AND RISK MANAGEMENT

The Audit Committee of the Company was constituted by Board. The Committee comprised Shri Anand Prasad Agarwalla, as Chairman, Shri Yashwant Kumar Daga and Shri Suresh Chand Mohta as Members. The Company Secretary is the Secretary of the Committee. During the year, there were no instances where the Board had not accepted the recommendations of the Audit Committee. The details of the vigil mechanism are also available on the Company's website **www.dil-india.com** in the Investors Relation section.

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risk which the Company may be exposed to. A risk matrix has been adopted and approved by the Board on the recommendation of the Audit Committee for observation by the executives of the Company.

DEPOSITS

The Company has not accepted Deposit from the members or the general Public during the year. There are no outstanding deposits in terms of Companies (Acceptance of Deposits) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134(5) the Board confirms and submits the Directors' Responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors 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 at the end of the financial year and of the profit and loss of the company for that period;

- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

Shri Maneesh Khanna is Chief Financial Officer of the Company. Shri Vithal Das Mall, company Secretary Shri Yashwant Kumar Daga, VCJMD and Shri Pradip Kumar Daga, Chairman-cum-Managing Director are also Key Managerial Personnel of the company. There was no change in the Key Managerial Personnel during the year.

CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance Practices and following the guidelines prescribed by the SEBI (LODR) regulations, 2015 from time to time, the Company has implemented all of its major stipulations as applicable to the Company. The report on the Corporate Governance for the year 2015-16 and Practicing Company Certificate are annexed as **Annexure-II** to and form part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to discharging its social responsibility as a good corporate citizen. However, no programme for the same could be undertaken by the Company in this respect due to certain clarification on methodological working for the same through Trust and in collaboration with other company etc. The CSR policy has been framed and hosted on the website of the Company www.dil-india.com in the Investors Relation section. Annual report on the CSR activities as per the prescribed format is annexed as **Annexure-III** and forms part of the report.

NOMINATION AND REMUNERATION COMMITTEE

A Nomination and Remuneration Committee has been

constituted and presently the members of the Committee are Shri Anand Prasad Agarwalla, as Chairman, Shri Sujit Chakravorti and Shri Suresh Chand Mohta as Members. The Company's Remuneration Policy is annexed as **Annexure-IV** and forms part of this report.

RELATED PARTY TRANSACTIONS

All transaction entered into with related parties as defined under the Companies Act, 2013 and clause 49 of the Listing Agreement/SEBI(LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of the Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence form AOC-2 is not required. Suitable disclosure as required by the Accounting standard (As 18) has been made in the notes to the Financial Statement.

All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained on a yearly and quarterly basis of the transactions which are of a foreseen and repetitive nature. Statement giving details of all related party transactions is placed before the Audit Committee for their approval on a quarterly basis.

The Policy of the Related Party Transactions as approved by the Board is uploaded on the Company's website www.dil-india.com in the Investors Relation section.

None of the Directors and Senior Management Personnel have any pecuniary relationship or transactions vis-à-vis the Company.

Shri Anand Prasad Agarwalla, Director of the company is an advocate and provides legal services required by the Company from time to time. The transactions with the said director and his advocate son for legal services are on arm's length basis and in the ordinary course of business.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

DECLARATION BY INDEPENDENT DIRECTORS

Necessary declarations have been obtained from all the Independent/Directors under sub-section (6) of Section 149 of the Companies Act, 2013.

LOANS AND INVESTMENTS

The company has not given any loan and Investments

made by the Company is stated in the Annual Accounts of the company.

INTERNAL FINANCIAL CONTROL

The Company has in place internal financial control systems, commensurate with the size and complexity of its operation to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, respective departments undertake corrective actions in their respective areas and thereby strengthen the controls.

PARTICULARS OF EMPLOYEES

Disclosure pursuant to Rule 5(1) and 5(2) of the Companies (Appointment & Appointment of Managerial Personnel) Rules, 2014 is annexed as **Annexure-V** and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management discussion and Analysis as required under the SEBI(LODR) Regulations, 2015 is annexed as **Annexure-VI** and forms part of this Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 is annexed as **Annexure-VII** and forms part of this Report.

ABSTRACT OF THE ANNUAL RETURN

The Abstract of the Annual Return for the year ended

31/03/2016 is annexed as **Annexure-VIII** with this Report.

CASH FLOW ANALYSIS

In conformity with the provisions of the Companies Act, 2015, the Cash Flow Statement for the year ended 31/03/2016 is annexed hereto.

PERSONNEL

The Company continued to have cordial relations with its employees.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from Investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, who, through their dedication, co-operation, support and smart work have enabled the Company to achieve rapid growth.

CAUTIONARY STATEMENT

Statements in the Board Report and Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of the applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board

Pradip Kumar Daga (DIN : 00040692)
Chairman-cum-Managing Director

Yashwant Kumar Daga (DIN : 00040632)
Vice Chairman-cum-Joint Managing Director

Sujit Chakravorti (DIN : 00066344)

Anand Prasad Agarwalla (DIN : 003122652)

Suresh Chand Mohta (DIN : 00066305)

Meera Dokania (DIN : 07094376)
Directors

Place: Kolkata

Dated: 28/05/2016

CS BINAY KUMAR PANDEY

Practising Company Secretary

M/s. B K P & ASSOCIATES

Company Secretaries
72/1, Topsia Road South
Kolkata - 700 046

To,
The Members,
Deepak Industries Limited
16, Hare Street,
Kolkata 700 001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required. We have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **B K P & ASSOCIATES**
Company Secretaries

(CS Binay Kumar Pandey, ACS)

Membership No. 32458

C.P. No. 12074

Place: Kolkata

Dated: 28th May, 2016.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,
The Members,
Deepak Industries Limited
16, Hare Street,
Kolkata 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Deepak Industries Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory practices and expressing our opinion thereon.

Based on our verification of the Deepak Industries Limited'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 representation during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We 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, 2016 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of import and export of goods and services;
- (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;
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015);
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - 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;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) are not applicable to the Company for the financial year ended March 31, 2016.

- a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(vi) Other laws as mentioned in the Annexure attached herewith and as may be applicable to the company.

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

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (b) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited; During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company has appointed a woman director during the year. 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. We have however not observed any dissenting member's views.

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

We further report that during the audit period the Company has –

- (a) not allotted any share or other securities during the period.
- (b) bought back its 242032 equity shares during the year resulting in increase in Promoters' aggregate shareholding to 77.13%. The Board of Directors however is considering various alternatives to bring down the said shareholding within the permissible limit of 75% within the period as prescribed by SEBI.
- (c) not altered the provisions of the Memorandum of Association or the Articles of Association.
- (d) not taken any major decision except enabling resolutions passed in the last Annual General Meeting held on 29/09/2015 u/s 94 for keeping the Register of Members, Debenture holders, and copies of Annual Returns of the Company at the office of the Company's Registrars and Share Transfer Agents; and u/s 197 for payment of commission to directors other than the Managing Directors and those in whole time employment of the Company subject to the limits as prescribed under the Act.
- (e) no merger/amalgamation/reconstruction etc.
- (f) no foreign technical collaborations.

For B K P & ASSOCIATES
Company Secretaries

(CS Binay Kumar Pandey, ACS)

Membership No. 32458

C.P. No. 12074

Place: Kolkata

Dated: 28th May, 2016.

Annexure**LIST OF OTHER APPLICABLE LAWS**

1. Air (Prevention and Control of Pollution) Act, 1981
2. Apprentices Act, 1961
3. Consumer Protection Act, 1986
4. Indian Contract Act, 1872
5. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
6. Employees' State Insurance Act, 1948
7. Environment Protection Act, 1986
8. Factories Act, 1948
9. Industrial Disputes Act, 1947
10. Industrial Employment (Standing Orders) Act, 1946
11. Industries (Development and Regulation) Act, 1951
12. Maternity Benefit Act, 1961
13. Minimum Wages Act, 1948
14. Negotiable Instruments Act, 1881
15. Payment of Bonus Act, 1965
16. Payment of Gratuity Act, 1972
17. Payment of Wages Act, 1936
18. Registration Act, 1908
19. Sale of Goods Act, 1930
20. Water (Prevention and Control of Pollution) Act, 1974
21. Workmen's Compensation Act, 1923
22. Income-Tax Act, 1961
23. The Companies Act, 2013
24. The Central Excise Act, 1944
25. The Customs Act, 1962
26. The Motor Vehicles Act, 1988
27. Boiler Act, 1923
28. Shops and Establishment Act, VAT Act, Entry Tax Act, Profession Tax Act, and other Commercial Acts of respective states.

REPORT ON THE CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31ST MARCH, 2016

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

As a corporate policy, your Company believes in transparency and good Corporate Governance practice.

(I) BOARD OF DIRECTORS

COMPOSITION, OUTSIDE DIRECTORSHIPS, AND ATTENDANCE AT THE BOARD MEETING

As on 31/03/2016, the Board of the Company comprises of an Executive Chairman and Executive Vice Chairman fifty percent of the Directors being independent Directors.

Name of Director	Category	Directorship in other Companies*		No of Committees Membership(s)/Chairmanship(s) in Board Committees of other Companies@		No of Shares held in the Company
		As a Director	As a Chairman/ Chairman cum Managing Director*	As a Member	As a Chairman	
Shri Pradip Kumar Daga, Chairman-cum-Managing Director	Promoter Non-Independent and Executive Director	3	1 (Chairman-Cum-Managing Director)	4	Nil	187860
Shri Yashwant Kumar Daga	Promoter Non-Independent and Executive Director	11	Nil	9	Nil	316088
Shri Sujit Chakravorti	Independent Non-Executive Director	3	2 (Chairman)	1	3	Nil
Shri Anand Prasad Agarwalla	Independent Non-Executive Director	Nil	Nil	Nil	Nil	Nil
Shri Suresh Chand Mohta	Independent Non-Executive Director	Nil	Nil	Nil	Nil	Nil
Smt Meera Dokania	Non-Independent and Non-Executive Director	Nil	Nil	Nil	Nil	Nil

*Excludes alternate Directorship, Directorship in foreign Companies and Companies formed under section 8 of the Companies Act, 2013.

@Committee positions only of Audit Committee and Stakeholders Relationship Committee in Public Companies have been considered.

Membership of the directors in various Committees are within the permissible limits of the Listing Agreements.

Shri Yashwant Kumar Daga is son of Shri Pradip Kumar Daga.

BOARD MEETINGS

Dates for the Board meeting are decided well in advance and communicated to the Directors. The Agenda along with the notes are sent at least seven days in advance to the each Board Members.

The Board of Directors met six times during the year respectively on 28/05/2015, 03/07/2015, 12/08/2015, 14/11/2015, 12/02/2016. and 11/03/2016.

Name of the Director	No. of Board Meeting Attended	Attended last AGM
Shri Pradip Kumar Daga	4	Yes
Shri Yashwant Kumar Daga	6	Yes
Shri Sujit Chakravorti	5	Yes
Shri Anand Prasad Agarwalla	6	Yes
Shri Suresh Chand Mohta	6	Yes
Smt Meera Dokania	6	Yes

Shareholding of the non-executive Directors in the Company as on 31st March, 2016 :-

Name of the Director	No of equity shares held as on 31st March, 2016
Shri Sujit Chakravorti	Nil
Shri Anand Prasad Agarwalla	Nil
Shri Suresh Chand Mohta	Nil
Smt Meera Dokania	NIL

The information as required under Annexure X to clause 49 of the listing agreement and SEBI (LODR), Regulations, 2015 being made available to the Board. The Board periodically reviews compliance Report of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

The Company has adopted Code of Conduct and Ethics for Directors and Senior Management Personnel of the Company. The said code of conduct is available on the website of company in the Investors Relations section. The Company has received confirmations from the Directors as well as Senior Management Personnel regarding Compliance of Code of Conduct and Ethics during the year under review. In addition to this a separate code of conduct for dealing in equity shares in the Company is also in place and has been complied with.

Shri Yashwant Kumar Daga, Vice Chairman-cum-Joint Managing Director has given a certificate to the Board of Directors in pursuance of Clause 49 of the Listing Agreement with the Stock Exchanges/SEBI(LODR) Regulations, 2015.

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE OF THE CODE OF CONDUCT.

In accordance with SEBI(LODR) Regulations 2015, I hereby confirm that all the Directors and the Senior Management personnel of Deepak Industries Limited have affirmed compliance to Code of Conduct and Ethics for the Financial Year ended 31.03.2016.

Kolkata, 28/05/2016.

Yashwant Kumar Daga
Chairman-cum-Managing Director

(II) AUDIT COMMITTEE

The Audit Committee comprises of three Directors, namely Shri Anand Prasad Agarwalla, Chairman, Shri Yashwant Kumar Daga, VCJMD, and Shri S C Mohta, as Members. The Members have adequate knowledge of accounts and financial matters. The Secretary of the Company acts as a Secretary of the Committee.

The terms of reference of the Audit Committee are in conformity with the requirements as per clause 49 of the listing agreement with the Stock Exchange SEBI (LODR) regulations, 2015 and the Companies Act, 2013. The audit committee inter-alia reviews annual and quarterly financial statements, accounting policies, system of internal controls, reports of internal auditors, Related party transactions, recommend the appointment of statutory auditors, internal auditors, appointment of Chief Financial Officer, and ensuring of compliance with stock exchanges and other legal requirements.

The Audit Committee met four times during the year respectively on 28/05/2015, 12/08/2015, 14/11/2015 and 12/02/2016. The attendance of each members of the committee is given below. Statutory and Internal Auditors also

try to attend the Meeting on the invitation of the Chairman of the meeting.

Name of the Member	No of Meetings held	No of Meetings attended
Shri A.P. Agarwalla	4	4
Shri Yashwant Kumar Daga	4	4
Shri Suresh Chand Mohta	4	4

(III) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Directors, namely Shri Anand Prasad Agarwalla, Chairman, Shri Sujit Chakravorti, and Shri S C Mohta, as Members.

The terms of reference of the Nomination and Remuneration Committee are in conformity with the requirements as per clause 49 of the listing agreement with the Stock Exchange/SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. The Nomination and Remuneration committee inter-alia formulates the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees, identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry evaluation of every director's performance.

The Nomination and Remuneration Committee met one time during the year on 28/05/2015. The attendance of each members of the committee is given below.

Name of the Member	No of Meetings held	No of Meetings attended
Shri A.P. Agarwalla	1	1
Shri S. Chakravorti	1	1
Shri S.C Mohta	1	1

The Remuneration policy of the Company is annexed with the Directors' report which may please be referred to. Chairman of the Nomination and Remuneration Committee attended the last AGM.

(IV) DETAILS OF REMUNERATION PAID TO DIRECTORS (01/04/2015 to 31/03/2016)

The Executive Chairman-cum-Managing director and Executive Vice-Chairman-cum-Joint Managing Director is paid remuneration approved by the Board and shareholders and other directors are paid sitting fees for attending the meetings of the Board and Committee and commission approved by the Board of Directors from time to time.

Name of Director						₹
Shri Pradip Kumar Daga, Chairman-cum-Managing Director	64,51,200					As Executive Compensation consisting of Salary and perquisites in the nature of employer's contribution to PF
Shri Yashwant Kumar Daga, (Vice-Chairman-cum-Joint Managing Director effective from 15/11/2014)	59,13,600					

₹.

Name of Director	Sitting Fees					Commission paid during the year (For the Financial year 2014-15)
	Board Meeting	Audit Committee Meeting	Stakeholders relationship committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	
Smt. Meera Dokania	54,000	–	–	–	–	–
Shri A.P. Agarwalla	54,000	8,000	4,000	2,000	2,000	2,00,000
Shri S. Chakravorti	44,000	–	4,000	2,000	2,000	2,00,000
Shri S.C Mohta	54,000	8,000	4,000	2,000	–	2,00,000

During the year the Company has paid ₹12500/- as professional fees to Shri Anand Prasad Agarwalla, Advocate, Director of the Company and Rs. nil to his son Shri Niraj Agarwalla, Advocate,. The payments to them were at arm's length price and in the ordinary course of business. There were no other than above pecuniary relationships or transactions of the Executive and Non -Executive directors vis-a-vis the Company.

