



KILBURN CHEMICALS LTD.

**ANNUAL
REPORT
AND
ACCOUNTS
2014-2015**

DIRECTORS

S. K. JALAN – *Managing Director*
V. VANCHI
R. CHAUDHRI
A. CHATRATH
P. K. BHATTACHARJEE
T. M. PATEL
M. KEJRIWAL

BANKERS

AXIS BANK LIMITED
HDFC BANK LIMITED

AUDITORS

V. SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS
KOLKATA

**REGISTERED &
CORPORATE OFFICE**

“SHANTINIKETAN”
16TH FLOOR
8, CAMAC STREET
KOLKATA 700 017

**REGISTRAR &
SHARE TRANSFER AGENT**

MAHESHWARI DATAMATICS PVT. LTD.
6, MANGO LANE, 2ND FLOOR
KOLKATA - 700 001
PHONE NO. : (033) - 22435809 / 5029
FAX NO. : (033) 2248 4787
EMAIL : mdpldc@yahoo.com

DIRECTORS' REPORT

Your Directors take pleasure in presenting the 25th Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS

(Rs. In lacs)

	2014-15	2013-14
Total Revenue	137	181
Gross Operating Profit	58	127
Depreciation for the year	82	116
Profit/ (Loss) Before Extraordinary items and Tax	(24)	11
Profit Before Tax (PBT)	(18)	11
Provision for Tax including Deferred Tax	(44)	(35)
Net Profit After Tax (PAT)	26	46
Add : Surplus / Loss brought forward from previous year	4062	4016
Profit available for Appropriation	4088	4062
Balance carried forward	4088	4062

OPERATION

During the year under review the Company has achieved turnover of Rs.137 lacs which solely came from Wind Mills Operations as compared to last year Rs.181 lacs which is 24.31% less compared to previous year. The Company has earned profit after tax including deferred tax Rs.26 lacs as compared to Rs.46 lacs last year. The generation by the windmills owned by the Company was satisfactory but there was a problem with the local power board on evacuating the power generated. Hence, a substantial portion of the power generated by the windmills was lost and we were unable to bill the same.

EQUITY DIVIDEND

In view of the sharp drop in profitability and with a view to conserve resources for the company's Greenfield Project, Directors felt it prudent to skip dividend on Equity Shares for the year.

FUTURE OUT LOOK

Your Directors are glad to report that the company is in process of setting up a new project for production of both Anatase and Rutile Grade of Titanium Dioxide with an annual capacity of 15,000 MT in Gujarat, where the company has already acquired land from Gujarat Industrial Development Corporation at Jolwa Village at Dahej.

The Company has substantially done the detailed Engineering activities on the project and almost all necessary regulatory clearance has been obtained. Tie up for financial closures at advance stage and is expected to complete soon.

TRANSFER TO RESERVES

During the year under review, your Director does not propose to transfer any amount to any reserve. The profit/ loss for the year under review have been shown under the head Reserve and surplus.

CHANGES IN THE NATURE OF BUSINESS IF ANY

The company has not changed any business' during the year under review. However the Company has signed MOU to sell its Wind Mill Division on slump sales basis to M/s Shri Dhanalakshmi Green Energy India Pvt. Ltd. incorporated under the Companies Act, 1956 and having it registered office situated at S F NO. 226/3, NH-47 Avinashi Road Karumathampatti, Coimbatore (DT) Tamilnadu - 641659 at the consideration of Rs 15.80 Crores.

DEPOSITS

The company has not accepted any deposit from the public and shareholders falling within the ambit of section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOAN GURANTEES OR INVESTMENTS

Details of Loan, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to the financial Statements.

SHARE CAPITAL

The paid up Equity Share Capital as on March, 31, 2015 was Rs 8.19 Crores. During the year under review, the company has not issued any shares with differential voting rights nor granted any stock option to employees nor issued any sweat equity shares or buy back of shares of the company.

EXTRACT OF THE ANNUAL RETURN

Pursuant to section 92 (3) of the Companies Act 2013 (the Act) and Rules 12(1) of the Companies (Management and Administration) Rules 2014, the details forming part of the extract of the Annual Return in the form MGT 9 is annexed herewith as Annexure No. 1

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act 2013 (the Act) and Accounting Standard (AS)-21 on Consolidated Financial Statements read with AS-23 on accounting for Investments in Associated and AS-27 on Financial Reporting of Interests in Joint Ventures, the Audited Consolidated Financial Statement is not applicable to the company as company has no subsidiary, Joint Ventures and Associate company as defined in Companies Act, 2013.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company does not have any Subsidiary, Joint-Venture and Associate Company as per the Companies Act, 2013.

CORPORATE GOVERNANCE

Pursuant to the provisions contained in the Listing Agreement with Stock Exchanges, a Report on Corporate Governance together with the Auditors' Certificate on the compliance of the conditions of the Corporate Governance is annexed. The Management Discussion and Analysis Report have not been annexed as the company has only windmill operations in place.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the company, Shri V.Vanchi (DIN: 00015985), Director of the company, retire by rotation at the ensuing

Annual General Meeting of the company and being eligible has offered himself for re-appointment.

The Board of Directors at its meeting held on 13th February, 2015 appointed Mrs Mamta Kejriwal as an Additional Director of the company to hold office upto the date of this Annual General Meeting of the company. Under Section 160 of the Companies Act, 2013 the Company has received requisite notice from the member proposing Mrs. Mamta Kejriwal as a candidate for the office of Director of the company.

All the Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act 2013 and clause 49 of the Listing Agreement

Shri Sandeep Kumar Jalan – Managing Director of the Company, Shri Sunil Kumar Somani – G.M. Finance cum Company Secretary are Key Managerial Personnel of the company.

During the year under review, pursuant to the provisions of the Companies Act 2013, Shri Sunil Kumar Somani who was the G.M. Finance and Company Secretary of the Company, relinquished the office of the Company Secretary. He has been designated CFO of the company w.e.f. 13.02.2015

Shri Mukesh Sharma has been designated as Company Secretary of the Company w.e.f. 13.02.2015.

PERFORMANCE EVALUATION BOARD EVALUATION

In Compliance with the Companies Act 2013 and Clause 49 of the Listing Agreement, the performance evaluation of the Board was carried out by the Independent Directors met on 11.11.2014 to discussed the following;

Evaluation of the performance of Non-Executive Directors and the Board of Directors and the Board of Directors as Whole.

Evaluation of the Chairman of the company, taking into account the views of the Executive and Non Executive Directors.

Evaluation of the quality, content and timelines of flow of information between Management and the Board.

More details on the same is given in the Corporate Governance Report.

DETAILS OF BOARD AND COMMITTEE MEETING

During the year under review, the Board of Directors has met 4 times. Details of Audit Committee, Nomination and Remuneration Committee and Share

Transfer Committee (Investor / shareholders Grievance Committee) meeting, its members and their attendance and terms of reference has been provided in the Corporate Governance Report.

The company has formed a policy on remuneration of Directors and senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. More Details on the same is provided in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that :

- A) In the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III of the Act, have been followed and there are no material departures from the same.
- 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 as at March 31, 2015 and of the profit of the company for year ended on that date,
- 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 are operating effectively ; and
- F) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

RELATED PARTY TRANACTIONS

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the company which may have potential conflict with interest of the company.

The Board has also formulated the Related party transactions policy and during the year under review,

the company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtain which are of a repetitive nature.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under section 134(3) (h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014.

Your Directors draw attention of the members to Note no 27 to the financial statement which set out related party disclosures.

CORPORATE SOCIAL RESPONSIBILITY

As per provisions laid down under Section 135 of the companies Act 2013 related to Corporate Social Responsibility does not applicable to the company.

VIGIL MECHANISM POLICY

The Vigil Mechanism of the Company, which is also known as whistle Blower policy in terms of Listing Agreement. As the Company main object to do business in an honest, transparent and ethical manner, for which the company has formulate the vigil mechanism policy which provide that any employees and other person dealing with the company can made a disclosure about any wrong doing in company operations and dealing or prevailing any corruption in any area of business of the company through an e mail or through telephone or letter to the Chairman of the Audit Committee.

The policy on vigil mechanism or whistle Blower policy may be accessed on the company website at the link www.kilburnchemicals.com.

POLICY ON NOMINATION AND REMUNERATION

The contents of Nomination and Remuneration policy of the company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 (IV) of the Listing Agreement are provided in the Corporate Governance Report.

RISK MANAGEMENT

The Company has formulated Risk Management Policy which is well define mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

On continuous basis risks are indentify by the functional heads and which discussed at various committee or group level including Audit Committee and Board of Directors and systematically address to mitigate risk.