(V) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board of Directors of the Company have constituted a Corporate Social Responsibility (CSR) Committee of the Board comprising three directors Shri Pradip Kumar Daga, Chairman, Shri Anand Prasad Agarwalla, and Shri Sujit Chakravorti. The Committee held meeting on 12/02/2016 in which all the committee members were present. The Board on the recommendation of the Committee has framed a CSR policy which has been hosted on the company website at www.dil-india.com in the Investors Relation section.

(VI) STAKEHOLDERS RELATIONSHIP COMMITTEE

The committee comprises of three non-executive Directors namely, Shri S.C. Mohta, Chairman Shri Sujit Chakravorti, Shri A.P. Agarwalla as Members and. Shri Vithal Das Mall, Secretary of the Company acts as the secretary of the committee. The Compliance officer of the Company is Shri Vithal Das Mall, Company Secretary. The committee deals with the shareholder's complaints and grievance etc. As per the Certificates furnished by the Registrar & Share Transfer Agents M/S Maheshwari Datamatics Private Limited, the Company did not receive any Investors complaints during the year ended 31st March, 2016 and there are no pending complaints as on 31st March, 2016.

The committee met two times during the year on 03/07/2015 and 12/02/2016 in which all the Committee members were present.

(VII) MEETING OF THE INDEPENDENT DIRECTORS

One separate meeting of the independent directors was held on 12/03/2016 in which all the independent directors were present to review the performance of the non-independent directors and the Board as a whole with the performance of the chairman of the company and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board as per para VII of schedule IV of the Companies Act, 2013.

(VIII) SHARE TRANSFER SYSTEM

Share transfers documents are registered and certificate returned within prescribed time from the date of receipt if the documents are clear in all respects as per provisions of listing agreement. The transfers are approved by the secretary/Director of the Company in consultation with the Managing Director and/or by the Board.

There was no pending request for share transfer etc. as on 31st March, 2016.

(IX) SUBSIDIARY COMPANIES

The Company does not have any subsidiary, associate and joint venture company.

(X) FAMILIARISATION PROGRAMME

The Board has framed a familiarisation programme to familiarise the independent directors their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company etc. through the various programmes.

The Familiarisation programmes has been disclosed on the company's website www.dil-india.com in the Investors Relations section.

(XI) ANNUAL GENERAL MEETINGS

Location, date and time for last three Annual General Meetings were as follows :

Year	Location	Date	Time	No. of Special Resolution Passed
2012-2013	16, Hare Street, Kolkata-70 0 001	08/08/2013	2.30 P.M	1
2013-2014	-do-	25/09/2014	2.00 P.M	3
2014-2015	-do-	29/09/2015	2.00 P M	2

- i) One Extra Ordinary General Meeting was held during the year on 24/02/2015 in which three special resolutions were passed.
- ii) Six Special resolutions were passed during last three Annual General Meetings.

AGMs

Date	Special Resolution Matter
08/08/2013	Resolution under section 198,269, 309 read with schedule XIII of the Companies Act, 1956 for appointment and payment of remuneration to Shri Pradip Kumar Daga
25/09/2014	Alteration of Articles of Association for incorporating therein new Article 98A after the existing Article 98
25/09/2014	Resolution under section 180(1)(c) of the Companies Act, 2013 for borrowing an amount not exceeding Rs.300 crores over and above the aggregate of the paid up capital and free reserves of the Company.
25/09/2014	Resolution under section 180(1)(a) of the Companies Act, 2013 for creation of security upto the amount borrowed by the Company.
29/09/2015	To Keep the Register of Members at a place other than at the registered office of the Company under section 94 of Companies Act, 2013.
29/09/2015	Payment of Commission to Non-Executive Directors under section 197 of the Companies Act, 2013.

- iii) One special resolution was passed on 29/12/2015 through the postal ballot for buy back of shares of the Company.
- iv) No special resolution is proposed to be conducted through postal ballot in the ensuing Annual General Meeting of the Company. However, for other special resolutions, if any, in the future, the same will be decided at the relevant time.
- v) Procedure for postal ballot is as per the provisions contained in this behalf in the Companies Act, 2013 and rule made there under namely The Companies (management and Administration) Rules, 2014 was followed.

(XII) DISCLOSURES

- i) All related party transactions have been entered into the ordinary course of business and were placed periodically before the audit committee in summary form including transactions for which omnibus approval of the Audit Committee was taken. There were no material individual transactions with related parties which were not in the normal course of business required to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on arm's length basis. Details of related party transactions during the year ended the 31st March, 2016 have been set out under an appropriate note in Schedule to the Annual Accounts of the Company for the year ended 31st March, 2016.
- ii) All Accounting Standards mandatorily required have been followed without exception in preparation of the

financial statements.

- iii) Procedure for assessment of risk and its minimisation have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that executive management controls risks through means of a properly defined framework.
- iv) The Company has fully complied with all the requirements of regulatory authorities on Capital Markets and consequently, no penalties/ strictures have been imposed against it during the last three years.
- v) The Company has adopted a Vigil Mechanism Policy which has been put on the website of the Company www.dil-india.com in the Investors Relations section and no personnel has been denied access to the audit committee. Shri Vithal Das Mall, Company Secretary has been appointed Vigil Officer under the said policy.
- vi) There has been no non-compliance by the Company during the year and no penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter relating to the capital markets during the last three years.
- vii) Management Discussion and Analysis is a part of Annual Report.
- viii) There were no material financial and commercial transactions by Senior management as defined in clause 49 of the Listing Agreement/SEBI(LODR)Regulations, 2015 where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company and that the same has been confirmed by all the Senior Management.
- ix) Reconciliation of Share Capital Audit is carried out by Practicing Company Secretaries on quarterly basis to reconcile the total admitted paid-up capital with National securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) with the total issued and paid-up capital. The reconciliation audit confirms that the total issued and paid up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.
- x) The Company has complied with all the mandatory requirement of clause 49 of the Listing Agreement/ SEBI (LODR) Regulations, 2015 e.g. Constitution of the Board, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, and a report on the Compliance report on the Corporate Governance is submitted to the stock Exchange every quarter. The Company has not adopted the non-mandatory requirements of the clause 49/ SEBI (LODR) Regulations, 2015.

(XIII) MEANS OF COMMUNICATION

There is no practice to send half-yearly report to each shareholder. Company is regularly publishing all its quarterly, half yearly and yearly results in print media in English and local language Bengal leader and Dainik Lipi respectively (upto 30/05/2015) and thereafter in Financial Express and Sukhabar which are widely circulated in West Bengal as well as Nationally.

The Company has a website www.dil-india.com to display the quarterly results and other information as required under the listing agreement. No presentation have been made to Investors Relations/Analysts and stakeholders of the Company.

(XIV) GENERAL SHAREHOLDERS INFORMATION

i) Date, time and venue of forthcoming AGM	Will be considered in the August, 2016, Board meeting.
ii) Financial Calendar 2016-2017 (Tentative)	
First unaudited Quarterly Results	Middle of August, 2016
Second unaudited Quarterly Results	Middle of November, 2016
Third unaudited Quarterly Results	Middle of February, 2017
Audited yearly Results for the year ended 31st March, 2017.	Before end of May, 2017
iii) Annual Book Closure dates	Will be considered in the August, 2016, Board meeting.

iv) Payment of Dividend	The company has declared interim dividend @₹40/- per share in the Board meeting held on 11/03/2016 and no final dividend has been proposed for the year 2015-16.
v) Listing on Stock Exchanges	The Calcutta Stock Exchange Limited
vi) Annual listing fee	Listing fee has been paid upto and for the year 2016-2017
vii) ISIN No. of the Company :	INE 485J01016
viii) Stock Code in Calcutta Stock Exchange	10014084

(XV) MARKET PRICE DATA

There has been no trading of the Company's share during the year on Calcutta Stock Exchange.

(XVI) REGISTRAR AND TRANSFER AGENT

The Company has appointed M/s. Maheshwari Datamatics Pvt. Ltd., Kolkata, as Registrar and Share Transfer Agent for Company's securities held in physical as well as in electronic mode . The address and contact details of RTA is as below:

Maheshwari Datamatics Pvt.Ltd, 2nd floor, 6, Mangoe Lane., Kolkata – 700 001, Phone: 033-2243-5809; 2243-5029
Fax: 033-2248-4787 E-mail: mdpldc@yahoo.com Website: www.mdpl.in

(XVII) PATTERN OF SHAREHOLDING AND DISTRIBUTION (AS ON 31/03/2016)

Category	No. of Shares Held	% of Total Paid up Capital
Promoters & Promoters Group	3899739	77.13
Financial Institutions & Banks	142188	2.81
Bodies Corporate including clearing Member	984685	19.48
Resident Individual	29451	0.58
Mutual Funds	NIL	NIL
NRIs/OCBs	NIL	NIL
Insurance Companies	NIL	NIL
TOTAL	5056063	100.00

From	To	No of Shares held	% of total paid-up capital	No of Shareholders	% of Total No of Shareholders
Up to	500	3025	0.06	20	34.48
	501	5878	0.12	8	13.79
	1001	17123	0.34	13	22.42
	2001	6773	0.13	3	5.17
	10001	5023264	99.35	14	24.14
	Total	5056063	100.00	58	100.00

(XVIII) DEMATERIALIZATION AND TRADING OF SHARE ON STOCK EXCHANGE

The Company is pleased to inform that shares of the Company are available for dematerialization with NSDL as well as with CDSL. The equity shares of the Company are under compulsory demat trading for all categories of Investors Relations. As on 31st March, 2016, 4670387 comprising 92.37% of the equity capital stood dematerialized.

The Company has not issued any GDRs / ADRs/ Warrants or any Convertible instruments, which may have likely impact on Equity shares of the Company.

(XIX) PLANT LOCATION

- i) 62, Hazra Road, Kolkata-700 019
- ii) 14/7, Mathura Road, Faridabad (Haryana)
- iii) Plot no. 62, Sector -11 , Rudrapur Dist Udham Singh Nagar, Uttranchal.
- iv) Village: Rojhani, Dist: Shajapur, MP. (Solar Plant)
- v) Plot No. 292, Sarve No. 75 & 80, Belur Industrial Area, Dharward, Karnataka.
- vi) Village - Bhagola, Bhagola Delvi Road, Tehsil & District - Palwal - 121 102

(XX) ADDRESS FOR CORRESPONDENCE

Deepak Industries Limited, 16, Hare Street, Kolkata-700 001 Phone Nos: 033-2248-2391/2/3, Fax: 033-2248-9382
E-mail: secretary@dil-india.com website: www.dil-india.com

(XXI) NON-MANDATORY REQUIREMENT

1. The Board
The Company has an executive Chairman
2. Shareholders' Right
Half yearly financial results including summary of the significant events in the last six months are presently, not being sent to shareholders of the Company.
3. Audit Qualification
There are no qualification in the Auditor's report on the financial statements to the Shareholders of the Company.
4. Separate Post for Chairman and CEO
Presently, the Company has a executive Chairman.
5. Reporting of Internal Auditor
Internal Auditors are invited to the meeting of Audit Committee wherein they interact directly with the Committee.

(XXII) CEO AND CFO CERTIFICATION

The Chairman-cum-Managing Director, that is, the Chief Executive Officer (CEO) and CFO gives the annual certification on the financial reporting and internal controls to the Board in terms of SEBI(LODR) Regulations, 2015. The CEO and CFO also give quarterly certification on the financial results while placing the financial results before the Board in terms of SEBI(LODR) Regulations, 2015.

The Board of Directors at their Meeting held on 28th May 2016 adopted the above Report.

CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
Deepak Industries Ltd,
16, Hare Street,
Kolkata 700 001

We have examined the compliance of the conditions of Corporate Governance of M/S Deepak Industries Limited of 16, Hare Street, Kolkata 700001 for the year ended on 31st March, 2016, as stipulated Clause 49 of the Listing Agreement {'Listing Agreements'} of the Company with the Stock Exchange for the period 01/04/2015 to 30/11/2015 and as per the relevant Provisions of SEBI (Listing Obligations and Disclosure Requirements "LODR") Regulations, 2015 as referred in Regulation 15(2) of the said Listing Regulations for the period 01/12/2015 to 31/03/2016.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to the procedure and implementation thereof adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statement of the Company.

In our opinion and to the best of our information and explanation given to us, which to the best of our knowledge & belief were necessary for the purpose of issuance of this certificate, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned in Listing Agreement / Listing Regulations as applicable.

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 **Drolia & Company**
Company Secretaries

Place : 9, Crooked Lane
Kolkata 700069
Date : 28th May, 2016

Pravin Kumar Drolia
Proprietor
CP 1362

ANNEXURE - III

**FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES
TO BE INCLUDED IN THE BOARD'S REPORT**

1. A brief outline of the Company's CSR policy, including overview of projects or programs to be undertake and a reference to the web-link to the CSR Policy and Projects or programs.

The Company has formulated a Corporate Social Responsibility (CSR) Policy stated in the link mentioned below pursuant to Section 135 of the Companies Act, 2013 and Notification dated 27th February, 2014 issued by the Ministry of Corporate Affairs under the said Section. The policy is framed for undertaking activities as may be found beneficial and feasible for betterment of critical social environmental of the weaker sections of the society, preferably locally, near to the factory sites of the Company. This CSR policy relates to the activities to be undertaken by the Company as specified in Schedule VII of the Act and the expenditure thereon and focuses on addressing critical social, environmental and economic needs of marginalised/underprivileged sections of the society. The CSR policy is hoisted on the web link www.dil-india.com under the Investors section of the site.

2. The Composition of the CSR Committee:

The composition of the CSR Committee is as follows :-

Name of the Director	Chairman/Member	Promoter/Independent Director
Shri Pradip Kumar Daga,	Chairman	Promoter CMD of the Company
Shari Anand Prasad Agarwalla	Member	Independent Director
Shri Sujit Chakravorti	Member	Independent Director

3. Average net Profit of the company for last three years : ₹ 3692.85 lakhs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 73.86 lakhs
5. Details of CSR spent during the financial year :
- (a) Total amount to be spent for the financial year; ₹73.86 lakhs
- (b) Amount unspent, if any; ₹ 73.86 lakhs. The unspent amount for the last year 2014-15 was 86.84 lakhs and added to this the unspent amount of the current year it aggregates to 160.70 lakhs The unspent amount will be carried forward/added to be spent in the future years.
- (c) Manner in which the amount spent during the financial year is detailed below: Nil

1	2	3	4	5	6	7	8
Sr. No	CSR Project or activity identified	Sector in which the project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount out-lay (budget) projects or programwise	Amount spent on the projects or programs Sub-heads (1)Direct expenditure on projects or programs (2)Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
-----Nil-----							

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: Has been provide as such in the said report.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectivities and Policy of the company.

Shri Yashwant Kumar Daga (Chief Executive Officer or Managing Director or Director)	Shri Pradip Kumar Daga (Chairman of CSR Committee)	N.A. (Person specified under clause (d) of sub-section (1) of section 380 of the Act)(wherever applicable)
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NOMINATION AND REMUNERATION POLICY

INTRODUCTION :

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

OBJECTIVE AND PURPOSE OF THE POLICY :

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry to which the Company belongs.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 14th August, 2014.

Effective Date :

This policy shall be effective from the date of approval by the Board.

Constitution of the Nomination and Remuneration Committee :

The Board has constituted Nomination and Remuneration Committee on 15th May 2014 in place of Remuneration Committee and Selection Committee.

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirements.

Definitions :

- 'Board' means Board of Directors of the Company.
- 'Directors' means Directors of the Company.
- 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- 'Company' means Deepak Industries Limited.
- 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013.
- 'Key Managerial Personnel (KMP)' means -
 - (i) Executive Chairman and / or Managing Director/ Chief Executive officer
 - (ii) Whole-time Director
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- 'Senior Management Personnel' means senior personnel of the Company occupying the position of functional heads of the Company. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability :

The Policy is applicable to -

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

General :

- This Policy is divided in three parts:
 - (i) **Part – A** covers the matters to be dealt with and recommended by the Committee to the Board,
 - (ii) **Part – B** covers the appointment, nomination and removal and
 - (iii) **Part – C** covers remuneration and perquisites etc.

PART – A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall :

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.

- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Carry out the evaluation of performance of Directors, KMP and Senior Management Personnel and recommend to the Board, their appointment and removal.
- Recommend to the Board a policy relating to remuneration for the directors, KMP and other employees and recommend to the Board, amendments to such policy as and when required.

PART – B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

Guiding Principles

- Remuneration policy and arrangements for Directors, KMPs and Senior Management Personnel, shall be determined by the Committee on the basis of Company's financial position, pay and employment conditions prevailing in peer companies or elsewhere in competitive market to ensure that the remuneration and the other terms of employment shall be competitive to ensure that the Company can attract, retain and motivate competent executives.
- Remuneration packages may be composed of fixed and incentive pay depending on short and long term performance objectives appropriate to the working of the Company.
- The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.
- **Appointment criteria and qualifications :**
 1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
 2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
 3. The Company may appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years and the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for

such motion indicating the justification for extension of appointment beyond seventy years.

4. Every whole-time Key Managerial Personnel of the Company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration. Provided that the appointment of whole time director(s) shall require approval of shareholders as per the provisions of the Companies Act, 2013.
5. A whole time KMP shall not hold office in more than one company except in its subsidiary company, if any, at the same time. However, such KMP can be a director of any Company with the permission of the Board.
6. The Managing Director or Manager of the Company may be the Managing Director or Manager of one and not of not more than one other Company and such appointment should be approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

• **Term / Tenure :**

1. **Managing Director/Whole-time Director :**

- The Company shall appoint or re-appoint any person as its Managing Director or Whole Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. **Independent Director :**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and

three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

3. Key Managerial Personnel (KMP) -

If the office of any whole time KMP is vacated, the resulting vacancy shall be filled up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

• **Evaluation :**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval and recommend to the Board appointment/removal.

• **Removal :**

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of any Act, rules and regulations, their service contract or evaluation of their performance.

• **Retirement :**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTORS, DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL

1. The remuneration/compensation/commission etc. to the Whole-time Directors and Directors will be determined by the Committee. It shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company, the Companies Act, 2013, the rules made there under and the Listing Agreement with Stock Exchanges as amended from

time to time. The Committee shall recommend the remuneration/compensation/commission etc. to be paid the Whole-time Director and Directors to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

2. Increments to the existing remuneration/compensation structure of Whole time Director and Directors may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders.
3. The Non-Executive/Independent Directors may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed such amount as may be prescribed by the Central Government from time to time.
4. Commission to Non-executive Directors may be paid within the monetary limit approved by shareholders, as per the applicable provisions of the Companies Act, 2013.
5. The remuneration/compensation/commission etc. to the KMP and Senior Management Personnel will be determined based on the Company's financial position, trends and practices on remuneration prevailing in peer companies, in the industry to which the company belongs and performance of such KMP and Senior Management Personnel
6. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.
7. An Independent Director shall not be entitled to any stock option of the Company.

This policy was adopted in the Board meeting held on 14/08/2014.

Deepak Industries Limited

Disclosure pursuant to rules 5(1) of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014.

Sr. No.	Requirement of Rule 5(1) for the Financial Year 2015-16	Details
i.	The ratio of remuneration of each director to the median remuneration of the employee of the company for the financial year.	Shri Pradip Kumar Daga: 29.63 Shri Yashwant Kumar Daga: 27.16 Other Directors-N A (as they do not receive monthly remuneration)
ii.	The Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or manager, if any, in the financial year	<u>Director</u> Shri Pradip Kumar Daga, CMD and KMP- 9.19% Shri Yashwant Kumar Daga, VCJMD- 10.00% Other Directors- N.A (as they do not receive monthly remuneration) <u>Key Managerial Personnel</u> Shri Maneesh Khanna, CFO-8.70% Shri Vithal Das Mall, Company Secretary- Nil Manager: Not applicable as the company does not have a Manager.
iii.	The Percentage increase in the median remuneration of employee in the financial year.	15.57%
iv.	The Number of permanent employee on the roll of the Company.	1169 as on 31/03/2016
v.	The explanation on the relationship between average increase in remuneration and Company's performance	Average increase in the remuneration of all employees was 12.66% which is primarily on the basis of individual performance of the concerned employee, his continuing availability in view of market scenario and expected future performance.
vi.	Comparison of the remuneration of the Key managerial Personnel against the performance of the Company.	There has been average increase in the remuneration of the KMP and Managing Director.
vii.	Variations in the market capitalisation of the Company, price earning ration at the closing date of the current financial year and percentage increase/decrease in the market quotations of the shares of the Company in comparison to the rate at which company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variation in the net worth of the company as at the close of the current financial year and previous financial year.	The Company's Share has not been traded on the Calcutta Stock Exchange for long and therefore the required information can not be provided. The company has not made any public issue or rights issue of securities since last 15 years, so comparison have not been made of current share price with the public offer price, The company's shares are listed on Calcutta Stock Exchange.
viii.	Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last Financial year and its comparison with percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average salary increase of non-managerial employees is 12.66% Average salary increase in managerial personnel is about 10.00%. There are no exceptional circumstances in increase in managerial remuneration.

ix.	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company.	Same as vi above.
x.	The key parameters for any variable component of remuneration availed by the Directors	All employees including Executive Director receive remuneration which is based on the individual's performance and company's financial performance. For non executive directors, fee is paid which is ₹ 10000/- per Board meeting and ₹ 2000/- per committee meeting attended during the year. The annual commission is paid to the non-executive director is paid as part of their services to the company and during the current financial year, they have been ₹ 2,00,000 each.
xi.	The ratio of remuneration of the highest paid Director to that of employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.	Shri Pradip Kumar Daga, CMD is the highest paid director. No Employee Receives Remuneration higher than the Chairman-cum-Managing Director.
xii.	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended 31/03/2016 is as per the Remuneration Policy of the Company.

Disclosure pursuant to rules 5(2) of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 of the employees who were in receipt of the remuneration not less than Rs. sixty lacs per annum

S. No	Particulars	
i.	Name of the Employee	Shri Pradip Kumar Daga,
ii.	Designation	Chairman-cum-Managing Director
iii.	Remuneration Received	₹ 6451200/-
iv.	Nature of Employment, whether contractual or otherwise	Contractual
v.	Qualification and Experience of the Employee	B Cm (Hons), .63 years of Industrial Experience in Engineering, Textile (Spinning) , Tea and Solar power etc
vi.	Date of Commencement of the employment	16/12/2008
vii.	Age of such employee	79 years
viii.	Last employment held by such employee before joining the Company	Deepak Spinners Limited as CMD
ix.	The percentage of equity share held by the employee in the company	187860
x.	Whether such employee is a relative of any director or Manager of the Company and if so, name of such director or Manager	Father of Shri Yashwant Kumar Daga, VCJMD

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report forms the part of Board Report for the year ended 31st March, 2016.

OVERALL REVIEW AND INDUSTRY STRUCTURE AND DEVELOPMENT

The global economy despite the slow down in the last year is showing of improvement but the growth is not encouraging from the manufacturing sector which is still struggling hard to follow the other sectors of the growth. Slow down of the Chinese economy is continuing despite their currency devaluation affecting the world economy particularly the financial sector. The oil crisis is continuing badly affecting the once rich oil producing countries.

In India, despite of the government thrust to spend in the infra sector including, rail, road, bridges, freight corridor etc, this sector is not showing the improvement for some reasons. The power sector is slugging much due to the mining allocation for the power projects and land availability issue. The financial sector in India is under immense pressure due to the clearance of the back log of the Non Performing assets and recovery of NPA is facing problem due to the improper legislative framework. The manufacturing sector is under pressure.

BUSINESS SEGMENTS

The Industrial gear segment is largely dependent on establishment of infra sector projects, expansion of core industries such as cement, steel and automobile, all of which are yet to take place. In the current financial, the sector is not showing the needed improvement to account for the investment made in the supporting sectors.

The automobile industry continues to face poor demand given the lack of profitability in Industry and agriculture. Current year the prospect of good monsoons is not very promising because of the long spell of the heat wave in the country raising fear of drought.

OPPORTUNITY AND THREATS

The government spending programs are expected to be implemented soon which will provide the necessary support to the market for revival. Your company's investments in manufacturing capacity made in the recent years will provide the platform for deriving maximum benefits at the time of economic revival.

Generation of solar power station is satisfactory. However, the purchase of RECs, is not reviving.

FINANCIAL PERFORMANCE

This has already been discussed in the Board Report and further segment performance can be looked in the segment information part of the notes to the accounts.

OUT LOOK

It is expected that the core sectors will show improvement and investments in power and infra sectors will receive a fresh momentum.

RISK AND CONCERNS

The company has made sufficient investment in both the segments and requires skilled man power to operate the latest technology machines. Increased power cost, higher transaction cost, high cost of labour are hindering the progress. Competition from peers is also intensifying.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has adequate internal control systems and procedures commensurate with the size and nature of business ensuring that the assets and resources are used reasonably and are adequately protected and all the internal policies and statutory guidelines are complied with.

HUMAN RESOURCES AND INDUSTRIAL RELATION

The industrial relations continue to be cordial as the Company continues to lay emphasis on employee's development at all levels. There are 1169 employees in the Company as on 31.03.2016.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Governments regulations, tax laws and other incidental factors. The Company assumes no responsibility in respect of forward looking statements that may be revised or modified in the future on the basis of subsequent developments, information of events.

A INFORMATION AS REQUIRED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 ON CONSERVATION OF ENERGY

Step Taken or Impact on Conservation of Energy during the year 2015-16

The company continues to give high priority to conservation of energy to conserve and optimize energy wherever practicable by economizing on fuel and power on a continuous basis by renovation/up/gradation in high consumption areas like lighting, Air Conditioning, heat treatment, supply power factor through additional condensers. The new machines installed and put to use are highly energy efficient.

We append energy conservation measures implemented at our unit during the above period :

1. Formed Energy saving team of senior and experienced officials of company along with outside Energy consultation agency M/s Tetrahedron system, Gurgaon led by top IIT & MBA background professionals with vast experience of Industries, in the month of August, 2015 for exploring the possibilities of Energy saving and working on its Projects.
2. Introduced the Energy efficient less weight fixture (10 % reduction) on Gas Carburizing Furnace.
3. Released the Purchase order for Energy efficient water mono block pump for washing machine, Induction Hardening and cooling tower of Heat treatment shop. Expected to get commissioned by May, 2016.
4. Provided LED Tube lights in new Tool Room and Quality Assurance sections.
5. Replaced T/5 Tube lights with LED Overhead mid bay lights in Hobbing section.
6. Extensive work done for compressed air leakage detection and prevention through 'Legris'.
7. Providing Energy efficient PNG fired Pre Heating furnace for Heat Treatment section. Expected to commission it by July, 2016.
8. Improved insulation of Gas Carburizing furnaces for reducing heat losses.
9. Energy saving timers provided on Hydraulic power pack of Hobbing machines to switch it off during long idle time.
10. Purchasing the Electricity through Open Access for cost saving and reduction of Diesel consumption.
11. Maintaining the power factor of Electric supply at unity.
12. Increased the number of natural lighting in all shop floors by fixing Polycarbonate transparent sheets in the roof.
13. Replaced old electrical panels with PLC panels and also Conversion to CNC machines on some Gear Hobbing and shaper machines.
14. Continued Maintaining the power factor at unity by providing APFC relays on Sub station as implemented in past year.
15. Retrofitted two WS 1 Gear Shaping machine with Single Axis CNC (Additional 2 in plan for FY 16/17).
16. On Shot Blasting machine(2637)Installation of Dust collector motor 7.5 HP against 10HP.
17. All CNC Turning Machines (Total 18 nos) activated for Power Saving Mode when system in Idle Condition.
18. Cell wise operation of Heat treatment Equipments (Pre Heating, Tempering & SQF) to prevent energy waste in non operating cells. Also Washing machine separated from PLC to Manual control to facilitate machine operation only when required.
19. Imported Shots trials on Shot blasting machine to reduce cycle time of operation by 15/20%.
20. Interlocking Hydraulic motor on Hard part Turning machines with Auto Cycle for saving power.
21. In PE150 Hobbing machine (1611), separate Lub & Hydraulic motors combined to one, thus reducing power reqd from 7.5KW to 1.5 KW.
22. Power-factor was maintained at a high 97% and maximum demand control measures undertaken specially in Heat-treatment department towards routine energy control exercise.
23. Artificial lighting was augmented through introduction of more transparent roof sheets in Case-Production department. LED, CFL, T-5 lamps and other energy saving lightings are routinely introduced eliminating higher energy consuming conventional 36 W fluorescent tube-light sets.

24. Small compressors for some individual machines have been removed and air supply is continuously provided from centralized 150 CFM Atlas Copco GA22 Screw Compressor resulting into substantial energy and cost savings.
- i) The Steps taken by the company for utilizing alternate sources of energy Company have been initiated discussion for solar power plant of 100KW capacity with authorized dealer/agencies.
 - ii) The Capital Investment on energy Conservation Equipment Company had spent Approx. 25 Lakhs on energy conservation equipment. Apart from this Company have a budgeted plan of approx. Rs. 100 Lakhs for various Energy projects implementation.

B) Technology absorption

i) The Efforts Made Towards Technology Absorption

- a) Company had introduced following technology in last few years for the product quality improvement, Faster production Development, Cost reduction
- b) Raw material metallurgy checking(Equipment used Spectrometer, Microscope, Hardness tester)
- c) Turning Drilling/Tapping & Milling (Equipment used CNC Lather)
- d) Gear Cutting with auto part Loading/unloading (Equipment used CNC Hobbing /CNC Shaping)
- e) Deburring, Chamfering, Teeth Roofing (Equipment used CNC Chamfering/CNC Roofing)
- f) Gear Shaving by using CNC Shaving
- g) Heat Treatment (Equipment applied SQF, Press Quench)

ii) Benefit derived

- 1) Explore New Product development indigenous, Export
- 2) Quality and quantity improvement of Manufactured product
- 3) Overall Productivity improvement
- 4) Cost Reduction
- 5) Customer Satisfaction
- 6) Compliance of Safety measurement
- 7) Reduction in Machine setup time, operation cycle time
- 8) Elimination of operator skill dependency
- 9) Multiple machining operations in one setup

iii) Imported Cases

2015-16

- Machine turning centre, make toshiba, japan
- 200 xrf analyzer & accessories, make bruker, Usa
- External cylindrical grinding machine, make Micromatic
- Double ended facing & centering machine, Make hmt
- Heavy duty cnc gear hobbing machine, make Hmt
- Carl zeiss micro scope model:axio imager m2m
- Cnc generating & profile grinding machine model:lcs/300, make: liebherr
- Hv3100 automatic hardness tester wilsion make
- Hv3100 automatic hardness tester wilsion make
- Motorized upright metallurgical microscope

Machine/Technology description (imported case in recent past)

2014-15

- Cnc universal cyl. Grinding machine/ecogrinder
- Cnc gear hobbing machine model: pe300 make: pfauter
- Cnc gear hobbing machine make gleason model: 125 gh
- Cnc turning centre, make: hardinge

- Cnc gear hobbing machine pfauter model pe150
- Cnc gear hobbing machine pfauter model pe150
- Gear hobbing machine model: pe 150 make: pfauter
- Gear hobbing machine model: pe 150 make: pfauter
- Gear hobbing machine model: pe 150 make: pfauter
- Gear hobbing machine model: pe 150 make: pfauter
- Cnc gear hobbing machine make: pfaute, model: 250c
- Cnc gear shaving machine make: hurth, model: zs240 t
- Hardness tester make: reicherter, model: briskup 300h
- Hardness tester make: wolpert, model: dia tster 2 rc
- Gear hobbing machine model: 782 make: gleason
- Gear hobbing machine model: 782 make: gleason
- Cnc gear hobbing machine make: gleason phoenix model: 125 gh
- Cnc gleason gear shaping m/c
- Pit type gas carburising furnance
- Bemco hydraulic press

2013-14

- Cnc universal cyl. Grinding machine/ecogrinder
- Used pfauter p e 150 c n c gear hobbing machine 12600euro
- Used gleason n 777 gear hobbing machine
- Used lorenz l s 154 gear shaping m/c
- Spectrometer/system with accessories
- Cnc automation scada system (heat treatment)
- Cnc vibration analyser
- Cnc tm induction heater (t&m techniek)

- a) Whether the technology been fully utilized: Yes
- b) If not fully absorbed: NA
- c) Expenditure incurred on R & D (In house only, not on imported case in Last FY)

The research and development is being carried out in house by qualified professional for development, technology up gradation.

(C) Foreign Exchange earning and outgo

The Company is making an all out effort of the products and expects improved performance in export in the coming year.