INTERNAL FINANCIAL CONTROLS

The company has put in place the adequate internal financial controls systems which includes internal financial controls, ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. The internal Auditor team carries out the extensive audits across all financial areas and submits its report to Audit Committee.

AUDITORS AND AUDITORS' REPORT

The company's Auditors, M/s. V. Singhi & Associates, Chartered Accountants, Kolkata who retire at the ensuing Annual General Meeting of the company are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and Rules framed there under for reappointment as Auditors of the Company.

The notes to the accounts referred to in the Auditors' Report are self explanatory.

The Board of Directors has appointed M/s R.C. Jhawer & Company, Chartered Accountants as Internal Auditors of the company for the F Y 2015-16

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed Mr Sunil Kumar Banerjee, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report does not give any adverse remark. The report of Secretarial Auditor is annexed to this report as Annexure-2.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company has, during the year under review, transferred a sum of Rs.6,31,462/- to Investor Education and Protection Fund, in compliance with the provisions of erstwhile Section 205C of the

Companies Act, 1956. The said amount represents dividend for the financial year 2006-2007 which remained unclaimed by the members of the company for a period exceeding 7 years from its due date of payment.

PARTICULARS OF EMPLOYEEES

Industrial relations in the Company continued to be cordial and satisfactory. During the year no employee was cover under the provisions of Section 197 of the Companies Act, 2013, read with Rules, 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosure pertaining to remuneration and other details as required under section 197 (12) of the Act read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure-3.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUT GO

Statement pursuant to the provisions of section 134 (3)(m) of the Companies Act 2013 read with Rules 8 of the Companies (Accounts) Rules 2014 is annexed herewith as Annexure-4. Looking to the nature of business carried out by the company does not energy intensive and have not much impact on energy conservation and utilization and investment in the energy conservation equipment and in technology absorption.

ACKNOWLEDGEMENT

Your Directors are grateful for the co-operation and continued guidance and support extended by various agencies of Central Government and State Government(s) and various Government Departments and Agencies, Axis Bank Ltd., and HDFC Bank Ltd. Your Directors thank and express their gratitude to various stakeholders' i.e customers, dealers, suppliers, advisors and consultants for their committed engagement with the Company. The Directors greatly appreciate the dedicated and sincere services rendered by the employees at all levels. Finally, the Directors express their gratitude to all the Shareholders for their support.

Place : Kolkata
Date : 29th May, 2015

For and on behalf of the Board,
S. K. JALAN
Managing Director

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the Financial Year Ended 31.03.2015

(Pursuant to Section 92(3) of the Companies Act,2013 and Rule 12(1)
of the Companies (Management & Administration) Rules,2014

I. REGISTRATION AND OTHER DETAILS

- (i) CIN : L24117WB1990PLC199409
(ii) Registration Date : 31.08.1990
(iii) Name of the Company : KILBURN CHEMICALS LTD
(iv) Category/Sub-Category of the Company : COMPANY LIMITED BY SHARES
(v) Address of the Registered Office and Contact details : SHANTINIKETAN, 16TH FLOOR
8,CAMAC STREET, KOLKATA-700017
WEST BENGAL, TEL : 033-22828501
(vi) Whether Listed Company YES/NO : YES
(vii) Name, Address and Contact details of Registrar & Transfer Agent, if any : MAHESHWARI DATAMATICS PVT. LTD.
6, MANGOE LANE,(Surendra Mohan Ghosh Sarani)
2ND FLOOR, KOLKATA - 700001
TEL : 033-22435029

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/Description of Main Products & Services	NIC Code of Product/Service	%Total Turnover of the Company
1	Wind Power Generation	NA	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the company	CIN/GLN	HOLDING, SUBSIDIARY/ Associate	%of shares held	Applicable Section
	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014]				No of Shares held at the end of the year [As on 31-March-2015]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	25555	0	25555	0.3120	25555	0	25555	0.3120	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corporate	3439192	765000	4204192	51.3332	4204192	0	4204192	51.3332	0.0000
e) Banks/FI									
f) Any other									
Sub-total (A)(1)	3464747	765000	4229747	51.6452	4229747	0	4229747	51.6452	0.0000

KILBURN CHEMICALS LTD.

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2014]				No of Shares held at the end of the year [As on 31-March-2015]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	3464747	765000	4229747	51.6452	4229747	0	4229747	51.6452	0.0000
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	6700	6700	0.0818	0	6700	6700	0.0818	0.0000
b) Banks/FI	0	1000	1000	0.0122	0	1000	1000	0.0122	0.0000
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1):	0	7700	7700	0.0940	0	7700	7700	0.0940	0.0000
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	1740134	20400	1760534	21.4961	1752930	20400	1773330	21.6524	0.7268
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1113618	885832	1999450	24.4133	1060871	875132	1936003	23.6386	-3.1732
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	164391	0	164391	2.0072	215446	0	215446	2.6306	31.0571
c) Others (Specify)									
Non Resident Indians	2525	0	2525	0.0308	1035	0	1035	0.0126	-59.0099
Qualified Foreign Investor	23039	0	23039	0.2813	22339	0	22339	0.2728	-3.0383
Foreign Nationals									
Clearing Members	2614	0	2614	0.0319	4400	0	4400	0.0537	68.3244
Trusts									
Foreign Bodies-D R									
Sub-total(B)(2):	3046321	906232	3952553	48.2606	3057021	895532	3952553	48.2607	0.0000
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3046321	913932	3960253	48.3546	3057021	903232	3960253	48.3547	0.0000
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	6511068	1678932	8190000	100.0000	7286768	903232	8190000	100.0000	0.0000

II) SHAREHOLDING OF PROMOTERS-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	SHREE DURGA AGENCIES LTD	1308170	15.9728	0.0000	1308170	15.9728	0.0000	0.0000
2	MARYADA ADVISORY SERVICES PVT LTD	1232457	15.0483	0.0000	1232457	15.0483	0.0000	0.0000
3	SUPRIYA FINANCE LTD	879423	10.7378	0.0000	879423	10.7378	0.0000	0.0000
4	NIRVAN COMMERCIAL COMPANY LTD	654465	7.9910	0.0000	654465	7.9910	0.0000	0.0000
5	SANDEEP INVESTMENTS LIMITED	129677	1.5834	0.0000	129677	1.5834	0.0000	0.0000
6	SANDEEP KUMAR JALAN	25000	0.3053	0.0000	25000	0.3053	0.0000	0.0000
7	SANDEEP KUMAR JALAN	255	0.0031	0.0000	255	0.0031	0.0000	0.0000
8	ALAKA JALAN	100	0.0012	0.0000	100	0.0012	0.0000	0.0000
9	BAJARANG PRASAD JALAN	100	0.0012	0.0000	100	0.0012	0.0000	0.0000
10	DIVYA JALAN	100	0.0012	0.0000	100	0.0012	0.0000	0.0000
TOTAL		4229747	51.6453	0.0000	4229747	51.6453	0.0000	0.0000

III) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	NIRVAN COMMERCIAL COMPANY LTD.				
	At the beginning of the year	654465	7.9910	654465	7.9910
	At the end of the year			654465	7.9910
2	MARYADA ADVISORY SERVICES PVT LTD.				
	At the beginning of the year	1232457	15.0483	1232457	15.0483
	At the end of the year			1232457	15.0483
3	SANDEEP INVESTMENTS LIMITED				
	At the beginning of the year	129677	1.5834	129677	1.5834
	At the end of the year			129677	1.5834
4	SHREE DURGA AGENCIES LTD.				
	At the beginning of the year	1308170	15.9728	1308170	15.9728
	At the end of the year			1308170	15.9728
5	SANDEEP KUMAR JALAN				
	At the beginning of the year	25000	0.3053	25000	0.3053
	At the end of the year			25000	0.3053
6	SUPRIYA FINANCE LIMITED				
	At the beginning of the year	879423	10.7378	879423	10.7378
	At the end of the year			879423	10.7378
7	BAJARANG PRASAD JALAN				
	At the beginning of the year	100	0.0012	100	0.0012
	At the end of the year			100	0.0012
8	DIVYA JALAN				
	At the beginning of the year	100	0.0012	100	0.0012
	At the end of the year			100	0.0012
9	ALAKA JALAN				
	At the beginning of the year	100	0.0012	100	0.0012
	At the end of the year			100	0.0012
10	SANDEEP KUMAR JALAN				
	At the beginning of the year	255	0.0031	255	0.0031
	At the end of the year			255	0.0031

IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	MCLEOD RUSSEL INDIA LIMITED				
	At the beginning of the year	350000	4.2735	350000	4.2735
	At the end of the year			350000	4.2735
2	GLOBE CAPITAL MARKET LIMITED				
	At the beginning of the year	14100	0.1722	14100	0.1722
	As on 29/08/2014 - Transfer			24100	0.2943
	As on 30/09/2014 - Transfer			24000	0.2930
	As on 28/11/2014 - Transfer			24050	0.2937
	At the end of the year			24050	0.2937
3	WILLIAMSON MAGOR AND CO LIMITED				
	At the beginning of the year	855000	10.4396	855000	10.4396
	As on 31/03/2015			0	
	At the end of the year			0	
4	BABCOCK BORSIG LIMITED				
	At the beginning of the year	0		0	
	As on 31/03/2015 - Transfer			855000	10.4396
	At the end of the year			855000	10.4396
5	NITYA HOLDINGS & PROPERTIES (P) LTD.				
	At the beginning of the year	393180	4.8007	393180	4.8007
	At the end of the year			393180	4.8007
6	TARZON TRACON PVT LTD.				
	At the beginning of the year	26398	0.3223	26398	0.3223
	At the end of the year			26398	0.3223

IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	SEEMA SECURITIES PVT. LTD.				
	At the beginning of the year	2884	0.0352	2884	0.0352
	As on 23/05/2014 - Transfer			5036	0.0615
	As on 30/05/2014 - Transfer			14737	0.1799
	As on 06/06/2014 - Transfer			16737	0.2044
	As on 29/08/2014 - Transfer			6737	0.0823
	As on 05/09/2014 - Transfer			7037	0.0859
	As on 12/09/2014 - Transfer			6836	0.0835
	As on 19/09/2014 - Transfer			6536	0.0798
	As on 28/11/2014 - Transfer			10976	0.1340
	As on 19/12/2014 - Transfer			10975	0.1340
	As on 06/02/2015 - Transfer			10976	0.1340
	As on 27/03/2015 - Transfer			11976	0.1462
	At the end of the year			11976	0.1462
8	ANIL KUMAR GOEL				
	At the beginning of the year	36000	0.4396	36000	0.4396
	At the end of the year			36000	0.4396
9	SAIFUDDIN FAKHRUDDIN MIYAJIWALA				
	At the beginning of the year	20162	0.2462	20162	0.2462
	At the end of the year			20162	0.2462
10	SEEMA GOEL				
	At the beginning of the year	40000	0.4884	40000	0.4884
	At the end of the year			40000	0.4884
11	RASHIDA HATIM MIYAJIWALA				
	At the beginning of the year	20076	0.2451	20076	0.2451
	At the end of the year			20076	0.2451
12	J CHENTHILRAJAN				
	At the beginning of the year	30270	0.3696	30270	0.3696
	At the end of the year			30270	0.3696
13	DIPAK MAJUMDER				
	At the beginning of the year	14500	0.1770	14500	0.1770
	At the end of the year			14500	0.1770

V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sandeep Kumar Jalan				
	Managing Director				
	At the beginning of the year	25255	0.3084	25255	0.3084
	date wise increased / decreased in the shareholding during the year specifying the reason of increased / decreased (e .g. Allotment, transfer, bonus, sweat equity etc.	Nil	Nil	Nil	Nil
	at the closing of the year	25255	0.3084	25255	0.3084
2.	V. Vanchi				
	Director				
	At the beginning of the year	4105	0.0501	4105	0.0501
	date wise increased / decreased in the shareholding during the year specifying the reason of increased / decreased (e .g. Allotment, transfer, bonus, sweat equity etc.	Nil	Nil	Nil	Nil
	at the closing of the year	4105	0.0501	4105	0.0501
	Sunil G. Somani -CFO and Mukesh Sharma, Company Secretary do not hold any shares in the company None of the Independent Directors hold any shares in the company				

V. INDEBTEDNESS

INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING / ACCRUED BUT NOT DUE FOR PAYMENT

	Secured Loans excluding Deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i Principal Amount	Nil	Nil	Nil	Nil
ii Interest due but not paid	Nil	Nil	Nil	Nil
iii interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i Principal Amount	Nil	Nil	Nil	nil
ii Interest due but not paid	Nil	Nil	Nil	nil
iii interest accrued but not due	Nil	Nil	Nil	nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Directors and /or Manager

(Rs. In lacs)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/Manager	
		S K Jalan	Total Amount
1	Gross Salary		
	(a) Salary as per Provisions contained in section 17 (I) of the Income Tax Act, 1961	38.69	38.69
	(b) Value of Perquisites u/s 17(2) of Income Tax, 1961	0.97	0.97
	(c) Profit in lieu of Salary under section 17(3) Income Tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission	0.00	0.00
	– as % of Profit	0.00	0.00
5	Others, please specify	0.00	0.00
	Total	39.66	39.66
	Ceiling As per the Act	42.00	42.00

B. Remuneration to other DirectorsName Of The Directors

Sl. No.	Particulars of Remuneration	V Vanchi	Ranjit Chaudhri	Anand Chatrath	P K Bhatta-charjee	Tushar M Patel	Total Amount
1	Independent Director						
	Fee for attending Board/Committee Meetings	16000	32000	8000	32000	4000	92000
	Commission	0	0	0	0	0	0
	Others, specify	0	0	0	0	0	0
	Total (1)	16000	32000	8000	32000	4000	92000
2	Other Non Executive Director	NA	NA	NA	NA	NA	NA
	Total Managerial Remuneration = (1+2)	16000	32000	8000	32000	4000	92000
	Overall Ceiling As per the Act						

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

Rs In lacs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	CFO
1	Gross Salary		
	(a) Salary as per Provisions contained in section 17 (I) of the Income Tax Act, 1961	4.71	10.50
	(b) Value of Perquisites u/s 17(2) of Income Tax, 1961	0	0
	(c) Profit in lieu of Salary under section 17 (3) of the Income Tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	– as % of Profit	0	0
5	Others, please specify	0	0
	Total	4.71	10.50

NOTE : The above figures for remuneration are extracted from Form 16 of the Individual Managerial Personnel and Key Managerial Personnel for the FY 2014-15. Whereas the figures for the Managerial remuneration in Corporate Governance Report are prepared on the basis of accrual accounting principle and hence are not comparable.

VII. PENALTIES/ PUNISHMENT / COMPOUNDING OF OFFENCES:

	Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees Imposed	Authority (RD/NCLT /Court)	Appeal Made, if Any (give Details)
A	Company	Nil	Nil	Nil	Nil	Nil
	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 Officer In Default					
	Penalty	Nil	Nil	Nil	Nil	Nil
	Punishment	Nil	Nil	Nil	Nil	Nil
	Compounding	Nil	Nil	Nil	Nil	Nil

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015**

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

To
The Members
KILBURN CHEMICALS LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KILBURN CHEMICALS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015, according to the provisions of :

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Employees Provident Fund and Miscellaneous Provisions Act, 1952.
7. Employers Liability Act, 1948.
8. Equal Remuneration Act, 1976.
9. Indian Contract Act, 1972.
10. Income Tax Act, 1961 and Indirect Tax Laws.
11. Indian Stamp Act, 1999.
12. Negotiable Instruments Act, 1881.
13. Payment of Bonus Act, 1965.

14. Payment of Gratuity Act, 1972.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the Mumbai Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations as placed below as "ANNEXURE-A":

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

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance. 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.

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

I further report that during the audit period, there are no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

Place : KOLKATA
Date : 27th May, 2015

SUNIL KUMAR BANERJEE
PRACTISING COMPANY SECRETARY
FCS No. : 2189
C P No : 4652

ANNEXURE-A

1. Despite the fact that the Company has complied with the provisions, rules, regulations guidelines and standards, it is felt that the compliance mechanism systems, procedures can be further strengthened and improved.
2. It is noted that no provision has been made in respect of Gratuity for the employees during the year under review.
3. A dispute regarding Income Tax amounting to Rs.6,25,55,590/= for the Assessment Year 2012-13 has been pending with CIT(A)-Chennai.