(D) The Foreign Exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual figures

Earnings & Expenditures in Foreign Currency :		Rs'000
a)	Earnings	
	F.O.B.Value of Export	49959
b)	Expenditure	
	Travelling	1356
	Others	973
	Raw Materials (CIF)	12093
	Stores and Spares parts (CIF)	17138
	Capital Goods (CIF)	181163

ANNEXURE - VIII

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS :

- (i) CIN : L63022WB1954PLC021638
- (ii) Registration Date : 08th May, 1954
- (iii) Name of the Company : Deepak Industries Ltd
- (iv) Category/Sub-Category of the Company : Company Limited by Shares
- (v) Address of the Registered Office : 16, Hare Street, Kolkata-700001
- (vi) Whether listed Company (Yes/No) : Yes on The Clacutta stock Exchange Ltd.
- (vii) Name, Address and Contact details if any : Maheshwari Datamatics Private Limited,
6, Mangoe Lane, Kolkata-700 001
Phone : 033-2243-5029/5809
Fax: 033-2248-4787
Email : mdpldc@Yahoo.com
Contact person : Mr. Rajgopal

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 :

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Industrial Gears	3563	76.73
2.	Automobile Gears	3563	23.27

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name amd Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shres held	Applicable section
1	Nil	Nil	Nil	Nil	Nil

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 (As on 01 April, 2015)				No of shares held at the end of the year (As on 31 March, 2016)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	total	% of total shares	
A. Promoters									
(1) Indian									
a. Individuals/HUF	3256483	NIL	3256483	61.4652	3256483	NIL	3256483	64.4075	2.9423
b. Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c. State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. Bodies Corp.	670881	NIL	670881	12.6627	643256	NIL	643256	12.7225	0.0598
e. Banks/FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f. Any others	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub- total (A) (1)	3927364	NIL	3927364	74.1279	3899739	NIL	3899739	77.1300	3.0021
(2) Foreign	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a. NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b. others individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c. Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. Banks/FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e. Any others	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (A) (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total shareholding of promoter (A)= (A)(1)+(A)(2)	3927364	NIL	3927364	74.1279	3899739	NIL	3899739	77.1300	3.0021
B. Public Shareholding									
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a. Mutual funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b. Banks/FIs	284375	NIL	284375	5.3675	142188	NIL	142188	2.8122	-2.5553
c. Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d. State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e. Venture Capital Fund	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f. Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g. FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h. Foreign venture capital fund	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i. Others(Specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Alternate Investment Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Portfolio Investors	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Provident Funds / Pension Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Qualified Foreign Investor	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1):-	284375	NIL	284375	5.3675	142188	NIL	142188	2.8122	-2.5553

Category of shareholders	No. of shares held at the beginning of the year (As on 01 April, 2015)				No of shares held at the end of the year (As on 31 March, 2016)				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	total	% of total shares	
2. Non-Institutions									
a. Bodies corp									
i. Indian	618360	410419	1028779	19.4179	618360	364325	982625	19.4358	0.0179
ii. Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b. Individuals									
i) Individuals shareholding nominal share capital upto Rs. 1 lakh	2200	55377	57577	1.0867	8100	21351	29451	0.5825	-0.5042
ii) Individual shareholding nominal capital in excess of ₹1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (Specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Qualified Foreign Investor	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Custodian of Enemy Property	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	NIL	NIL	NIL	NIL	2000	NIL	2000	0.0396	0.0396
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies-D R	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Portfolio Investors	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
NBFCs registered with RBI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Employee Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Domestic Corporate Un-claimed Shares Account	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(B)(2):-	620560	465796	1086356	20.5046	628460	385676	1014136	20.0579	-0.4467
Total Public shareholding(B)=(B)(1)+(B)(2)	904935	465796	1370731	25.8721	770648	385676	1156324	22.8701	-3.0020
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand total (A+B+C)	4832299	465796	5298095	100.0000	4670387	385676	5056063	100.0001	0.0000

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01st Apr, 2015]			Shareholding at the end of the year [As on 31st Mar, 2016]			% 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.	ASHA DEVI DAGA	870806	16.4362	0.0000	870806	17.2230	0.0000	0.0000
2.	NANDINI DAGA	774625	14.6208	0.0000	774625	15.3207	0.0000	0.0000
3.	SHANTANU DAGA	560000	10.5698	0.0000	560000	11.0758	0.0000	0.0000
4	COPLAMA PRODUCTS PRIVATE LIMITED	554531	10.4666	0.0000	554531	10.9676	0.0000	0.0000
5	YASHWANT KUMAR DAGA	316088	5.9661	0.0000	316088	6.2517	0.0000	0.0000
6	PRADIP KUMAR DAGA	277264	5.2333	0.0000	277264	5.4838	0.0000	0.0000
7	YASHWANT KUMAR DAGA	250000	4.7187	0.0000	250000	4.9446	0.0000	0.0000
8	PRADIP KUMAR DAGA	187860	3.5458	0.0000	187860	3.7155	0.0000	0.0000
9	LONGVIEW TEA COMPANY LTD	88725	1.6747	0.0000	88725	1.7548	0.0000	0.0000
10	PRADIP KUMAR DAGA	19840	0.3745	0.0000	19840	0.3924	0.0000	0.0000
11	CONTRANSYS PVT LTD	27625	0.5214	0.0000	0	0.0000	0.0000	-0.5214
	TOTAL	3927364	74.1279	0.0000	3899739	77.1300	0.0000	3.0021

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1st April 2015)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	3927364	74.1279		
	Date wist Increase/Decrease in Promoters shareholding during the year specifying the reasons of increase/decrease (e.g. Allotment/transfer/bonus/Seat Equity etc				
	26/02/2016 (Buyback)	-27625	0.5214	3899739	77.1300
	At the End of the year			3899739	77.1300

Note : There has been reduction in the Capital Pursuant to the Buy back of the Shares of the Company

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

Sl. No.	Name	Shareholding at the beginning [01/Apr/15]/end of the year [31/Mar/16]		Cumulative Shareholding during the year [01/Apr/15 to 31/Mar/16]	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	GITA DEVI BOHRA #				
	01-04-2015	3324	0.0627		
	24/04/2015 - Transfer	-2301	0.0434	1023	0.0193
	31-03-2016	1023	0.0202	1023	0.0202
2.	PRAHLAD RAI BOHRA #				
	01-04-2015	3324	0.0627		
	24/04/2015 - Transfer	-2301	0.0434	1023	0.0193
	31-03-2016	1023	0.0202	1023	0.0202
3.	SITARAM DAGA				
	01-04-2015	2323	0.0438		
	18/03/2016 - Transfer	-2323	0.0459	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
4.	VIDYA DHAR JHUNJHUNWALA #				
	01-04-2015	3150	0.0595		
	10/04/2015 - Transfer	-3150	0.0595	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
5.	NAVIN AGRO INDUSTRIES LTD.				
	01-04-2015	200525	3.7849		
	31-03-2016	200525	3.9660	200525	3.9660
6.	NAVIN UDYOG PROMOTIONS LTD.				
	01-04-2015	162500	3.0671		
	31-03-2016	162500	3.2140	162500	3.2140
7.	SURESH KUMAR SOMANI *				
	01-04-2015	2250	0.0425		
	31-03-2016	2250	0.0445	2250	0.0445
8.	MANOJ JALAN #				
	01-04-2015	6175	0.1166		
	10/04/2015 - Transfer	-6175	0.1166	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
9.	RAJ KUMAR GHOSH #				
	01-04-2015	8774	0.1656		
	10/04/2015 - Transfer	-4774	0.0901	4000	0.0755
	24/04/2015 - Transfer	-4000	0.0755	0	0.0000
	31-03-2016	0	0.0000	0	0.0000

Sl. No.	Name	Shareholding at the beginning [01/Apr/15]/end of the year [31/Mar/16]		Cumulative Shareholding during the year [01/Apr/15 to 31/Mar/16]	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
10.	GLOBE STOCKS & SECURITIES LTD				
	01-04-2015	0	0.0000		
	19/06/2015 - Transfer	4602	0.0869	4602	0.0869
	30/06/2015 - Transfer	-4602	0.0869	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
11.	RAJENDRA PRASAD CHOUDHARY*				
	01-04-2015	0	0.0000		
	03/07/2015 - Transfer	2200	0.0415	2200	0.0415
	31-03-2016	2200	0.0435	2200	0.0435
12.	SHIVAM AGARWAL				
	01-04-2015	0	0.0000		
	24/04/2015 - Transfer	2000	0.0377	2000	0.0377
	04/03/2016 - Transfer	-2000	0.0396	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
13.	ICICI BANK LTD				
	01-04-2015	284375	5.3675		
	04/03/2016 - Transfer	-142187	2.8122	142188	2.8122
	31-03-2016	142188	2.8122	142188	2.8122
14.	JALPAIGURI HOLDINGS PRIVATE LIMITED				
	01-04-2015	618312	11.6705		
	31-03-2016	618312	12.2291	618312	12.2291
15.	GLOBE STOCKS & SECURITIES LTD#				
	01-04-2015	46094	0.8700		
	10/04/2015 - Transfer	5947	0.1122	52041	0.9823
	24/04/2015 - Transfer	-5398	0.1019	46643	0.8804
	01/05/2015 - Transfer	-15000	0.2831	31643	0.5973
	12/06/2015 - Transfer	-7447	0.1406	24196	0.4567
	19/06/2015 - Transfer	-16602	0.3134	7594	0.1433
	30/06/2015 - Transfer	4602	0.0869	12196	0.2302
	07/08/2015 - Transfer	-2300	0.0434	9896	0.1868
	12/02/2016 - Transfer	-9896	0.1868	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
16.	MEENA LOHIA				
	01-04-2015	0	0.0000		
	10/04/2015 - Transfer	2388	0.0451	2388	0.0451
	04/03/2016 - Transfer	-2388	0.0472	0	0.0000
	31-03-2016	0	0.0000	0	0.0000

Sl. No.	Name	Shareholding at the beginning [01/Apr/15]/end of the year [31/Mar/16]		Cumulative Shareholding during the year [01/Apr/15 to 31/Mar/16]	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
17.	RAJ SINGH CHOPRA				
	01-04-2015	0	0.0000		
	01/05/2015 - Transfer	2000	0.0377	2000	0.0377
	26/02/2016 - Transfer	-2000	0.0377	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
18.	RAJENDRA PRASAD CHOUDHARY				
	01-04-2015	2200	0.0415		
	03/07/2015 - Transfer	-2200	0.0415	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
19.	SUNITA JAISWAL				
	01-04-2015	0	0.0000		
	24/04/2015 - Transfer	2000	0.0377	2000	0.0377
	19/02/2016 - Transfer	-2000	0.0377	0	0.0000
	31-03-2016	0	0.0000	0	0.0000
20.	RAJESH KUMAR RAJGARIA *				
	01-04-2015	0	0.0000		
	18/03/2016 - Transfer	2323	0.0459	2323	0.0459
	31-03-2016	2323	0.0459	2323	0.0459
21.	BHANWAR LAL RATHI *				
	01-04-2015	0	0.0000		
	19/06/2015 - Transfer	2000	0.0377	2000	0.0377
	31-03-2016	2000	0.0396	2000	0.0396
22.	HARSHIL SHAW *				
	01-04-2015	0	0.0000		
	01/05/2015 - Transfer	2000	0.0377	2000	0.0377
	31-03-2016	2000	0.0396	2000	0.0396

* Not in the list of Top 10 shareholders as on 01/04/2015 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2016.

Ceased to be in the list of Top 10 shareholders as on 31/03/2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2015.

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning 01st Apr, 2015		Cumulative Shareholding during the year 31st Mar, 2016	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Pradip Kumar Daga, Chairman & Managing Director	187860	3.5458		
	Increase/Decrease during the year	0	0.0000	187860	3.7155
	At the end of the year			187860	3.7155
2	2.Yashwant Kumar Daga, Vice-Chairman & Joint Managing Director	316088	5.9961		
	Increase/Decrease during the year	0	0	316088	6.2517
	At the end of the year			316088	6.2517
3	Sujit Chakravorti, Director	0	0		
	Increase/Decrease during the year	0	0	0	0
	At the end of the year			0	0
4	Anand Prasad Agarwalla	0	0		
	Increase/Decrease during the year	0	0	0	0
	At the end of the year			0	0
5	Suresh Chand Mohta	0	0		
	Increase/Decrease during the year	0	0	0	0
	At the end of the year			0	0
6	Meera Dokania	0	0		
	Increase/Decrease during the year	0	0	0	0
	At the end of the year			0	0
7	Maneesh Khanna	0	0		
	Increase/Decrease during the year	0	0	0	0
	At the end of the year			0	0
8	Vithal Das Mall	100	0		
	Increase/Decrease during the year	0	0	100	0
	At the end of the year			100	0

V. INDEBTEDNESS

Indebtedness of the company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	10671.91	161.75	0	10833.66
(ii) Interest due but not paid	205.07	0	0	205.07
(iii) Interest accrued but not due	288.75	0	0	288.75
Total (i + ii + iii)	11165.73	161.75	0	11327.48
Change in Indebtedness during the financial year				
· Addition	861.15			838.05
· Reduction		23.10		
Net Change				
Indebtedness at the end of the financial year				
(i) Principal Amount	11764.29	138.65	0	11902.94
(ii) Interest due but not paid	154.36	0	0	154.36
(iii) Interest accrued but not due	108.23	0	0	108.23
Total (i + ii + iii)	12026.88	138.65	0	12165.53

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager :**

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager		Total Amount
		Pradip Kumar Daga	Yashwant Kumar Daga	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	5760000	5280000	11040000
	(b) Value of perquisites u/s 17(2) Income Tax Act,, 1961	691200	633600	1324800
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- As % of profit	-	-	-
	- Others, specify..	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	6451200	5913600	12364800
	Ceiling as per the Act			

B. Remuneration to other Directors :

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Anand Prasad Agarwalla	Suresh Kumar Mohta	Sujit Chakravorti	Meera Dokania	
	Independent Directors					
	• Fee for attending board committee meetings	16000	14000	8000		38000
	• Commission					
	• Others, please specify					
	Total (1)	16000	14000	8000	–	38000
	Other Non-Executive Directors					
	• Fee for attending board committee meetings	54000	54000	44000	54000	206000
	• Commission	200000	200000	200000		600000
	• Others, please specify	–	–	–		–
	Total (2)	254000	254000	244000	54000	806000
	Total (B)=(1+2)					
	Total Managerial Remuneration	270000	268000	252000	54000	844000
	Ceiling as per the Act					

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Company Secretary	CFO	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	520000	1248600	1768600
	(b) Value of perquisites u/s 17(2) Income Tax Act,, 1961	130000		130000
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	–	–	–
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission			
	- As % of profit	–	–	–
	- Others, specify	–	–	–
5	Others, please specify	–	–	–
	Total	650000	1248600	1898600

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

The company has not been convicted of any offences during the year.

	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)
A.	COMPANY					
	Penalty	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil
B.	DIRECTORS					
	Penalty	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil

INDEPENDENT AUDITOR'S REPORT

To The Members of
DEEPAK INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Deepak Industries Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branches at New Allenberry Works – Faridabad, Rudrapur, Kolkata, Baghola and Dharwad.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Other Matter

We did not audit the financial statements/information of five branches included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 397,16,22 thousands as at

31st March, 2016 and total revenue of Rs. 333,59,59 thousands for the year ended on that date, as considered in the standalone financial statements. The financial statements/informations of these branches have been audited by the branch auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The reports on the accounts of New Allenberry Works at Faridabad, Rudrapur, Kolkata, Baghola and Dharwad of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt by us in preparing this report;
 - d. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - e. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - f. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
 - h. With respect to the other matters 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 – Refer Note 2.26(a), (g), (h), (e) and 2.32 to the financial statements;
 - ii. The Company has made provision, as required under the applicable Law or Accounting Standards, for material foreseeable losses, if any;
 - iii. The company has no unpaid dividend in the books of accounts which needs to be transferred to Investor Education and Protection Fund;

For **SINGHI & CO.**
Chartered Accountants
Firm Registration No.302049E

ANURAG SINGHI
Partner
Membership No.066274

Place : Kolkata
Dated, the 28th day of May, 2016

Annexure 'A' to the Independent Auditors' Report

The Annexure referred to in paragraph 1 with the heading 'Report on other legal and regulatory requirements' of our Report of even date to the members of Deepak Industries Limited on the financial statements of the Company for the year ended 31st March 2016, we report that :

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets of the Company have been physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, no material discrepancies have been noticed on such physical verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. As explained to us inventories have been physically verified during the year by the management, which in our opinion is reasonable and discrepancies which were noticed have been properly dealt with in the books of accounts. However, it is not material in nature.
3. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties listed in the register maintained under section 189 of the Act. Hence, comments on paragraph 3(iii) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to the investments made during the year. The Company has neither issued any guarantee, given any loan nor has provided any security on behalf of any party. Further according to the information and explanations given to us, the company has not entered into any transactions as referred to in section 185 of the Act.
5. The Company has not accepted any deposits. Consequently, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to the Company.
6. The Central Government has prescribed maintenance of cost records under section 148 (1) of the Companies Act, for the Company. We have broadly reviewed such accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.
7. According to the information and explanations given to us in respect of statutory and other dues :
 - (a) The Company is generally regular in depositing undisputed dues including Provident Fund, Employees' State Insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable with the appropriate authorities.
 - (b) According to the information and explanations given to us, there are no dues of wealth tax, duty of customs, cess and value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, following dues of income tax, sales tax, service tax, duty of excise and have not been deposited by the Company on account of disputes (Refer note no. 2.34) :

Name of the Statute	Nature of Dues & Year to which these relates	Amount involved ₹ ('000)	Forum Where dispute is Pending
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2000-01)	3,546	Revision pending before Kolkata High Court
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2001-02)	9,452	Pending before Kolkata High Court (State matter settled under SOD Scheme)
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2002-03)	3,640	Revision pending before Tribunal & High Court

Name of the Statute	Nature of Dues & Year to which these relates	Amount involved ₹ ('000)	Forum Where dispute is Pending
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2004-05)	1,428	Appeal to be filed before Revision Board
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2005-06)	5,646	Pending before Kolkata High Court
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2006-07 to 2008-09)	3,077	Revision pending before Revision Board (State matter settled under SOD Scheme)
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2009-10 to 2011-12)	5,992	Revision pending before Revision Board
Central Sales Tax Act, 1956	Central Sales Tax (F.Y.2012-13)	4,574	Appeal pending before Appellate Authority
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2002-03)	2,776	Revision pending before Tribunal & High Court
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2003-04)	1,579	State matter pending before Revision Board (Central matter settled under SOD Scheme)
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2004-05)	1,955	Appeal to be filed before Revision Board
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2009-10 to 2011-12)	477	Revision pending before Revision Board
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	CENVAT for Service Tax on Rent (F.Y. 2009-10)	419	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Income Tax Act, 1961	Short allowance of our Claim u/s 80IC and Short allowance of TDS & Other. Asst. Year 2010-11	640	Commissioner of Income Tax VI (Appeals)/Kolkata.
Income Tax Act, 1961	Short Allowance of Additional Depreciation ₹7757, deduction u/s 80IC ₹1106, & TDS ₹ 26 Asst. Year 2013-14	26	Commissioner of Income Tax VI (Appeals)/Kolkata.

8. On the basis of records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks, Financial Institutions and Government.
9. Based on information and explanations given to us and records of the Company examined by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt Instruments) and the term loan availed by the Company as on the Balance Sheet data, were applied by the company for the purpose for which loans were obtained.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid managerial remuneration in excess of the limits prescribed under the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company, Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

For **SINGHI & CO.**
Chartered Accountants
Firm Registration No.302049E

ANURAG SINGHI
Partner
Membership No.066274

Place : Kolkata
Dated, the 28th day of May, 2016

Annexure 'B' to the Independent Auditors' Report

The Annexure referred to in paragraph 2 (g) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date in respect to the internal financial control under clause (i) of sub-section 3 of section 143 of the Act of M/s Deepak Industries Limited for the year ended 31 March 2016, we report that:

We have audited the internal financial controls over financial reporting of M/s Deepak Industries Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Other Matter

We did not test the adequacy of Internal Financial Controls of five branches. The test for adequacy and operating effectiveness of Internal Financial Controls of these branches have been audited by the branch auditor whose reports have been furnished to us, and our opinion in so far as it relates to the adequacy of Internal Financial Controls in respect of these branches, is based solely on the report of such auditor.

For **SINGHI & CO.**
Chartered Accountants
Firm Registration No.302049E

ANURAG SINGHI
Partner
Membership No.066274

Place : KOLKATA
Dated, the 28th day of May, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

(₹ In '000)

	Note No.	As at 31st March, 2016	As at 31st March, 2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2.1	50,561	52,981
Reserves and Surplus	2.2	<u>2,045,238</u>	<u>2,196,576</u>
		2,095,799	2,249,557
NON-CURRENT LIABILITIES			
Long-Term Borrowings	2.3	397,893	363,625
Deferred Tax Liabilities (Net)	2.4	118,622	155,439
Other Long-Term Liabilities	2.5	4,653	2,896
Long-Term Provisions	2.6	<u>10,883</u>	<u>10,337</u>
		532,051	532,297
CURRENT LIABILITIES			
Short-Term Borrowings	2.7	684,220	612,440
Trade Payables	2.8		
Micro, Small and Medium Enterprises (Refer Note 2.28)		-	-
Others		418,975	357,685
Other Current Liabilities	2.9	381,933	368,624
Short-Term Provisions	2.6	<u>9,234</u>	<u>3,018</u>
		1,494,362	1,341,767
TOTAL		<u>4,122,212</u>	<u>4,123,621</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	2.10	1,454,568	1,332,125
Intangible Assets	2.10	7,513	8,985
Capital Work-In-Progress		<u>59,682</u>	<u>129,448</u>
		1,521,763	1,470,558
Non-Current Investment	2.11	50,000	50,000
Long-Term Loans and Advances	2.12	<u>193,110</u>	<u>252,447</u>
		1,764,873	1,773,005
CURRENT ASSETS			
Inventories	2.13	650,403	639,014
Trade Receivables	2.14	718,720	578,733
Cash and Bank Balances	2.15	825,710	1,009,275
Short-Term Loans and Advances	2.12	102,317	71,127
Other Current Assets	2.16	<u>60,189</u>	<u>52,467</u>
		2,357,339	2,350,616
TOTAL		<u>4,122,212</u>	<u>4,123,621</u>

Significant Accounting Policies

1

The Notes are an integral part of the Financial Statements
As per our Report annexed.

For **SINGHI & CO.**

Chartered Accountants

Firm Reg. No. 302049E

ANURAG SINGHI

Partner

Membership No. 066274

V. D. MALL
Company Secretary

P. K. DAGA (DIN : 00040692)
Chairman-cum-Managing Director

A. P. AGARWALLA (DIN : 00312652)
S. CHAKRABORTY (DIN : 00066344)

1B, Old Post Office Street
Kolkata - 700 001

MANEESH KHANNA
Chief Financial Officer

Y. K. DAGA (DIN : 00040632)
Vice-Chairman-cum Jt. Managing Director

S. C. MOHTA (DIN : 00066305)
MEERA DOKANIA (DIN : 07094376)
Directors

Dated : The 28th day of May, 2016

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

(₹ In '000)

	Note No.	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
INCOME			
Revenue from Operations (Gross)	2.17	3,359,889	3,392,156
Less : Excise Duty		330,155	310,972
Revenue from Operations (Net)		3,029,734	3,081,184
Other Income	2.18	143,065	121,003
Total Revenue		3,172,799	3,202,187
EXPENSES			
Cost of Materials Consumed	2.19	1,226,457	1,341,333
(Increase) / Decrease in Inventories of Finished Goods and Work-in-Progress	2.20	171,704	692
Employee Benefits Expense	2.21	436,820	386,882
Finance Costs	2.22	122,606	113,044
Other Expenses	2.23	809,822	883,784
Depreciation and Amortization Expense	2.24	210,851	220,355
		2,978,260	2,946,090
Profit before Tax		194,539	256,097
Tax Expense :	2.25		
Current Tax		69,090	85,664
Deferred Tax		(36,817)	(11,541)
		32,273	74,123
Taxation related to Earlier years		-	1,486
		32,273	75,609
Profit for the year after tax		162,266	180,488
Earnings Per Share [nominal value ₹ 10 /-]			
Weighted Average Number of Equity Shares outstanding during the year		5,056,063	5,298,095
Basic and Diluted earning per share		32.09	34.07
Significant Accounting Policies	1		

The Notes are an integral part of the Financial Statements
As per our Report annexed.

For **SINGHI & CO.**

Chartered Accountants

Firm Reg. No. 302049E

ANURAG SINGHI

Partner

Membership No. 066274

1B, Old Post Office Street
Kolkata - 700 001

Dated : The 28th day of May, 2016

V. D. MALL
Company Secretary

MANEESH KHANNA
Chief Financial Officer

P. K. DAGA (DIN : 00040692)
Chairman-cum-Managing Director

Y. K. DAGA (DIN : 00040632)
Vice-Chairman-cum Jt. Managing Director

A. P. AGARWALLA (DIN : 00312652)
S. CHAKRABORTY (DIN : 00066344)

S. C. MOHTA (DIN : 00066305)
MEERA DOKANIA (DIN : 07094376)
Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	For the year ended 31st March, 2016	(₹ In '000) For the year ended 31st March, 2015
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before Tax and Extra Ordinary Items	194,539	256,097
Adjustment for :-		
Depreciation and Amortisation Expenses	210,851	220,355
(Profit)/ loss on sale of F.Assets	(2)	533
Finance cost	122,606	113,044
Interest Received	(121,200)	(97,892)
Wealth Tax Provision	-	20
Reversal of Impirement	-	(2)
	406,794	492,155
Movement in Working Capital		
Increase/(Decrease) in Trade Payables	61,290	(177,723)
Increase/(Decrease) in Other Current Liabilities	8,573	(53,673)
Increase/(Decrease) in Short Term Provisions	6,236	(3,914)
Increase/(Decrease) in Long Term Provisions	546	786
(Increase)/Decrease in Trade Receivable	(139,987)	9,912
(Increase)/Decrease in Inventories	(11,389)	85,255
(Increase)/Decrease in Long Term Loans and Advances	22,991	30,999
Proceeds from Short Term External Development Charges	-	18,919
Proceeds from Other Long Term Liabilities	1,757	(17,027)
(Increase)/Decrease in Short Term Loans and Advances	(31,210)	3,870
(Increase)/Decrease in Other Current Assets	98	(124)
Cash Generated from Operation before taxes	325,699	389,435
Direct Taxes Paid	(32,744)	(68,323)
Cash Flow Before Extra - Ordinary Items	-	-
Net Cash Flow from Operating Activities	292,955	321,112
B. Cash Flow from Investing Activities		
Purchase of Tangible and Intangible Assets Including CWIP	(262,174)	(243,282)
Sale of Tangible Assets	120	1,831
Interest Received	113,380	92,300
Investment	-	(50,000)
(Increase)/Decrease in other Bank Balance	60,171	216,689
Net Cash used in Investing Activities	(88,503)	17,538

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	(₹ In '000)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
C. Cash Flow from Financing Activities		
Proceeds/(Repayment)of Short Term Hire Purchase /Lease Finance	164	548
Proceeds from Current Maturities of Long Term Debts	3,580	63,990
Proceeds from Short Term Borrowings	71,780	(16,355)
Proceeds/(Repayment) of Long Term Borrowings	34,268	6,158
Buy back of Equity Shares	(72,610)	-
Dividend and Tax on Distributed Profit	(243,414)	-
Finance Charges	(121,614)	(112,204)
Net Cash used in Financing Activities	(327,846)	(57,863)
Net increase in Cash and Cash Equivalents (A+B+C)	(123,394)	280,787
CASH AND CASH EQUIVALENTS AS AT 31.03.2015	658,806	378,019
CASH AND CASH EQUIVALENTS AS AT 31.03.2016	535,412	658,806
Cash & Cash equivalent includes :		
Cash In Hand	1,259	331
Balance With Schedule Banks		
In Current Account	24,524	13,882
In Fixed Deposit Account with original maturity of Less than three months	509,629	644,593
Total	535,412	658,806

- Note : 1) The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.
- 2) Figure in brackets indicate cash outgo.
- 3) Previous years figures have been regrouped and recast where ever necessary to confirm to the current period classification.

This is the cash flow statement referred to in our report of even date.

As per our Report annexed.

For **SINGHI & CO.**

Chartered Accountants

Firm Reg. No. 302049E

ANURAG SINGHI

Partner

Membership No. 066274

1B, Old Post Office Street

Kolkata - 700 001

Dated : The 28th day of May, 2016

V. D. MALL
Company Secretary

MANEESH KHANNA
Chief Financial Officer

P. K. DAGA (DIN : 00040692)
Chairman-cum-Managing Director

Y. K. DAGA (DIN : 00040632)
Vice-Chairman-cum Jt. Managing Director

A. P. AGARWALLA (DIN : 00312652)
S. CHAKRABORTY (DIN : 00066344)

S. C. MOHTA (DIN : 00066305)
MEERA DOKANIA (DIN : 07094376)
Directors

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

1. Significant Accounting Policies

a) Basis of Accounting

The financial statements are prepared under the historical cost convention, except stated otherwise, on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards as prescribed under Sec.133 of the Companies Act,2013 read with Rule 7 of the Companies (Accounts) Rules, 2014

The financial statements have been prepared and presented as per the requirement of Schedule III as notified under Companies Act 2013.

b) Convention and use of Estimates

The preparation of financial statements is under generally accepted accounting principles (GAAP) which requires management to make estimates and assumptions that affect the reported statements of assets and liabilities and the disclosure of contingent liabilities on that date of financial statements and the reported amounts of revenue and expenses during the year. The actual results could differ from these estimates. Any revision to accounting estimates is recognized.

c) Fixed Assets

Tangible Fixed Assets

- a. Fixed Assets are stated at cost less depreciation excluding Fixed Assets of Faridabad unit which are stated at revalued cost/Cost less depreciation.
- b. Depreciation of Fixed Assets is provided on straight-line method except at Rudrapur unit where depreciation is provided on written down value method at the rate prescribed in Schedule II to the Companies Act, 2013. However, on capital expenditure incurred on installation of assets taken on sub-lease at Rudrapur unit, which is being written off over the period of lease.
- c. Depreciation relating to revalued portion of Fixed Assets is ascertained and adjusted with Revaluation Reserve.

Intangible Fixed Assets

- a. Intangible assets are stated at cost on initial recognition, after which the same are stated at cost less accumulated amortization and accumulated impairment loss, if any.
- b. Intangible assets are amortised over a period of 5 years. The amortisation period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimate, the amortization period is changed accordingly.

d) Inventories

- 1) Inventories of Raw Materials, Stores, Spare Parts and Packing Materials are valued at cost. Cost is computed on weighted average/FIFO basis.
- 2) Work-in-progress and Semi Finished Goods are valued at lower of cost and net realizable value.
- 3) Finished Goods are valued at lower of cost and net realizable value. Scrap is valued at net realizable value.

e) Employees Benefits

1) Short term Benefit

The undiscounted amount of short term employees benefits expected to be paid in exchange for the services rendered by employees is recognized in the period in which the employee rendered the service. This benefit includes salary, wages, short term compensatory absence and bonus.

2) Long Term Benefits

- i) Defined Contribution Scheme(DCS) – such as Provident Fund and other Funds, Employees State Insurance Scheme are charged to the Statement of Profit and Loss as incurred as per the applicable Law/Rules.
- ii) Defined Benefit Scheme (DBS) - The present obligation of Company's liability towards Gratuity and Leave Encashment under such scheme is determined based on an actuarial valuation, using the Projected Unit Credit (PUC) method, carried out by an independent actuary. As per the requirement of "Accounting Standard 15 (Revised 2005) on Employees benefit. Actuarial gain and losses arising

Significant Accounting Policies (Contd.)

on such valuation are recognized immediately in the Statement of Profit and Loss.