Place : KOLKATA
Date : 27th May, 2015

SUNIL KUMAR BANERJEE
PRACTISING COMPANY SECRETARY
FCS No. : 2189
C P No : 4652

As per the provisions of section 197 of the Companies Act 2013 (Appointment and remuneration of Managerial Personnel) Rules 2014, every listed company are required to disclose following information in the Board Report	
Variation in Market Capitalization	Rs . 31531500
Price earning Ratio as at the closing date of current financial year	47.97
Price earning Ratio as at the closing date of prevoius financial year	20.54
Percentage increase over decrease in the market quotations of the shares of the company in comparision to the rate at which the company came out the last public offer (in 1994 at Rs .10 per share) in case of listed companies and in case of unlisted companies, the variations in the net worth of the company as at the close of current financial year and previous financial year	increased 53.50%
Ratio of the remuneration of each director to the median remuneration of the employees of the company for financial year	
Name	Ratio to employees
Shri S. K. Jalan - Managing Director	6.69
Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager	
Name	% Increase
Shri S. K. Jalan - Managing Director	Nil
Shri Sunil G. Somani - Chief financial Officer	Nil
Shri Mukesh Sharma	Nil
Percentage increase in the median remuneration of employees in the financial year	Nil
Number of permanent employees on the roll of company	6
Explanation on the relationship between average increase in remuneration and company performance	Decrease in profit before tax
	Increase in overall remuneration - Nil
Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Increase in remuneration of KMP - Nil
Average percentile increase already made in the salaries of employees other than the managerial personnel	Increase in non managerial personnel - Nil
In the last financial year and its comparision with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Managerial Personnel - Nil
Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	same as above
Key parameters for any variable component of remuneration availed by the directors	Nil
Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Nil
We affirm that the remuneration paid to the Managerial and non Managerial Personnel is as per the remuneration policy of the company	

INFORMATION REQUIRED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

(A) Conservation of Energy	
(i) The step taken or impact on conservation of energy	Nil
(ii) The step taken by the company for utilizing alternate source of energy	Nil
(iii) The capital investment on energy conservation equipment	Nil
(B) Technology absorption	
(i) The effort made towards technology absorption	Nil
(ii) The benefit derived like product improvement, cost reduction product development, or import substitution	Nil
(iii) The company has not imported any technology in last three years	Nil
(iv) Expenditure incurred on research and development	Nil
(C) Foreign exchange earning and outgo	
Foreign exchange inflow / earning	Nil
Foreign exchange outgo	Rs. 5.50 lacs

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Clause 49 of the Listing Agreement]

A. MANDATORY REQUIREMENTS**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Your Company firmly believes in transparency, professionalism and accountability in its dealings and lays emphasis on integrity and compliance of regulatory provisions and has constantly endeavoured to practice good Corporate Governance. The above policies adopted by the Company recognize the accountability of the Board and assist its top management in the efficient conduct of the business of the Company and at the same time in meeting its social obligations.

The Company has taken a series of steps to put in place appropriate Corporate Governance Policies for your Company and to comply with many of the regulations framed in this regard by the Securities & Exchange Board of India.

2. BOARD OF DIRECTORS

The Board of Directors of your Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance management, legal and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, meets with the requirements of Clause 49 of the Listing Agreement.

As required by section 165 (1) of the Companies Act, 2013 and clause 49 of the Listing Agreement, none of the Directors holds Directorships in more than 20 Companies (Public or Private), 10 public companies, membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairmanship of Board Committee in excess of 5. None of the directors serves as Independent Director in more than 7 Listed Companies. None of the Director who serves as Whole Time Director in any listed Company serves as Independent Director in more than three listed Companies.

The composition, status, attendance at the Board Meetings and the last Annual General Meeting (AGM), outside Directorships and other Board Committees as at 31st March, 2015 is as under :-

Name of the Director	Status i.e., Executive, Non Executive and Independent	No. of Membership in other Boards or other Committees as Member or Chairman (other than Private Limited Companies and Kilburn Chemicals Ltd.)		Number of Board Meetings		Whether attended last A.G.M.
		Board	Committee	Held during the year	Attended during the year	
Mr. S. K. Jalan	Executive Managing Director	7	1	4	4	YES
Mr. V. Vanchi	Executive Director	4	1	4	4	YES
Mr. Ranjit Chaudhri	Non Executive Independent Director	2	–	4	4	NO
Mr. Anand Chatrath	Non Executive Independent Director	2	1	4	1	NO
Mr. Parag Keshar Bhattacharjee	Non Executive Independent Director	4	2	4	4	NO
Mr. Tushar Mahendrabhai Patel	Non Executive Independent Director	1	1	4	1	NO
Mrs. Mamta Kejriwal (Appointed on 13.02.15)	Additional Independent Director	–	–	4	–	NO

Four Board Meetings were held on 29.5.2014, 30.7.2014, 11.11.2014 and 13.02.2015 during the year.

As required under Section 149(3) of the Companies Act, 2013, Mrs Mamta kejiwal, a woman Director, has been appointed as an additional Director on the Board on 13.02.2015.

(i) Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, and Clause 49 of the Listing Agreement and other relevant regulations and his affirmation taken with respect to the same. By way of an introduction to the Company, the Director is presented with a relevant Annual Reports. Further, with a view to familiarize him with the Company's Operations, the Director is explaining through presentations giving an over arching perspective of the industry.

The company senior staffs gives the details of organisational set up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfil his role as a Director of the Company.

(ii) COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee.

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are tabled at the Board Meetings.

3. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 11th Nov, 2014, inter alia, to discuss: Independent Directors and the Board of Directors as a whole; Chairman of the committee, taking into account the views of the Executive and Non Executive Directors. Timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Director takes appropriate steps to present Independent Directors' views to the Managing Director.

The Company has conducted the familiarization program for Independent Directors during the year.

4. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Board and of the committees of Board by way of individual and collective feed back from Directors.

The following were the Evaluation Criteria :

For Independent Directors:

- Knowledge and Skills
- Professional Conduct
- Duties, Role And functions

For Executive Director

- Performance of Team Leader/ Member
- Evaluating business Opportunity
- Key set goals and achievements
- Professional conduct
- Sharing of information with the Board

5. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the Internal Control Systems and financial disclosures.

The terms of reference of the Audit Committee covers the matter specified for Audit Committee under Clause 49 of the Listing Agreement and the Companies Act, 2013 and is vested with the following powers :

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advices.
- To secure attendance of outsiders with relevant expertise, if considered necessary.
- Review of Company's Financial reporting process.
- Review of quarterly, Half yearly and annual financial statements, before submission to the Board.
- Review with External Auditors, on areas of concern.
- Review the adequacy of internal control systems.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) issued by The Institute of Chartered Accountants of India. Compliance of the AS as applicable to the Company has been ensured in the Financial Statements for the year ended 31st March 2015.

The Board of Directors of the Company had constituted an Audit Committee comprising of Shri. Ranjit Chaudhri, (Chairman), Shri. Anand Chatrath & Shri. Parag Keshar Bhattacharjee.

The Audit Committee is constituted in accordance with the provisions of Clause 49 of the Listing Agreement and Section 177 of the Companies Act 2013. Shri Anand Chatrath is a Chartered Accountant and possesses knowledge of corporate finance, accounts and company law. The Statutory Auditor, Internal Auditor are also invited to the Meetings. The quorum for the Audit Committee Meetings is two members. Mr. Muneesh Maharwal, acts as the Secretary of the Committee.

The attendance of each member of the Committee is given below.

Date of Audit Committee Meeting held and attended by the Members	Mr.Ranjit Chaudhri	Mr. Anand Chatrath	Mr.Parag Keshar Bhattacharjee
29.05.2014	YES	–	YES
30.07.2014	YES	–	YES
11.11.2014	YES	YES	YES
13.02.2015	YES	–	YES

Shri. Muneesh Maharwal acts as the Secretary of the Committee.

6. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board of Directors of the Company renamed Remuneration Committee as Nomination and Remuneration Committee .The Nomination and Remuneration Committee of Directors comprises of three Directors viz. Mr. R. Chaudhri (Chairman), Mr. Anand Chatrath and Mr. P. K. Bhattacharjee.

The terms of reference of the Committee cover the matter specified for Nomination and Remuneration Committee under the provision of Listing Agreement and Companies Act 2013 and rules made there under.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

1.1 APPOINTMENT CRITERIA AND QUALIFICATION

- a) A person who is proposed to be appointment as director of the company should be eligible to be appointed as Director and must hold Director Identification Number issued by the Central Government and possess such qualification, expertise and experience as prescribed under the Act.
- b) Without prejudice to generality of the above, a person who is proposed to be appointed as an Independent Director shall also be subject to compliance of provisions of section 149(6)
- c) KMP or senior Management personnel shall have adequate qualification, expertise and experience in the relevant field for which the appointment is proposed to be made.
- d) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

1.2 TERM / TENURE

- a) Managing Director/ Whole Time Director/ Manager (Managerial Personnel)

The company shall appoint or re appoint any person as its Managerial Personnel 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.

- b) Independent Director

An Independent Director shall hold office for a term of 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 that an Independent Director shall not, during the said period of three years, be appointed in or be associate with the company in any other capacity, either directly or indirectly.