In case of Funded Defined Benefit Scheme the fair value of the plan assets is reduced from the gross obligation under Defined Benefit Scheme, to recognize the obligation on net basis.

f) Foreign currency transactions :

- i) Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gain and loss arising out of subsequent fluctuations are accounted for on actual payment or realization. Monetary items in the form of Loan, Current Assets and Current Liabilities denominated in foreign currency as at the Balance Sheet date are restated at the rates prevailing on that date. Exchange difference is recognized in the Statement of Profit and Loss except exchange difference on account of Fixed Assets which are adjusted with Fixed Assets and gain/loss on foreign currency loan for fluctuation of foreign currency accounted as finance cost to the extent of Interest.
- ii) Premium or discount arising at the inception of forward contract is amortized as expenses or income over the life of the contract. Exchange difference on forward contracts is recognized in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expenses in the Statement of Profit and Loss.

g) Recognition of Income & Expenditure

Income & Expenses are recognized on mercantile basis except insurance claim which is accounted for on cash basis and interests on overdue bills are accounted for on certainty of realization.

h) Borrowing Cost

Interest and other borrowing costs directly attributable to the acquisition, construction or installation of qualifying capital assets till the date of commercial use of the assets are capitalized. Other borrowing cost is recognized as an expense in the period in which they are incurred.

i) Contingent Liabilities/Contingent Assets

Provisions are recognized in respect of present obligations arising out of past events where there are reliable estimate of probable outflow of resources. Contingent Liabilities are the possible obligation of past events , the existence of which will be confirmed only by the occurrence or non occurrence of a future event. These are not provided for and are disclosed by way of notes on Accounts; Contingent Assets are not provided for or disclosed.

j) Excise Duty/Custom Duty

Excise Duty on manufactured finished goods lying in factory and Custom Duty on stock lying in bonded warehouse are accounted for on the estimated basis on the Balance Sheet date.

k) Expenditure during construction period

Expenses of Capital nature are capitalized. Such expenditures comprise of purchase price, import duty and any directly attributable cost of bringing the assets to their working condition, trial run expenses and interest attributable up to the date of installation.

l) Impairment of Assets

Impairment of Assets is assessed at Balance Sheet date and if any indication of impairment exists, the same is assessed and an impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

m) Taxation

Income tax expense comprises of current tax and deferred tax charge or release. The deferred tax charge or credit is recognized using tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

n) Investment

Long term investments are stated at cost less provision for permanent diminution in value of such investment, if any.

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

(₹ In '000)

	As at 31st March, 2016	As at 31st March, 2015
2.1 SHARE CAPITAL :		
Authorised :		
53,00,000 (PY - 53,00,000) Equity Shares of ₹ 10/- each	53,000	53,000
20,000 (PY - 20,000) Redeemable Cumulative Preference Shares of ₹ 100/- each	2,000	2,000
	<u>55,000</u>	<u>55,000</u>
Issued :		
50,56,063 (PY - 52,98,095) Equity Shares of ₹ 10/- each	50,561	52,981
Subscribed and Paid-up		
50,56,063 (PY - 52,98,095) Equity Shares of ₹ 10/- each fully paid up	50,561	52,981
	<u>50,561</u>	<u>52,981</u>

- a) There has been change/movements in number of shares outstanding at the beginning and at the end of the reporting period due to buy back of Shares. The reconciliation of the number of shares and the amount of share capital as on March 31, 2016 and March 31, 2015 is as follows :

Particulars	31.03.2016		31.03.2015	
	No. of Shares	Amount (₹ in 000)	No. of Shares	Amount (₹ in 000)
Shares at the beginning of the year	5,298,095	52,981	5,298,095	52,981
Less : Buy back during the year	242,032	2,420	-	-
Shares at the end of the year	<u>5,056,063</u>	<u>50,561</u>	5,298,095	52,981

- b) During the year Company has bought back 242032 nos of equity shares of ₹.10/- each at a premium of ₹290/- per Share as per resolution passed by the Board of Directors in its meeting held on 14.11.2015 and approved by the share holders on 29.12.2015.
- c) The Company has only one class of issued shares i.e. Equity Shares having par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

- d) The Company does not have any Holding Company/ultimate Holding Company.

- e) **Details of shareholders holding more than 5% shares in the Company :**

Equity Shares of ₹ 10 each fully paid	No. of Shares	
	31st March, 2016	31st March, 2015
Asha Devi Daga (% of Holding, CY - 17.22, PY - 16.44)	870,806	870,806
Nandini Daga (% of Holding, CY - 15.32, PY - 14.62)	774,625	774,625
Shantanu Daga (% of Holding, CY - 11.08, PY - 10.57)	560,000	560,000
Yashwant Kumar Daga (% of Holding, CY - 11.20, PY -10.68) *	566,088	566,088
Pradip Kumar Daga (% of Holding, CY - 9.59, PY - 9.15) **	484,964	484,964
Coplama Products Private Limited (% of Holding, CY - 10.97, PY - 10.47)	554,531	554,531
Jalpaiguri Holdings Private Limited (% of Holding, CY - 12.23, PY - 11.67)	618,312	618,312
ICICI Bank Limited (% of Holding, CY - 2.81, PY -5.37)	142,188	284,375

*Includes 250,000 (PY-250,000) nos of shares held by HUF

**Includes 297,104 (PY-297,104) nos of shares held by HUF

- f) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- g) No shares have been allotted by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.
- h) No Securities Convertible into Equity/Preference Shares have been issued by the company during the year.
- i) No calls are unpaid by any Director or Officer of the Company during the year.

		(₹ In '000)	
		As at 31st March, 2016	As at 31st March, 2015
2.2 RESERVES AND SURPLUS			
Capital Reserves			
As per the last Financial Statements		3,536	3,536
		<u>3,536</u>	<u>3,536</u>
Capital Redemption Reserve			
As per the last Financial Statements		-	-
Add : Reserve Created during the year		2,420	-
		<u>2,420</u>	<u>-</u>
Revaluation Reserve			
As per the last Financial Statements		7,742	10,696
Less : Transfer to the Statement of Profit & Loss being depreciation on Revalued Assets		-	2,954
		<u>7,742</u>	<u>7,742</u>
Surplus			
As per the last Financial Statements		2,185,298	2,004,810
Less : Fund utilise for Buy Back of Equity Shares		70,190	-
Less : Transferred to Capital Redemption Reserve		2,420	-
Less : Interim Dividend Paid		202,242	-
Less : Tax on distributed Profit		41,172	-
Add : Profit for the year		162,266	180,488
		<u>2,031,540</u>	<u>2,185,298</u>
		<u>2,045,238</u>	<u>2,196,576</u>

2.3 LONG-TERM BORROWINGS

	Non-current portion		Current maturities	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Term Loans (Secured)				
Rupee Loan from Bank (1(a) and 1(b))	5,527	29,250	29,250	39,000
Rupee Corporate Loan from Bank (1 (a), (c),(d) (e) and (f))	380,812	320,511	79,320	65,990
	<u>386,339</u>	<u>349,761</u>	<u>108,570</u>	<u>104,990</u>
Amount disclosed under the head "Other Current Liability" (Note 2.9)	-	-	108,570	104,990
	<u>386,339</u>	<u>349,761</u>	<u>-</u>	<u>-</u>
Other Loans and Advances (Unsecured)				
Sales Tax Soft Loan Sanctioned by Govt of West Bengal for payment of sales tax liability (3)	11,554	13,864	2,311	2,311
Amount disclosed under the head "Other Current Liability" (Note 2.9)	-	-	2,311	2,311
	<u>11,554</u>	<u>13,864</u>	<u>-</u>	<u>-</u>
	<u>397,893</u>	<u>363,625</u>	<u>-</u>	<u>-</u>

1. a) The Term loans and Corporate Loan from SBI is secured by way of hypothecation of machines purchased out of Bank Loan & equitable mortgage of the freehold Industrial property with building and Factory shed of Kolkata unit at 62 Hazra Road, Kolkata by 1st charge of movable fixed assets of the unit as primary security and 2nd hypothecation charge on current assets of the company as collateral security.
- b) Term Loan of ₹ 1950 lacs sanctioned with a tenor of 7 years including a moratorium period of 2 years repayable in 20 quarterly installments commencing from March, 2012 and concluding on December, 2016. Rate of Interest : 11.75% p.a.
- c) Corporate Loan of ₹ 1165 lacs sanctioned with a tenor of 6 years including a moratorium period of 1 year repayable in 20 quarterly installments commencing from q.e. June '14 to March '15 @ ₹ 5 Lac per quarter, June '15 to March '17 @ ₹ 65 Lac per quarter, June '17 to March '18 @ ₹ 75 Lac per quarter, June '18 to Dec. '18 @ ₹ 80 Lac per quarter and in q.e. March '19 @ ₹ 85 Lac. Rate of Interest : 10.90% p.a.
- d) Corporate Loan of ₹ 3200 lacs sanctioned with a tenor of 8 years including a moratorium period of 2 years payable in 24 quarterly installments commencing from q.e. Sept. 15 to March '21 @ ₹ 133.30 Lac per quarter and in q.e. June '21 @ ₹ 134.10 Lac. Rate of Interest : 10.90% p.a.

(₹ In '000)

- e) Corporate Loan of ₹ 1000 lacs sanctioned with a tenor of 8 years including a moratorium period of 2 years payable in 24 quarterly installments commencing from q.e. June '17 to March 19 @ ₹ 5.00 Lac per quarter, June '19 to March '20 @ ₹ 15.00 Lacs per quarter, June '20 to Sept. '20 @ ₹ 25.00 lacs per quarter, Dec '20 to June 21 @ ₹ 50 Lacs per quarter and Sept '21 to March '23 @ ₹ 100.00 lacs per quarter. Rate of interest 10.90% p.a.
- f) Corporate Loan of ₹ 1670 lacs sanctioned with a tenor of 8 years including a moratorium period of 2 years payable in 24 quarterly installments commencing from q.e. March '18 to March '20 @ ₹ 50.00 Lac per quarter, June '20 to March '23 @ ₹ 80.00 Lacs per quarter, June '23 to Sept. '23 @ Rs.90.00 lacs per quarter, and concluding during q.e. Dec '23 @ ₹ 80.00 lacs. Rate of interest 10.80% p.a.

2. Repayment of Soft Loan installment due yearly @ ₹ 23.00 Lacs in 8 equal instalments commenced from August,2014.

2.4 DEFERRED TAX LIABILITIES (NET)

	As at 31st March, 2016		As at 31st March, 2015	
Deferred Tax Liabilities				
Arising on account of :				
Depreciation		131,129		167,393
Less : Deferred Tax Assets				
Arising on account of :				
Unabsorbed Depreciation		—		—
Section 43B of Income-tax Act	12,507	12,507	11,954	11,954
Deferred Tax Liabilities (Net)		118,622		155,439

Long-term

Short-term

2.5 OTHER LONG TERM LIABILITIES

Other Liabilities

	As at 31st March, 2016		As at 31st March, 2015	
External Development Charges(Bhagoli)	—	—	40,029	40,029
Hire Purchase/lease Finance Liability	4,653	2,896	1,761	1,597
	4,653	2,896	41,790	41,626
Amount disclosed under the head "Other Current Liability" (Note 2.9)	—	—	41,790	41,626
	4,653	2,896	—	—

2.6 PROVISIONS

Long-term

Short-term

	As at 31st March, 2016		As at 31st March, 2015	
Provision for Employee Benefits				
Leave Payment	10,827	10,281	3,125	2,392
Gratuity	—	—	6,109	606
	10,827	10,281	9,234	2,998
Other Provisions				
Provisions for Taxation (Net of Payments)	56	56	—	—
Provisions for Wealth Tax (Net of payment)	—	—	—	20
	10,883	10,337	9,234	3,018

2.7 SHORT TERM BORROWINGS

Working Capital Borrowings

From Banks

	As at 31st March, 2016	As at 31st March, 2015
Rupee Loan from Bank (Secured) (a)	684,220	612,440
	684,220	612,440

- a) Working Capital Borrowings in Rupee are secured on pari-passu basis by way of hypothecation of stocks, book debts and other current assets present and future of the company and extension of equitable mortgage of immovable fixed assets of the Company. The working capital advances are also secured by way of second charge on the fixed assets of the Company.

	(₹ In '000)	
	As at 31st March, 2016	As at 31st March, 2015
2.8 TRADE PAYABLES		
Micro, Small and Medium Enterprises (Refer Note 2.28)	–	–
Others	418,975	357,685
	418,975	357,685
2.9 OTHER CURRENT LIABILITIES		
Creditors for Fixed Assets	43,257	39,328
Current maturities of Long Term Debt (See Note 2.3)	110,881	107,301
Current maturities of Hire Purchase/Lease Finance Liability (See Note 2.5)	1,761	1,597
External Development Charges (Bhagoli) (See Note 2.5)	40,029	40,029
Statutory Dues	31,117	27,716
Sales Tax/VAT	15,436	20,507
Excise Duty	10,823	28,875
Interest Accrued & Due	6,487	5,488
Interest Accrued but not due	44	51
Trade and Security Deposits	693	641
Liability Relating to Employees	14,795	13,364
Advances Received from Customers	92,020	70,481
Others	14,590	13,246
	381,933	368,624

NOTE 2.10 : FIXED ASSETS

(₹ In '000)

	GROSS BLOCK *				DEPRECIATION				WDV up to 31.03.2016 before Impairment	IMPAIRMENT			NET BLOCK	
	Value as at 31st March, 2015	Additions during the Year	Deductions/ Adjustments during the year	Value as at 31st March, 2016	Upto 31st March, 2015	Adjustment with Retained Profit of Earlier Year#	Provided during the year	Deductions/ Adjustments during the year		Depreciation up to 31st March, 2016	Impairment up to 31.03.2015	Adjustments during the year	Impairment up to 31st March 2016	As at 31st March 2016
TANGIBLE ASSETS														
Leasehold Land**	13,240	-	-	13,240	1,324	-	147	-	1,471	11,769	-	-	11,769	11,916
Freehold Land	191,471	7,980	-	199,451	-	-	-	-	-	199,451	-	-	199,451	191,471
Buildings	102,824	64,155	-	166,979	51,735	-	4,141	-	55,876	111,103	-	-	111,103	51,089
Plant & Machinery	2,107,379	250,718	-	2,358,097	1,038,295	-	198,814	-	1,237,109	1,120,988	12,790	12,790	1,108,198	1,056,294
Furniture & Fittings	14,594	580	1,414	13,760	8,086	-	1,125	1,344	7,867	5,893	-	-	5,893	6,508
Vehicles***	15,519	5,630	651	20,498	6,339	-	2,041	617	7,763	12,735	-	-	12,735	9,180
Office Equipment	23,797	2,544	271	26,070	18,130	-	2,778	257	20,651	5,419	-	-	5,419	5,667
Total	2,468,824	331,607	2,336	2,798,095	1,123,909	-	209,046	2,218	1,330,737	1,467,358	12,790	12,790	1,454,568	1,332,125
INTANGIBLE ASSETS														
Computer Software	12,270	333	-	12,603	3,285	-	1,805	-	5,090	7,513	-	-	7,513	8,985
Total	12,270	333	-	12,603	3,285	-	1,805	-	5,090	7,513	-	-	7,513	8,985
Grand Total :	2,481,094	331,940	2,336	2,810,698	1,127,194	-	210,851	2,218	1,335,827	1,474,871	12,790	12,790	1,462,081	1,341,110
Previous Year :	2,302,673	193,220	14,799	2,481,094	916,320	12,049	211,260	12,435	1,127,194	1,353,900	12,792	12,790	1,341,110	

Note: * Land, Buildings, Plant & Machinery (including Electrical Installations and Water Supply Installations) of Faridabad unit of the Company were revalued by an approved valuer on 31st March, 1991 which resulted in increase of Fixed Assets Value by ₹ 50,957. Subsequent deduction on disposal till date is ₹10,936 (₹ 10,824).

** Depreciation represent Proportionate amount of leasehold land amortised over the period of lease.

*** Includes ₹ 10,169 (₹ 7,713) acquired on Hire Purchase basis and under continued hire purchase agreement. Present liability for the same is ₹ 6,414 (₹ 4,493) out of which ₹ 1,761 (₹ 1,597) is payable with in one year.

Based on transitional provisions as provided in note no. 7(b) of schedule II of the Companies Act, 2013 read with notification no. 456 dated 29th August, 2014, an amount of Nil (₹ 9,095) has been charged in the Statement of Profit & Loss.

(₹ In '000)

2.11 NON-CURRENT INVESTMENT

	Long-term		Short-term	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Long Term Investment (Non-Trade)				
5,000,000 Nos 3% Redeemable Preference Share of ₹ 10/- each fully paid up of M/s. Brua Hydrowatt Pvt. Ltd (Unquoted)	50,000	–	–	–
2,000,000 Nos Redeemable after 3 years from 21.10.2014	50,000	50,000	–	–
2,000,000 Nos Redeemable after 3 years from 19.11.2014				
1,000,000 Nos Redeemable after 3 years from 27.11.2014				

2.12 LOANS & ADVANCES**Capital Advances**

Unsecured, considered good	83,707	106,112	–	–
	83,707	106,112	–	–

Security Deposits

Unsecured, considered good	9,849	10,434	3,253	1,977
Considered Doubtful	141	141	–	–
	9,990	10,575	3,253	1,977
Less : Provision for Doubt ful Deposit	141	141	–	–
	9,849	10,434	3,253	1,977

Other Loans and Advances**(Unsecured, Considered good)**

Advance Tax and TDS (Net of provisions)	24,148	32,919	–	–
Advance Fringe Benefit Tax	5	8	–	–
Mat Credit Entitlement	75,401	102,974	–	–
Advance against supply of Goods and Services	–	–	41,284	38,396
Prepaid Expenses	–	–	2,994	2,068
Advance to Employees	–	–	731	697
Balances with Govt and Statutory Authorities	–	–	54,055	27,989
	99,554	135,901	99,064	69,150
	193,110	252,447	102,317	71,127

2.13 INVENTORIES (As taken, valued and certified by the Management)

Raw Materials#			319,238	157,859
Work in Progress			109,232	95,029
Semi Finished Goods			1,180	9,003
Finished Goods			116,750	294,967
Stores and Spares			103,627	81,913
Scraps			376	243
			650,403	639,014

includes goods-in-transit ₹ 231 (Pr. Yr. ₹ 558)

Details of Inventories :

	Finished Goods		Work-in-Progress*	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Worm Reduction Gear	8,262	12,190	7,042	8,360
Spur Helical, Double Helical and Bevel Reduction Gear Boxes	50,633	29,396	25,015	25,922
Geared Motors/Coupling	3,156	2,784	34	1,062
Others	1,642	1,517	10,579	10,061
Tractor & Automobile Gear/Parts	37,199	200,466	48,869	44,486
Rear Axles & Spline Shaft for Tractor & Automobile	15,858	48,614	18,873	14,141
	116,750	294,967	110,412	104,032

* Including Semifinished ₹ 1180 (₹ 9003)

(₹ In '000)

2.14 TRADE RECEIVABLES	Non-Current		Current	
	As at	As at	As at	As at
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
Outstanding for a period exceeding six months				
Unsecured, considered good	–	–	115,825	92,178
Doubtful	–	–	15,313	15,313
	–	–	131,138	107,491
Provision for doubtful receivables	–	–	15,313	15,313
	–	–	115,825	92,178
Other Receivables				
Unsecured, considered good				
Due from Others	–	–	598,878	482,946
Due from Related Party	–	–	4,017	3,608
	–	–	602,895	486,555
	–	–	718,720	578,733

2.15 CASH AND BANK BALANCES	As at	As at
	31st March, 2016	31st March, 2015
Cash and Cash Equivalents		
Balances With Banks :		
In Current Account	24,524	13,882
In Fixed Deposit Accounts with original maturity of less than three months	509,629	644,593
Cash in hand (Incl Stamps) (As certified by the Management)	1,259	331
	535,412	658,806
Other Bank Balances		
Balances with Bank held as margin money / security (a)	771	123
In Fixed Deposit Accounts with original maturity of more than three months (b)	289,527	350,346
	290,298	350,469
	825,710	1,009,275

- a) Margin Money Account is Pledged with Banks against Bank Guarantees / Letter of Credits.
b) Pledged with VAT Authority ₹ 50 (₹ 50)

2.16 OTHER CURRENT ASSETS	Non-Current		Current	
	As at	As at	As at	As at
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
(Unsecured, considered good)				
Interest Receivable	–	–	60,093	52,273
Insurance Claim Receivable	–	–	–	–
Duty Draw Back Receivable	–	–	96	194
	–	–	60,189	52,467

(₹ In '000)

2.17 REVENUE FROM OPERATIONS (GROSS)

	For the year ended	
	31st March, 2016	31st March, 2015
Sale of Products (including Export Sales of ₹ 49,959 (Pr. Yr. ₹ 35,054)	3,337,762	3,362,216
Sale of Scraps	21,017	29,041
	<u>3,358,779</u>	<u>3,391,257</u>
Sale of Service	1,110	899
	<u>3,359,889</u>	<u>3,392,156</u>
Less : Excise Duty	330,155	310,972
	<u>3,029,734</u>	<u>3,081,184</u>
Details of Sale of Products & Scraps		
Worm Reduction Gear	123,281	120,948
Spur Helical, Double Helical and Bevel Reduction Gear Boxes	599,120	609,440
Geared Motors	16,786	21,109
Loose Gear including Jobbing Charges	11,376	25,245
Torison Shaft & Diaphragm Couplings	7,793	5,735
Tractor & Automobile Gear/Parts	1,989,762	2,026,043
Rear Axles & Spline Shaft for Tractor & Automobile	631,573	615,005
Loose Gears & Gear Boxes	41	4,144
Gear Coupling	254	2,018
Sale of Scrap	21,016	29,041
Other	11,029	9,557
Solar Power	65,687	47,430
	<u>3,477,718</u>	<u>3,515,715</u>
Less : Inter unit transfer	118,939	124,458
	<u>3,358,779</u>	<u>3,391,257</u>

2.18 OTHER INCOME**Interest Income**

On Bank Deposits	118,717	97,380
Others	2,483	512
	<u>121,200</u>	<u>97,892</u>

Other Non Operating Income

Profit on sale of Fixed Assets	86	512
Excess Liabilities and Unclaimed Balances written back	317	5,399
Insurance and Other Claims (Net)	33	–
Reversal of Impairment	–	2
Net gain / (loss) on Foreign Currency transactions	1,235	505
Misc. Income *	20,194	16,693
	<u>143,065</u>	<u>121,003</u>

* 1) Includes ₹ 14012 (₹ 7806) cash discount received on early payments

*2) Includes ₹ Nil (₹ 3529) received from parties which was written off in earlier years.

(₹ In '000)

2.19 COST OF MATERIALS CONSUMED

	For the year ended	
	31st March, 2016	31st March, 2015
Raw Material Consumed		
Opening Inventories	157,859	226,725
Add : Purchase	1,387,836	1,272,467
	1,545,695	1,499,192
Less : Closing Inventories	319,238	157,859
Cost of Raw Material Consumed	1,226,457	1,341,333
Details of Raw Material Consumed		
Bearings	74,041	68,394
PB Rims	11,943	18,245
Steel	868,290	985,904
Castings	80,234	94,620
Electric Motors	4,188	5,644
Steel Castings & Forgings	33,517	14,704
Tractor & Automobile Gear/Parts	63,226	67,913
Rear Axles & Spline Shaft for Tractor & Automobile	70,457	73,176
Others	139,500	137,191
	1,345,396	1,465,791
Less : Inter unit transfer	118,939	124,458
	1,226,457	1,341,333

2.20 (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

Inventories at the beginning of the year		
Finished Goods	294,967	290,649
Work-in-Progress	95,029	105,018
Semi Finished	9,003	4,000
Scraps	243	267
	399,242	399,934
Inventories at the end of the year		
Finished Goods	116,750	294,967
Work-in-Progress	109,232	95,029
Semi Finished	1,180	9,003
Scraps	376	243
	227,538	399,242
	171,704	692

2.21 EMPLOYEE BENEFIT EXPENSE

Salaries & Wages	387,048	344,113
Contribution to Provident Funds, Gratuity & Others	31,352	23,598
Staff Welfare Expenses	18,420	19,171
	436,820	386,882

(₹ In '000)

2.22 FINANCE COST

	For the year ended	
	31st March, 2016	31st March, 2015
Interest Expenses		
To Banks on Term Loans	6,609	12,125
" Banks On Working Capital Loans	111,409	97,490
" Others	1,967	1,662
	<u>119,985</u>	<u>111,277</u>
Other Borrowing Cost		
Financial Charges	2,621	1,767
	<u>122,606</u>	<u>113,044</u>

2.23 OTHER EXPENSES**MANUFACTURING EXPENSES**

Stores, Spare Parts & Packing Materials Consumed	224,542	335,173
Power & Fuel	125,576	128,085
Job Charges	129,160	132,162
Repairs to Buildings	6,938	7,595
Repairs to Machinery	125,453	88,172
Repairs to Other Assets	11,910	10,534
Solar Power	5,450	4,590
Increase/(Decrease) in Excise on Stocks	5,914	23,575
	<u>634,943</u>	<u>729,886</u>

ADMINISTRATION AND SELLING EXPENSES

Brokerage & Commission on Sales	11,427	8,097
Transport & Forwarding Expenses	39,662	35,574
Rent	8,331	7,667
Insurance	2,089	2,106
Rates & Taxes	1,581	1,821
Legal & Professional Expenses	43,375	34,448
Travelling Expenses	29,256	29,128
Bank Charges	3,925	2,959
Postage, Telephones, Telex	2,912	3,235
Printing & Stationery	4,002	4,069
Directors' Fees	244	146
Directors Commission	800	600
Donation	1,007	1,000
Tax and Duties	8,002	5,334
Share Buy Back Expenses	2,488	-
Auditors' Remuneration -		
Statutory Auditors -		
Audit Fees	654	529
Limited Review Fees	162	56
Tax Audit Fees	100	98
Issue of Certificates	247	170
Bad Debt and Sundry Balance written off (Net)	750	16
Loss on sale/discard of Fixed Assets	84	1,045
Miscellaneous Expenses	13,781	15,800
	<u>174,879</u>	<u>153,898</u>
	<u>809,822</u>	<u>883,784</u>

(₹ In '000)

2.24 DEPRECIATION AND AMORTIZATION EXPENSES

	For the year ended	
	31st March, 2016	31st March, 2015
For Current year		
On Tangible Assets	209,046	210,521
On Intangible Assets	1,805	739
	<u>210,851</u>	<u>211,260</u>
For Earlier year		
Transitional Depreciation (On Tangible Assets having useful life Nil)	–	12,049
Less : Adjustment for Depreciation on revalued Assets	–	2,954
	–	<u>9,095</u>
TOTAL	<u>210,851</u>	<u>220,355</u>

2.25 TAX EXPENSE

Taxation for the Current Year	41,518	53,679
Add : Utilisation of Mat Credit Entitlement	<u>27,572</u>	<u>31,985</u>
Current Tax	69,090	85,664
Deferred Tax	<u>(36,817)</u>	<u>(11,541)</u>
TOTAL	<u>32,273</u>	<u>74,123</u>
Taxation related to Earlier year		
Tax	–	1,486
	<u>32,273</u>	<u>75,609</u>

2.26 Contingent Liabilities not provided in respect of :

(₹ In '000)

- a) Claims against the company not acknowledged as ₹ 2,306 (₹ 2,306).
- b) Letter of Guarantee opened by Bank in favour of foreign /Indian suppliers ₹ 3,103 (₹ 3,639).
- c) Letter of credit opened by Bank in favour of Indian suppliers ₹ 35,552 (₹ 16,668)
- d) Guarantee issued by Bank for ₹ 90,378 (₹ 98,206) including ₹ 6,860 (₹ 10,558) in respect of amount included in Advance from customers. The bank held margin money of ₹ 60 (₹ 60) as fixed deposit receipts against the said guarantee.
- e) Indemnity Bonds issued in favour of Customs Department for ₹ 4,166 (₹ 4,166) and ₹ 82 (₹ 82) deposited in this respect, has been included in security deposit.
- f) Proportionate value of duty saved vide Letter of Undertaking given to Jt. Director General of Foreign Trade under EPCG Scheme, where export obligation can be completed in future years ₹ 22,241 (₹ 14,671) The export made by Faridabad unit has been considered to fulfill the EPCG obligation in respect of machine installed at Rudrapur unit.
- g) Sales Tax liabilities ₹ 26,452 (₹ 34,631) (Ref: Note 2.34)
- h) The disputed issues/demand of Income Tax and Fringe Benefit Tax amounting to ₹ 3,993 (₹ 1,137) not provided in the accounts as the matter pending adjudication before CIT (Appeals), VI, Kol. and DCIT Cir-6 (Refer Note. 2.34)
 - a) Assessment Year 2009-10 demand ₹ 3 (₹ 3) paid by way of adjustment by department with refund of A.Y. 2011-12 out of ₹ 510 (Income Tax.).
 - b) Assessment Year 2009-10 demand ₹ 215 (₹ 215) paid by way of adjustment by department with refund of A.Y. 2011-12 out of ₹ 510 adjusted ₹ 463 (₹ 462) (Fringe Benefit Tax.).
 - c) Assessment year 2010-11 demand ₹ 640 (₹ 640).
 - d) The disputed issue for Asst. year 2012-13 for Short Allowance of Deduction u/s 80IC amounts to ₹ 722 and short allowance of Credit of TDS ₹ 23 Tax involve in the matter ₹ 234 approx adjustment by department out of refund of current A.Y. (P.Y Nil).

(₹ In '000)

- e) The disputed demand of Income Tax for Asst. year 2013-14 for ₹26 pending adjudication before CIT (Appeals), VI, Kolkata. The disputed issue are for disallowance of Additional Depreciation ₹ 7757 Short deduction u/s 80IC ₹ 1106/- Short credit of TDS ₹ 26 and wrong adjustment of Credit u/s 115JA. Tax involve in the matter ₹ 2902 approx adjusted with credit u/s 115JA ₹ 2876.
- i) The disputed dues on account of CENVAT, Service Tax, Sales Tax, Interest on Excise Duty and Penalty amounting to ₹ 419 (₹ 12,515) has not been provided in the accounts and deposited as the matter is pending Adjudication before concerned authorities. (Ref Note2.34)

2.27 Capital Commitments

Estimated value of contracts remaining to be executed on Capital Account and not provided for ₹ 139,676 (₹ 202,597) Advance paid ₹ 83,707 (₹ 106,112)

- 2.28 The Company is in a the process of identifying Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Therefore, it is not possible for the Company to ascertain whether payment to such enterprises has been done within 45 days from the date of acceptance of supply of goods or services rendered by such enterprises and to make requisite disclosure. The disclosure as required under the said act is as under :
- | | |
|--|-----------------|
| a) Principal amount due to supplier under MSMED Act | Not ascertained |
| b) Interest due to suppliers on above. | N.A. |
| c) Any payment made to suppliers beyond appointed date (under Section 16 of the Act) | Not ascertained |
| d) Interest due and payable to suppliers under MSMED Act. | N.A. |
| e) Interest accrued & remaining unpaid as at 31.03.2016 | N.A. |
| f) Interest remaining due & payable as per Section 23 of the Act. | N.A. |
- 2.29 The amount of borrowing cost capitalized during the year ₹ 1,680 (₹ 2,352) and borrowing cost adjusted in capital advance Account for ₹1,448 (₹ 1,469).
- 2.30 In the opinion of the management and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. The debit/credit balances of parties are however, subject to confirmation and adjustment, if any.
- 2.31 Increase Decrease in Excise duty on closing stock of Finished Goods lying in factory is ₹ 5,914 (₹23,575).
- 2.32 Provision has not been made for ₹ 1,286 (₹ 981) in respect of interest on additional external development charges demanded by Directorate of Town and Country Planning, Haryana, Chandigarh in respect of Company's land at village Baghola, Dist. Palwal, Faridabad.
- 2.33. There is no amount pending transfer and due to be transferred to Investor Education & Protection Fund.
- 2.34 The disputed and unpaid dues on account of Income Tax, Sales Tax, Duty of Excise, Service Tax pending adjudication before concerned authorities are as follows:

Name of the Statute	Nature of Dues	Amount (₹) Current year	Amount (₹) Previous Year	Forum Where dispute is Pending
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2000-01)	3,546	3,546	Revision pending before Kolkata High Court
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2001-02)	9,452	9,452	Pending before Kolkata High Court(State matter settled under SOD Scheme)
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2002-03)	3,640	3,640	Revision pending before Tribunal & High Court

(₹ In '000)