1.3 EVALUATION

The committee shall carry out evaluation of performance of every Director, KMP and senior Management Personnel at such interval as deemed fit.

1.4 REMOVAL

The Committee may recommend the Board for removal of a Director, KMP or Senior Management Personnel for reason recorded in writing .The procedure for removal of any Director shall be as per the provisions of the Act in this regard.

1.5 RETIREMENT

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

2.1 REMUNERATION POLICY

- a) The remuneration / compensation / commission etc. to the Managerial Personnel will be determined by the committee and recommended to the Board for approval which shall be subject to the prior / post approval of the shareholders of the company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managerial Personnel shall be in accordance with the percentage/ slabs / conditions as per the provisions of the Act.
- c) Increments to the existing remuneration / compensation structure may be recommended by the committee to the Board which should be within the limits approved by the shareholders in case of Managerial Personnel.
- d) Where any insurance is taken by the company on behalf of its Managerial Personnel, Chief Executive Officers, Chief Financial Officer, 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 . Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

2.2 REMUNERATION TO MANAGERIAL PERSONNEL, KMP, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

A) FIXED PAY

The Managerial Personnel shall be eligible for a monthly remuneration as may approved by the Board on the recommendation of the Committee in accordance with the provisions of the Companies Act, 2013 and rules made there under for the time being in force. The breakup of the pay scale and quantum of perquisites including employer's contribution to P. F. pension scheme, medical expenses, club fees, other non monetary benefits etc. shall be decided and approved by the Board on the recommendation of the committee and approved by the shareholders and Central Government, wherever required.

b) VARIABLE PAY

The Managerial Personnel shall be eligible to performance linked incentives as may be determined by the Board from time to time

c) COMMISSION

The Managerial Personnel may be paid commission if approved by the shareholders. The Shareholders may authorize the Board to decide commission to be paid to any Managerial Personnel of the Board.

d) MINIMUM REMUNERATION

If, in any financial year, the Company has no profits or its profits are inadequate, the company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

e) PROVISION FOR EXCESS REMUNERATION

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the company and until such sum is refunded, hold it in trust for the company . The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

f) REMUNERATION TO OTHER

The remuneration to company Secretary, Chief Financial Officers, senior Managerial Personnel and other employees of the company shall be governed by the H R Policy of the company.

2.3 REMUNERATION TO NON EXECUTIVE /INDEPENDENT DIRECTORS

a) REMUNERATION

The remuneration shall be in the accordance with the provisions of the Companies Act, 2013 and rules made thereunder for the time being in force.

b) SITTING FEES

The Non Executive / Independent Director may receive fees for attending meeting of the company . Provided that the amount of such fee shall not exceed Rs one lacs per meeting of the Board or Committee or such amount as may be prescribed under the Act. Additionally the Non Executive Directors shall be reimbursed travelling and incidental expenses incurred for attending the meeting.

c) COMMISSION

Commission may be paid within the monetary limit approved by the shareholders, subject to the limit as prescribe under the Act.

d) STOCK OPTION

An Independent Director shall not be entitled to any stock option of the company. The attendance of each member of the Committee is given below.

Date of Independent Directors Meeting held and attended by the Members	Mr.Ranjit Chaudhri	Mr. Anand Chatrath	Mr.Parag Keshar Bhattacharjee
11.11.2014	Yes	Yes	Yes

Shri. Muneesh Maharwal acts as the Secretary of the Committee.

DETAILS OF REMUNERATION PAID TO DIRECTORS

The Details of Remuneration paid to Directors for the year ended 31st March, 2015 are as follows :

Name of the Director	Sitting Fees	Salaries & Perquisites	Commission	No.of Shares held	
				Equity	Preference
Mr. S. K. Jalan	–	Rs.3629346	–	25255	–
Mr. V. Vanchi	Rs.16000/-	–	–	4105	–
Mr. Ranjit Chaudhri	Rs.32000/-	–	–	–	–
Mr. Anand Chatrath	Rs.8000/-	–	–	–	–
Mr. P. K. Bhattacharjee	Rs.32000/-	–	–	–	–
Mr. Tushar M. Patel	Rs.4000/-	–	–	–	–

The Company does not have any Employee Stock Option Scheme.

The agreement with the Managing Director is for a period of three years, notice period is of 6 months and Service Contract is from 14th November, 2012 to 13th November, 2015.

The remuneration of the Managing Director is determined by the Board within the statutory limits subject to shareholder's approval and on the basis of recommendation of the Remuneration Committee.

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;

- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;

The Committee is headed by Mr. V. Vanchi, Executive Director. The other members of the Committee include Mr. S. K. Jalan, Executive Managing Director and Mr. Ranjit Chaudhri, Non Executive Independent Director.

The Committee generally meets once a month.

A	No. of Pending Complaints as on 01.04.2014	NIL
B	No. of complaints received from Stock Exchanges/SEBI/Investors	6
C	No. of complaints resolved	6
D	No. of pending complaints as on 31.3.2015	NIL

Mr. Muneesh Maharwal is the Compliance Officer.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to section 135 of the Companies Act, 2013, the CSR Policy is not applicable to the Company.

9. RISK MANAGEMENT POLICY

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management policy comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the Board risk management policy and framework in line with local legal requirements and SEBI guidelines;
- Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

10. DISCLOSURE**i. RELATED PARTY TRANSACTIONS**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

ii. STRICTURES AND PENALTIES

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

iii. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In staying true to our values of Strength, Performance and Passion and in line with our vision of the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a framed whistle blower Policy to deal with instances of fraud and mismanagement, if any. The whistle blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

iv. SUBSIDIARY COMPANIES

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

v. INTERNAL CONTROLS

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management the Company's major financial risk exposures and
- steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism (implemented in the Company as a Fraud Risk Management Policy and
- To review the findings of investigation into cases of material nature and the actions taken in respect thereof

VI. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON MANDATORY REQUIREMENTS OF CLAUSE 49

Mandatory Requirements

The Company complies with all the mandatory requirements of Clause 49 of the Listing Agreement on Code of Corporate Governance.

Non Mandatory Requirements

- | | |
|---|--------------------------------------|
| a) Office for non executive Chairman at company's expense | : Not applicable |
| b) Half yearly declaration of financial performance to each household of shareholders | : Not Complied |
| c) Audited Qualification | : Complied as no audit qualification |
| d) Separate post of Chairman & CEO | : Not Complied |
| e) Reporting of Internal Auditors directly to Audit Committee | : Complied |

VII. SHAREHOLDING OF NON EXECUTIVE DIRECTORS

None of the Non Executive Directors Hold any Share in the company.

VIII. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors of the company is related to any other Directors.

IX. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

The Company has in place a policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of women at the work place (Prevention, Prohibition & redressal) Act, 2013.

Internal Complaint Committee has been set up to redress complaints received regarding sexual harassment.

All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

During the year, the company has not employed any woman.

x. CODE OF CONDUCT

Boards of Directors of the Company have laid down the Code of Conduct for all its Members and Senior Management Personnel who have affirmed their compliance therewith. The Code has also been displayed on the Company's Website.

xi. CEO/CFO CERTIFICATION

In terms of Clause 49 of the Listing Agreement, the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained.

MONTHLY STOCK PRICE DATA :

Month	Highest Rate (Rs.)	Lowest Rate (Rs.)
April, 2014	14.65	11.01
May, 2014	18.88	12.02
June, 2014	18.75	15.30
July, 2014	18.45	15.00
August, 2014	17.80	14.00
September, 2014	18.10	14.85
October, 2014	17.95	15.10
November, 2014	19.35	15.25
December, 2014	20.75	15.50
January, 2015	18.80	15.50
February, 2015	17.15	15.20
March, 2015	18.30	14.10

(relates to trading in The Stock Exchange, Mumbai)

**REGISTRAR & SHARE TRANSFER
AGENT**

MAHESHWARI DATAMATICS PVT. LTD.
6, MANGO LANE, 2nd Floor
KOLKATA 700 001.

Share Transfer System :

Share Transfers in physical Form are processed by the Share Transfer Agent and approved by the Share Transfer Committee which meets at regular intervals. Share Transfers are registered and returned generally within 15 days from date of receipt, provided the documents are complete in all respects.

Distribution of Shareholding as on 31.03.2015

No.of EquityShares held	No.of Folios	%	No.of Shares	%
1 to 500	18775	97.7356	1334472	16.2939
501 to 1000	219	1.1400	180592	2.2050
1001 to 2000	90	0.4685	128387	1.5676
2001 to 3000	45	0.2343	115301	1.4078
3001 to 4000	27	0.1405	95970	1.1719
4001 to 5000	13	0.0677	63735	0.7782
5001 to 10000	15	0.0781	116703	1.4249
10001 and above	26	0.1353	6154840	75.1507
	19210	100.0000	8190000	100.0000

Shareholding Pattern as on 31.03.2015 is as follows :

Category	No. of Folios	No. of shares	%
Promoters	10	4229747	51.6453
Mutual Fund	6	6700	0.0818
Bank, Financial Institutions	5	1000	0.0122
Private Corporate Bodies	174	1773330	21.6524
Indian Public	18992	2155849	26.3229
NRI/OCBs	23	23374	0.2854
	19210	8190000	100.0000

DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on 31st March, 2015, 72,86,768 shares were converted from physical to electronic form. Over 88.97% equity shares have been dematerialised upto 31st March, 2015. Trading in Equity Shares of the Company is permitted only in dematerialised form with effect from 29.1.2000 as per notification issued by the Securities and Exchange Board of India. (SEBI).

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date

And likely impact on equity : Not Applicable.

CORPORATE OFFICE : KOLKATA, WEST BENGAL

ADDRESS FOR CORRESPONDENCE : "SHANTINIKETAN", 16TH FLOOR
8, CAMAC STREET
KOLKATA – 700 017

B. NON-MANDATORY REQUIREMENTS:

Shareholder rights:

The half-yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of shareholders –

As the Company's Quarterly/half-yearly results are published in English Newspapers having circulation all over India and in a Bengali Newspaper (having circulation in Kolkata) the same is not being sent to the shareholders separately.

Place : Kolkata
Date : 29th May, 2015

S. K. JALAN
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, the Auditors' Certificate is given as annexed to the Directors Report.

ANNEXURE TO THE DIRECTORS' REPORT

Auditors' Certificate on compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement.

TO THE MEMBERS OF KILBURN CHEMICALS LTD.

We have examined the compliance of conditions of Corporate Governance by **Kilburn Chemicals Ltd.**, for the year ended 31st March, 2015 as stipulated in Clause 49 of the listing agreement of the said Company with Stock Exchange.

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

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

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

Four Mangoe Lane
Kolkata – 700 001
Dated : 29th May, 2015

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.311017E
SUNIL SINGHI
Partner
Membership No.060854

INDEPENDENT AUDITOR'S REPORT

To the Members of Kilburn Chemicals Ltd. Report on the Financial Statements

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

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us,

the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 its Profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the notes to the financial statements:-

- 1. Note 21 regarding non provision of gratuity at the year end.**
- 2. Note 24 (ii) regarding non provision of Trade Receivables of Rs.11,09,72,664/- in respect of Commodity transactions.**

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigation on its financial position in the financial statements as referred to in Note 20 to the financial statements.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Company has transferred Rs.6, 31, 462/- relating to Financial Year 2006-2007 to the Investor Education and Protection Fund with a delay of 58 days.

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No. 311017E
SUNIL SINGHI

Four Mangoe Lane
Kolkata – 700 001
Dated : 29th May, 2015

Partner
Membership No. 060854

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph-1 on Other Legal and Regulatory Requirements of our Report of even date to the members of Kilburn Chemicals Limited on the financial statements of the Company for the year ended 31st March, 2015)

On the basis of such checks, as we considered appropriate during the course of our audit, we report that:

- i. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- b) As explained to us, Fixed Assets have been physically verified by the management at regular intervals, and as informed to us no material discrepancies were noticed on such verification.
- ii. The Company does not hold any inventory. Accordingly, clause 3 (ii) (a), (b) & (c) of the Order are not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, during the year (excluding outstanding unsecured loan of Rs. 2,55,01,331/- as on 31.03.2015) to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
 - a) No interest is being charged on the above loan as per terms of the agreement between the parties. There are no schedules as regards to repayments of Principal amount and therefore we are not in a position to make any comments as to whether or not the Company was regular in receipt of principal amount.
 - b) In view of our comments in Para (a) above, we are not in a position to make any comment as to whether or not there were any overdue amounts of more than Rupees One Lakh and whether any reasonable steps have been taken by the Company for recovery of the principal amount.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of wind power. Further on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of, any continuing failure to correct major weakness in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public during the year within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified..
- vi. As per the information and explanations given to us by the management, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for power generated by the wind mills.
- vii. a) As per records of the Company and according to the information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Income Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of the same which were in arrears as on 31st March, 2015 for a period of more than six months from the date the same became payable.
- b) According to the information and explanations given to us, the Company has not deposited the following dues

on account of disputes with the appropriate authorities:

Name of the statute	Nature of the dues	Amount in Rs.	Period to which the amount relate	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6,25,55,590/-	Assessment Year 2012-13	Commissioner of Income Tax (Appeals), Chennai

- c) The amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder, has been transferred with a delay of 58 days.
- viii. The Company has no accumulated losses as at end of the financial year and has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- ix. According to the information and explanations given to us, the Company has neither taken any loan from financial institutions and banks nor issued any debentures. Accordingly, clause 3(ix) of the Order is not applicable.

- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xi. According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that no term loan was obtained by the Company during the year.
- xii. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of such case by the management.

For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration No. 311017E

SUNIL SINGHI

Partner

Four Mangoe Lane

Kolkata – 700 001

Membership No. 060854

Dated : 29th May, 2015

BALANCE SHEET AS AT 31st MARCH, 2015

	Note No.	As at 31st March, 2015		As at 31st March, 2014	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	8,19,00,000		8,19,00,000	
(b) Reserves and Surplus	3	58,92,23,930	67,11,23,930	58,66,03,385	66,85,03,385
(2) Non-current Liabilities					
Deferred Tax liabilities (Net)	4		4,03,45,996		4,48,49,840
(3) Current Liabilities					
(a) Other current liabilities	5	1,07,95,549		1,65,90,115	
(b) Short-term provisions	6	4,64,346	1,12,59,895	4,23,797	1,70,13,912
TOTAL			<u>72,27,29,821</u>		<u>73,03,67,137</u>
II. ASSETS					
(1) Non-current Assets					
(a) Fixed Assets					
(i) Tangible assets	7	32,07,07,238		32,86,58,121	
(ii) Intangible assets		13,45,747		16,12,985	
(iii) Capital work-in-progress	8	12,77,56,466		10,87,82,085	
			44,98,09,451		43,90,53,191
(b) Non-current Investments	9		-		-
(2) Current Assets					
(a) Current Investments	10	9,93,61,519		10,24,21,058	
(b) Trade Receivables	11	12,64,56,964		12,71,66,740	
(c) Cash and Cash equivalents	12	59,42,815		1,87,78,778	
(d) Short-term loans and advances	13	4,05,49,716		4,23,38,014	
(e) Other current assets	14	6,09,356	27,29,20,370	6,09,356	29,13,13,946
TOTAL			<u>72,27,29,821</u>		<u>73,03,67,137</u>

Significant Accounting Policies 1

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

As per our Report of even date.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 311017E

SUNIL SINGHI

Partner M. No. 060854

Four Mangoe Lane, Kolkata - 700001

Dated : 29th May, 2015

For and on behalf of the Board

SUNIL G. SOMANI
Chief Financial Officer**S. K. JALAN**
Managing Director**MUKESH SHARMA**
Company Secretary**V. VANCHI**
Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015

	Note No.	For the Year Ended 31st March, 2015		For the Year Ended 31st March, 2014	
		Rs.	Rs.	Rs.	Rs.
I Revenue from Operations	15		1,37,38,158		1,81,26,924
II Other Income	16		93,58,475		1,26,42,468
III Total Revenue (I+II)			<u>2,30,96,633</u>		<u>3,07,69,392</u>
IV EXPENSES :					
Employee Benefits Expense	17		41,82,602		41,89,550
Finance Costs	18		3,033		2,47,212
Depreciation and Amortisation			82,18,121		1,16,11,672
Other Expenses	19		1,30,60,133		1,35,08,143
			<u>2,54,63,889</u>		<u>2,95,56,577</u>
V Profit/(Loss) Before Exceptional Items and Tax (III-IV)			(23,67,256)		12,12,815
VI Exceptional Items			6,06,130		1,12,360
VII Profit/(Loss) before tax (V-VI)			(17,61,126)		11,00,455
VII Tax Expense :					
Current Year			1,03,050		2,25,000
Tax Adjustment for Previous Year			19,123		(14,805)
Deferred Tax			(45,03,844)	(36,94,944)	(34,84,749)
IX Profit/(Loss) for the year (VII-VIII)			<u>26,20,545</u>		<u>45,85,204</u>
Earnings per equity share (Face Value Rs. 10/- each)					
Basic and Diluted	25		0.32		0.56