Name of the Statute	Nature of Dues	Amount (₹) Current year	Amount (₹) Previous Year	Forum Where dispute is Pending
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2003-04)	Nil	2,614	State matter pending before Revision Board (Central matter settled under SOD Scheme)
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2004-05)	1,428	1,428	Appeal to be filed before Revision Board
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2005-06)	5,646	5,646	Pending before Kolkata High Court
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2006-07)	2,245	3,816	Revision pending before Revision Board (State matter settled under SOD Scheme)
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2007-08)	813	935	Revision pending before Revision Board (State matter settled under SOD Scheme)
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2008-09)	19	220	Revision pending before Revision Board (State matter settled under SOD Scheme)
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2009-10)	2,326	2,456	Revision pending before Revision Board
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2010-11)	1,910	2,089	Revision pending before Revision Board
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2011-12)	1,756	3,217	Revision pending before Revision Board
Central Sales Tax Act, 1956	Central Sales Tax (F.Y 2012-13)	4,574	Nil	Appeal pending before Appellate Authority
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2001-02)	Nil	4,129	Pending before Kolkata High Court(State matter settled under SOD Scheme)
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2002-03)	2,776	2,776	Revision pending before Tribunal & High Court
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2003-04)	1,579	1,579	State matter pending before Revision Board (Central matter settled under SOD Scheme)
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2004-05)	1,955	1,955	Appeal to be filed before Revision Board
W.B. Sales Tax Act, 1944	W.B. Sales Tax (F.Y 2006-07)	Nil	1,967	Revision pending before Revision Board (State matter settled under SOD Scheme)
W.B. Sales Tax Act, 1944	W.B. Sales Tax(F.Y. 2007-08)	Nil	1,009	Revision pending before Revision Board (State matter settled under SOD Scheme)
W.B. Sales Tax Act, 1944	W.B. Sales Tax(F.Y. 2008-09)	Nil	1,371	Revision pending before Revision Board (State matter settled under SOD Scheme)

(₹ In '000)

Name of the Statute	Nature of Dues	Amount (₹) Current year	Amount (₹) Previous Year	Forum Where dispute is Pending
W.B. Sales Tax Act, 1944	W.B. Sales Tax (FY 2009-10)	6	6	Revision pending before Revision Board
W.B. Sales Tax Act, 1944	W.B. Sales Tax (FY 2010-11)	88	88	Revision pending before Revision Board
W.B. Sales Tax Act, 1944	W.B. Sales Tax (FY 2011-12)	383	383	Revision pending before Revision Board
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	CENVAT for Service Tax on Rent (FY 2009-10)	419	419	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (Rule 15(2) of C.Excise Rule)	Penalty under Central Excise for wrong claim of CENVAT (FY 2009-10)	NIL	509	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	CENVAT on Tin Coating Charges on Cutting Tools (FY 2009-10)	NIL	11,586	Joint Commissioner of Central Excise, Delhi-IV, Faridabad.
Income Tax Act, 1961	Short allowance of our Claim u/s 80IC and Short allowance of TDS & Other. Asst. Year 2010-11	640	640	Commissioner of Income Tax VI (Appeals)/Kolkata.
Income Tax Act, 1961	Short Allowance of Additional Depreciation ₹ 7757, deduction u/s 80IC ₹ 1106, & TDS ₹ 26 Asst. Year 2013-14	26	0	Commissioner of Income Tax VI (Appeals)/Kolkata.

2.35 Related Party Information

i)	Person Having Control	:	Mr. P. K. Daga, Chairman cum Managing Director
			Mr. Yashwant Kr. Daga, Vice-Chairman cum Joint Managing Director
			Relatives of above :
		a)	Smt. Asha Devi Daga
		b)	Smt. Nandini Daga
		c)	Mr. Shantanu Daga
ii)	Key Management Personnel	:	a) Mr. K. S. Dev (Pr. Yr. Mr. B. P. Chaudhuri) – Chief Executive (Operations),
			b) Mr. Sunil Ghiya – Chief Operating Officer.
			c) Mr. Maneesh Khanna – Chief Financial Officer
			d) Mr. V. D. Mall – Company Secretary
iii)	Enterprises over which persons having control have significant influence	:	a) M/s. Deepak Spinners Limited
			b) M/s. Brua Hydrowatts Pvt. Ltd

(₹ In '000)

Transaction with related parties :		31.03.2016	31.03.2015
a)	Person having control – (Salary and perquisites)	12,365	7,945
b)	Key Management Personnel (Salary and perquisites)	5,921	6,935
	i) Advance given and subsequently Recovered	1,182	2,770
	Balance Advance outstanding at the close of the year	–	–
c)	Sales to Enterprises over which persons having control have significant influence	39,285	38,237
	Balance Debtor outstanding at the close of the year	4,017	3,608
d)	Closing balance of Investment in enterprises over which person having control have significant influence.	50,000	50,000

Notes : Related party relationship on the basis of requirement of Accounting Standard 18 as above is pointed out and has been relied upon by auditors.

2.36 Value of Imported/Indigenous Raw materials, Stores & Spares parts (including Packing Materials) consumed and percentage thereof :

	Raw Materials*				Stores & Spare Parts**			
	Amount		% of Total consumption		Amount		% of Total Consumption	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Imported	16,011	7,984	1.19	0.54	2,545	3,172	1.13	0.95
Indigenous	13,29,385	14,57,844	98.81	99.46	2,21,997	3,32,001	98.87	99.05
	13,45,396	14,65,828	100.00	100.00	2,24,542	3,35,173	100.00	100.00

* Includes inter unit transfer of Raw Materials ₹118,939 (₹ 124,458)

** Excludes imported machinery spares consumed ₹3,686 (₹ 2,959) used in machinery maintenance

2.37 Disclosures pursuant to Accounting Standard-15 "Employees Benefits".

As per Accounting Standard 15 "Employees Benefit" the disclosure of Employees Benefit as defined in Accounting Standard are given below

i) **Defined Contribution Scheme :**

Contributions to Defined contribution Plan recognized as expenses for the year are as under :

Particulars	Amount (₹'000) 2015-16	Amount (₹'000) 2014-15
Employers' Contribution to Provident Fund (Govt.)	6,564	6,074
Employers' Contribution to Family Pension Fund	10,674	8,533
Employers' Contribution to Employees State Insurance	4,803	4,751

ii) **Defined Benefit Scheme :**

a) In respect of Provident funds for eligible employees maintained by a trust, in the nature of defined benefit scheme up to date shortfall, if any, as per actuarial valuation, in respect of contribution towards such funds is yet to be identified. However contribution to those provident funds amounting to ₹ 2,099 (₹ 2,219) is recognized as expenses and included in 'Employees Benefit Expenses'. Shortfall in the funds of ₹ Nil (₹ 55) towards such trustee funds has been provided to the extent of the information available with the company.

b) The Company makes annual contribution of Gratuity to Gratuity Fund maintained by Trust created by the company for the scheme. Eligible employees are entitled to gratuity benefit (at one half months eligible salary for each completed year of service) on retirement / death / termination. Eligibility occurs upon completion of 5 years of continuous service. The Employees of the company are also eligible for encashment of leave upon retirement. Refer Note No.1(e) of Accounting Policies relating to Employees Benefit.

(₹ In '000)

Following are the further particulars with respect to gratuity and leave encashment:-

		Gratuity Fund (Funded)		Leave Encashment (Unfunded)	
		2015-16	2014-15	2015-16	2014-15
1)	Components of Employer Expenses				
	a) Current Service Cost	5,514	5,951	1,485	1285
	b) Interest Cost	5,539	5,278	1,068	933
	c) Expected Return on Plan Assets	(5,255)	(4,891)	0	0
	d) Actuarial Loss/(Gain)	311	(5,733)	(413)	(865)
	e) Total Expenditure	6,109	605	2,140	1,353
2)	Net Assets/(Liability) recognized in the Balance Sheet as at 31st March, 2016				
	a) Present value of Defined Benefit Obligation	69,904	68,195	13,953	12,673
	b) Fair Value of Plan Assets	63,795	67,590	0	0
	c) Net Assets/(Liability) recognized in Balance Sheet	(6,109)	(605)	(13,953)	(12,673)
3)	Change in defined Benefit Obligation				
	a) Present Value of Obligation at beginning of Period	68,195	72,542	12,673	12,216
	b) Current Service Cost	5,514	5,951	1,485	1,285
	c) Interest Cost	5,539	5,278	1,068	933
	d) Expected Return on Plan Assets	-	-	-	-
	e) Actuarial (Gain)/Loss	317	(5,097)	(413)	(865)
	f) Benefit Paid	(9,661)	(10,479)	(860)	(896)
	g) Present Value of Obligation	69,904	68,195	13,953	12,673
4)	Change in Fair Value of Assets				
	a) Plan Assets at beginning of Period	67,590	68,351	N.A.	N.A.
	b) Expected Return on Plan Assets	5,255	4,891	N.A.	N.A.
	c) Actual Company's Contribution	605	4,191	860	896
	d) Actuarial(Gain)/Loss	6	636	0	0
	e) Benefit Paid	(9,661)	(10,479)	860	896
	f) Plan Assets at the end of Period	63,795	67,590	0	0
5)	Fair Value of Plan Assets				
	a) Fair Value of Plan Assets at the beginning	67,590	68,351	0	0
	b) Actual Return on Plan Assets	5,261	5,527	0	0
	c) Employers Contribution	605	4,191	860	896
	d) Benefit Paid	(9,661)	(10,479)	(860)	(896)
	e) Fair Value of Plan Assets at the end	63,795	67,590	0	0
6)	Actuarial Assumptions				
	a) Discount Rate (per annum)	8.00%	7.50%	8.00%	7.50%
	b) Rate of Increase in Salaries	6.00%	7.00%	6.00%	7.00%
	c) Rate of Return on Plan Assets	8.00%	8.00%	0	0
	d) Mortality Rates	IALM (2006-08) Ultimate	LIC (2006-08) Ultimate	IALM (2006-08) Ultimate	LIC (2006-08) Ultimate
7)	Major Categories of Plan Assets as a percentage				
	a) Govt. Loans	39.61%	38.48%	N.A.	N.A.
	b) PSU Bonds	58.24%	60.16%	N.A.	N.A.
	c) Other Current Assets	2.15%	1.36%	N.A.	N.A.

2.38 Segment Information

A) Information about Business Segment-Primary				
	Sl. No.	Particulars	Amount 2015-16	Amount 2014-15
1	Segment Revenue			
	1	Automobile Gear	2,274,328	2,306,012
	2	Industrial Gears	689,719	727,742
	3	Solar Power – Electricity	65,687	47,430
		Sales/Income from operation	3,029,734	3,081,184
2	Segment Results			
	1	Automobile Gear	190,377	214,683
	2	Industrial Gears	(35,535)	30,204
	3	Solar Power – Electricity	19,238	(3,314)
		Total	174,080	248,201
		Less : Interest	122,606	113,044
		Un allocable Income (net of un-allocable expenditure)	143,065	120,940
		Profit/(Loss) for the year before Tax	194,539	256,097
		Less : Income Tax (Current Year)	41,518	53,679
		Less : Adj of Mat Credit Entitlement	27,572	31,985
		Less : Income Tax (Earlier Years)	0	(1,486)
		Deferred Tax	(36,817)	(11,541)
		Profit/(Loss) for the year after Tax	162,266	180,488
3	Other Information's			
	a)	Segment Assets		
		1. Automobile Gear	2,553,793	2,602,893
		2. Industrial Gears	1,087,532	962,732
		3. Solar Power – Electricity	330,298	370,235
		4. Unallocable	150,589	187,761
		Total	4,122,212	4,123,621
	b)	Segment Liabilities		
		1. Automobile Gear	421,137	530,812
		2. Industrial Gears	1,448,894	1,255,432
		3. Solar Power – Electricity	32,037	29,268
		4. Unallocable	124,345	3,897
		Total	2,026,413	1,819,424
4	Capital Expenditure			
	1	Automobile Gear	171,630	118,460
	2	Industrial Gears	90,361	124,354
	3	Solar Power – Electricity	–	–
	4	Unallocable	183	469
		Total	262,174	243,283
5	Depreciation			
	1	Automobile Gear	100,450	120,174
	2	Industrial Gears	71,351	61,183
	3	Solar Power – Electricity	38,904	38,904
	4	Unallocable	146	94
		Total	210,851	220,355
6	Non Cash Expenses Other than Depreciation			
	1	Automobile Gear	–	–
	2	Industrial Gears	–	–
	3	Solar Power – Electricity	–	–
	4	Unallocable	–	–
		Total	–	–

Note : The Company allocates un allocable expenditure incurred at Head Office to Kolkata Unit and Faridabad unit and Rudrapur Unit in the ratio of 30:60:10 (30:60:10). The Kolkata Unit manufactures Industrial Gears only. Rudrapur Unit manufactures Automobile Gear whereas Faridabad unit manufactures both Industrial Bear & Automobile Gear.

(₹ In '000)

B) Secondary Segment
The Company caters mainly to the needs of the Indian market and there is no reportable geographical segment.
Other Disclosure
1) There is no inter Segments revenue
2) Type of Products in each business segment
1. Automobile Gears – Tractor & Automobile Gears & Shaft, Moped/Motor Cycle Parts.
2. Industrial Gears – Helical Gear, Worm Gear Boxes, Geared Motors.
3. Solar Power – Electricity

2.39 Earnings in Foreign Currencies	2015-16	2014-15
Export (on F.O.B. Basis)	49,959	35,054
2.40 Expenditure in Foreign Currencies (as certified)		
a) Traveling	1,356	1,108
b) Others	973	13
2.41 C.I.F. Value of Imported Materials		
Raw Materials	12,093	8,223
Stores & Spares Parts	17,138	6,983
Capital Goods	164,849	29,949

2.42 Commission payable to non-executive Directors ₹ 800 (₹ 600) is subject to approval of accounts in Annual General Meeting.

2.43 Notes on CSR Expenditure

- a) Gross amount required to be spent by the company during the year : ₹ 7,386 (₹ 8,684)
b) Amount spent during the year on :

		In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any assets	Nil	Nil	Nil
(ii)	On purpose other than (i) above	Nil	Nil	Nil

2.44. Figures for the previous year have been regrouped and/or recast wherever necessary.

As per our Report annexed.

For **SINGHI & CO.**

Chartered Accountants

Firm Reg. No. 302049E

ANURAG SINGHI

Partner

Membership No. 066274

1B, Old Post Office Street
Kolkata - 700 001

Dated : The 28th day of May, 2016

V. D. MALL
Company Secretary

MANEESH KHANNA
Chief Financial Officer

P. K. DAGA (DIN : 00040692)
Chairman-cum-Managing Director

Y. K. DAGA (DIN : 00040632)
Vice-Chairman-cum Jt. Managing Director

A. P. AGARWALLA (DIN : 00312652)

S. CHAKRABORTY (DIN : 00066344)

S. C. MOHTA (DIN : 00066305)

MEERA DOKANIA (DIN : 07094376)

Directors

DEEPAK INDUSTRIES LIMITED

CIN : L63022WB1954PLC021638

Regd. Office : 16, Hare Street, Kolkata-700 001

TPhone No.033-2248-2391/2/3 Fax No. 033-2243-9382

Website: www.dil-india.com Email: secretary@dil-india.com

ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend the meeting.

D.P.ID*		L.F.No.	
Client ID*		No. of Shares held	

I/ We hereby record my/our presence at the 61st Annual General meeting of the Company being held on Thursday, the 29th September, 2016 at 2.00 P.M.at 16, Hare Street, Kolkata-700 001

Signature of Shareholder(s)

1. 2. 3.

Signature of the Proxy holder

*Applicable for investors holding shares in electronic form.

Note : Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the venue of the meeting.

PROXY FORM

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

CIN : L63022WB1954PLC021638

Name of the Company : DEEPAK INDUSTRIES LIMITED

Registered office : 16, Hare Street, Kolkata-700 001

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

I/We, being the member(s) of shares of the above named company, hereby appoint.

(1) Name..... Address.....

E-mail IDSignature or failing him.

(2) Name..... Address.....

E-mail IDSignature or failing him.

(3) Name..... Address.....

E-mail IDSignature

as my/our proxy to attend and vote (on a poll) for me/ our behalf at the 61st Annual General Meeting of the Company, to be held on Thursday, the 29th September, 2016 at 2.00 P.M. at 16, Hare Street, Kolkata-700 001 and at any adjournment thereof in respect of such resolutions as are indicated below :

DEEPAK INDUSTRIES LIMITED

CIN : L63022WB1954PLC021638

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TPhone No.033-2248-2391/2/3 Fax No. 033-2243-9382

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If undelivered, please return to :

DEEPAK INDUSTRIES LIMITED

16, HARE STREET, KOLKATA - 700 001