Significant Accounting Policies 1

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

As per our Report of even date.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 311017E

SUNIL SINGHI

Partner M. No. 060854

Four Mangoe Lane, Kolkata - 700001

Dated : 29th May, 2015

For and on behalf of the Board

SUNIL G. SOMANI
Chief Financial Officer**S. K. JALAN**
Managing Director**MUKESH SHARMA**
Company Secretary**V. VANCHI**
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	For the Year Ended 31st March, 2015		For the Year Ended 31st March, 2014	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before Tax and exceptional Items		(23,67,256)		12,12,815
Adjustments for:				
Depreciation	82,18,121		1,16,11,672	
Interest Received	(1,17,615)		(1,10,100)	
Interest Paid	1,433		2,38,065	
(Profit)/Loss on Sale of Investments	(92,40,460)		(51,57,849)	
(Profit)/Loss on Commodity Transaction	-		(73,45,422)	
(Profit)/Loss on Sale of Fixed Assets	-		5,00,866	
Exceptional and Extraordinary Items	6,06,130	(5,32,391)	(1,12,360)	(3,75,128)
Operating Profit before Working Capital Changes		(28,99,647)		8,37,687
Adjustments for Changes in Working Capital				
Trade and Other Receivables	28,81,460		3,25,59,821	
Trade Payables and Other Liabilities	(57,54,017)	(28,72,557)	(4,85,28,969)	(1,59,69,148)
Cash Generated from Operations		(57,72,204)		(1,51,31,461)
Taxes Paid		(5,05,558)		(64,95,516)
Net cash from operating Activities		(62,77,763)		(2,16,26,977)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets/Expenditure on Capital Work In Progress		(1,89,74,381)		(2,16,77,315)
Sale of Fixed Assets		-		1,75,000
Purchase of Investments		(3,22,00,000)		(28,91,62,497)
Sale of Investments		4,45,00,000		33,05,07,919
Interest Received		1,17,615		1,10,100
Net Cash used in Investing Activities		(65,56,766)		1,99,53,207
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from Issue of Share Capital		-		76,50,000
Share Premium		-		45,90,000
Interest Paid		(1,433)		(2,38,065)
Net Cash used in Financing Activities		(1,433)		1,20,01,935
Net Increase/(Decrease) in Cash & Cash equivalents		(1,28,35,962)		1,03,28,165
Cash and Cash Equivalents at the beginning of year		1,87,78,778		84,50,613
Cash and Cash Equivalents at the end of year		59,42,815		1,87,78,778

Notes:

- (1) The above Statement is subject to and read together with the notes and observations on Financial Statements attached thereto.
- (2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- (3) Cash & Cash equivalents at start and close of the year includes balances on Unpaid Dividend Accounts.
- (4) Previous year's figures have been regrouped, rearranged and recasted wherever found necessary.

This is the Cash Flow Statement referred to in our Report of even date.

As per our Report of even date.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 311017E

SUNIL SINGHI

Partner M. No. 060854

Four Mangoe Lane, Kolkata - 700001

Dated : 29th May, 2015

For and on behalf of the Board

SUNIL G. SOMANI
Chief Financial Officer

S. K. JALAN
Managing Director

MUKESH SHARMA
Company Secretary

V. VANCHI
Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1. Significant Accounting Policies

(i) Basis of Preparation of Financial Statements:

The Financial Statements have been prepared on accrual basis and under the historical cost convention method and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

All the assets and liabilities have been classified by the Company as current or non current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(ii) Use of Estimates:

The preparation of financial statements requires estimates and assumption to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

(iii) Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost (net of CENVAT, VAT and Service Tax Credits) is inclusive of freight, duties and levies and any directly attributable cost of bringing the assets to their working condition for intended use. Interest and other borrowing cost on borrowed funds, wherever applicable, used to finance the acquisition of fixed assets, upto date the assets are ready for use, are estimated and capitalized and included in the cost of the assets.

Effect due to change in Accounting Policy in respect of Depreciation: Till the year ended 31st March, 2014, Schedule-XIV to the Companies Act, 1956, prescribed requirements concerning depreciation on Tangible and Intangible Fixed Assets was enforced. From the Current Year Schedule-XIV has been replaced by Schedule-II to the Companies Act, 2013 where depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount of an asset is the cost of the asset or other amount substituted for cost, less residual value. Considering the applicability of Schedule-II, the management has re-estimated useful lives and residual value of all its fixed assets. The applicability of Schedule-II has resulted in the changes related to depreciation of tangible and intangible fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to be hold good for future years also.

The Expenditure incurred on "CDM" project has been considered by the Company as "Intangible Assets-CDM Project" and amortised on the basis of useful life method as specified in Schedule II of the Companies Act, 2013.

Cost of Leasehold Land will be amortised as and when the same will be used for business purpose.

(iv) Investments:

Non-Current Investments are stated at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investments.

Current Investments are carried at cost or fair market rate whichever is lower.

(v) Excise Duty and Cenvat/VAT/Service Tax Credits:

Benefits of Cenvat/VAT and Service Tax Credits (to the extent claimed/availed) are accounted for by adjusting to the cost of relative fixed assets/ materials/expenses.

(vi) Turnover/Sales:

Windmill power sales is being considered by the management as Revenue from Operations.

(vii) Recognition of Revenue and Expenditure:

(a) Income and Expenditure are accounted for on accrual and prudent basis.

(b) Self-generated Certified Emission Reductions (CERS) under the Clean Development Mechanism (CDM):

United Nations Framework Convention on Climate Change (UNFCCC) has registered the Company's "CDM" project on 21-04-2009. Considering the "Exposure Draft of Guidance Note on Accounting for self-generated Certified Emission Reductions (CERS)" issued by The Institute of Chartered Accountants of India (ICAI), "CERS"/income are to be recognized in the financial statements only when the "CERS" are issued/credited/sold/ certified by "UNFCCC".

(c) Interest on refunds of Government dues and disposal of Scrap/residual materials, if any, are intended to be accounted for as and when the amounts are finally determined and /or materials disposed off.

(viii) Foreign Currency Transactions

Transactions in Foreign Currencies are recorded in rupees by applying the rate of exchange ruling on the date of transaction.

(ix) Borrowing Costs

Borrowing cost incurred in relation to acquisition or construction of assets which necessarily takes substantial period of time to get ready for intended use are capitalized/allocated as part of such assets. Other borrowing costs are charged as expenses in the year in which they are incurred.

(x) Taxes on Income

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

Deferred tax is calculated at current statutory income tax rates as applicable and is recognised on timing difference between taxable income and accounting income that

originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets subject to consideration to prudence are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(xi) Impairment of Assets

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard-28, issued by ICAI, for the purpose of arriving at impairment loss thereon, being the difference in the book value and the recoverable value of the relevant assets. Impairment Loss, when crystallises, are charged against revenues for the year.

(xii) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
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NOTE-2
SHARE CAPITAL
(a) Authorised

1,60,00,000 (Previous year 1,60,00,000) Equity Shares of Rs.10/- each	16,00,00,000	16,00,00,000
4,00,000 (Previous year 4,00,000) Cumulative Redeemable Preference Shares of Rs.100/- each	4,00,00,000	4,00,00,000
	<u>20,00,00,000</u>	<u>20,00,00,000</u>

(b) Issued, Subscribed and Paid-up

81,90,000 (Previous year 81,90,000) Equity Shares of Rs.10/- each fully paid-up	8,19,00,000	8,19,00,000
	<u>8,19,00,000</u>	<u>8,19,00,000</u>

	No. of Shares	(Rs.)		No. of Shares	(Rs.)
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a) Reconciliation of number of shares

Opening Balance	81,90,000	8,19,00,000	74,25,000	7,42,50,000
Add: Issued during the year	-	-	7,65,000	76,50,000
Closing Balance	<u>81,90,000</u>	<u>8,19,00,000</u>	<u>81,90,000</u>	<u>8,19,00,000</u>

b) The Company has issued Equity Shares having a face value of Rs. 10/- each. Each holder of the Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the Share holders in the Annual General Meeting.

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

d) Name of Shareholders holding more than 5% of the total Shares issued by the Company	As at 31st March, 2015 Rs.		As at 31st March, 2014 Rs.	
	Name of Shareholder	No. of Shares	% of Holding	No. of Shares
Shree Durga Agencies Ltd.	13,08,170	15.97	13,08,170	15.97
Supriya Finance Ltd.	8,79,423	10.74	8,79,423	10.74
Nirvan Commercial Company Ltd.	6,54,465	7.99	6,54,465	7.99
Maryada Advisory Services Pvt. Ltd.	12,32,457	15.05	12,32,457	15.05
Williamson Magor & Co. Ltd.	–	–	8,55,000	10.44
Babcock Borsig Ltd.	8,55,000	10.44	–	–

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

	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
NOTE-3		
RESERVES AND SURPLUS		
a) Capital Reserve		
State Subsidies		
As per last Financial Statement	19,76,000	19,76,000
b) Preference Share Capital Redemption Reserve		
As per last Financial Statement	3,91,22,000	3,91,22,000
c) Securities Premium Reserve		
As per last Financial Statement	45,90,000	–
Add : Received during the year	–	45,90,000
	<u>45,90,000</u>	<u>45,90,000</u>
d) General Reserve		
As per last Financial Statement	13,47,50,391	13,47,50,391
	<u>18,04,38,391</u>	<u>18,04,38,391</u>
e) Surplus		
As per last Financial Statement	40,61,64,994	40,15,79,790
Add : Profit/(Loss) for the year as per Statement of Profit and Loss	26,20,545	45,85,204
	<u>40,87,85,539</u>	<u>40,61,64,994</u>
	<u>58,92,23,930</u>	<u>58,66,03,385</u>

As at
31st March, 2015
Rs.

As at
31st March, 2014
Rs.

NOTE-4
DEFERRED TAX LIABILITIES (NET)

In compliance with the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has adjusted the Deferred Tax Assets (net) of Rs. 45,03,844/- for the year in the Statement of Profit and Loss. The Deferred Tax Liability (net) comprises of :

a) Deferred Tax Liabilities			
– Depreciation on Fixed Assets	4,03,45,996		4,48,55,680
b) Deferred Tax Assets			
– Others	–		5,840
	<u>4,03,45,996</u>		<u>4,48,49,840</u>

NOTE-5
OTHER CURRENT LIABILITIES

Gujarat Industrial Development Corporation	–		49,78,801
Unpaid Dividend Accounts (As per Contra)	20,23,626		26,59,362
Preference Share Redemption Account*	60,00,000		60,00,000
Others Liabilities			
Other Payables			
To Related Party (Refer Note 27)	1,86,793		1,14,793
To Others	<u>25,70,080</u>	27,56,873	28,35,159
Payable to Statutory Authorities		15,050	2,000
		<u>1,07,95,549</u>	<u>1,65,90,115</u>

*Represents redemption amount lying unclaimed since 31st March, 2012.

NOTE-6
SHORT-TERM PROVISIONS

For Gratuity	4,64,346		4,23,797
	<u>4,64,346</u>		<u>4,23,797</u>

NOTE - 7

FIXED ASSETS

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION AND AMORTISATION			NET BLOCK		
	As at 01. 04. 2014	Additions	Adjustments/ Deductions	As at 31.03.2015	Upto 01. 04. 2014	For the year	Adjustments/ Deductions	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets										
Freehold Land and Development	49,00,000	-	-	49,00,000	-	-	-	-	49,00,000	49,00,000
Leasehold Land and Development*	18,44,30,489	-	-	18,44,30,489	-	-	-	-	18,44,30,489	18,44,30,489
Wind Mills	20,95,59,442	-	-	20,95,59,442	7,18,04,769	76,37,711	-	7,94,42,480	13,01,16,962	13,77,54,673
Furniture & Fittings	1,92,565	-	-	1,92,565	65,351	8,409	-	73,760	1,18,805	1,27,214
Vehicles	14,41,666	-	-	14,41,666	3,50,368	1,71,152	-	5,21,520	9,20,146	10,91,298
Office Equipments (Including Air Conditioner)	4,24,250	-	-	4,24,250	69,803	1,33,611	-	2,03,414	2,20,836	3,54,447
Sub Total	40,09,48,412	-	-	40,09,48,412	7,22,90,291	79,50,883	-	8,02,41,174	32,07,07,238	32,86,58,121
Intangible Assets										
Computer Software	23,89,530	-	-	23,89,530	23,89,530	-	-	23,89,530	-	-
CDM-PROJECT	25,66,643	-	-	25,66,643	9,53,658	2,67,238	-	12,20,896	13,45,747	16,12,985
Sub Total	49,56,173	-	-	49,56,173	33,43,188	2,67,238	-	36,10,426	13,45,747	16,12,985
Total	40,59,04,585	-	-	40,59,04,585	7,56,33,479	82,18,121	-	8,38,51,600	32,20,52,985	33,02,71,106
Previous year figures	40,67,05,655	3,13,082	11,14,152	40,59,04,585	6,44,60,093	1,16,11,672	4,38,286	7,56,33,479	33,02,71,106	

* Represents cost incurred for Leasehold Land allotted by Gujarat Industrial Development Corporation vide Offer - cum - Allotment letter dt. 18/03/2011 on License basis on a Lease of ninety nine years for which a lease deed is to be executed on fulfillment of terms and conditions contained in the Agreement dt. 16/09/2011.

	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
NOTE-8		
CAPITAL WORK-IN-PROGRESS		
Expenses considered by the Company as being Project and Pre-operative expenditure (Pending allocation to Fixed Assets)		
Professional Charges	5,17,21,853	4,78,24,761
Paid to Gujarat Industrial Development Corporation*	2,37,52,255	1,50,14,904
Interest paid to Gujarat Industrial Development Corporation	3,10,39,383	3,10,39,383
Salary & Wages	1,70,22,867	1,19,43,778
Rent Paid	11,20,500	6,64,500
Travelling & Conveyance Expense	16,63,903	11,63,438
Gujarat Pollution Control Board	1,50,000	1,50,000
Miscellaneous Expenses	12,85,705	9,81,321
	<u>12,77,56,466</u>	<u>10,87,82,085</u>

*Includes Lease Rent and Interest Rs.425/- (Previous Year Rs.377/-), Infrastructure Fund Rs. Nil (Previous Year Rs.16,89,289/-), Service and other charges Rs.15,65,596/- (Previous Year Rs.12,27,275/-) and Penalty for Non-Utilisation of Land Rs.71,71,330/- (Previous Year Rs. Nil) for the year ended 31st March, 2015

NOTE-9
NON-CURRENT INVESTMENTS
Other than trade - at cost
Unquoted Investment in Equity Shares
In Associates

75,000 Equity Shares of Rs. 10/- each fully paid up of Kilburn Software Technologies India Limited	7,50,000	7,50,000
Less: Provision for diminution in value	7,50,000	7,50,000
	<u>—</u>	<u>—</u>

As at 31st March, 2015	As at 31st March, 2014
Rs.	Rs.

NOTE-10
CURRENT INVESTMENTS (AT COST)

Other than Trade

Investments in Mutual Funds (fully paid-up)

Description	Units	Face Value (Rs.)	Rs.	Units	Face Value (Rs.)	Rs.
ICICI Prudential Flexible Income Plan Premium Growth	3,08,285.427	100	5,90,76,243	4,40,329.450	100	8,42,15,664
ICICI Prudential Floating Rate Plan D Growth	84,455.173	100	1,50,44,730	2,83,380.888	100	1,82,05,394
ICICI Prudential Liquid - Regular Plan-Growth	64,173.778	100	1,22,00,000	-	-	-
ICICI Prudential Ultra Short Term-Regular Growth	9,34,839.689	10	1,30,40,546	-	-	-
			<u>9,93,61,519</u>			<u>10,24,21,058</u>
Aggregate Amount of Investments			9,93,61,519			10,24,21,058
Aggregate Amount of NAV of Investments			12,50,96,142			12,54,62,103

NOTE 11
TRADE RECEIVABLES
(UNSECURED, CONSIDERED GOOD BY THE MANAGEMENT)

a) Debts outstanding for a period exceeding six months from the date they are due

From Related Party (Refer Note No.27)

35,44,845

41,44,845

From Others

12,17,16,299

11,95,60,496

b) Other Debts

11,95,820

34,61,399

12,64,56,964
12,71,66,740

	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
NOTE 12		
CASH AND CASH EQUIVALENTS		
Balance with Banks		
In Current Accounts	25,24,985	1,48,34,444
On Unpaid Dividend Accounts (As per Contra)	20,23,626	26,59,362
In Fixed Deposits*	13,81,430	12,75,250
Cash in hand (as certified by the management)	12,774	9,722
	<u>59,42,815</u>	<u>1,87,78,778</u>

*a) Fixed Deposit Receipts lodged with various Government Agencies as security for which confirmation certificates were not available for Auditor's inspection.

b) In view of Note (a) amount with more than 12 months maturity, if any, could not be ascertained and therefore not disclosed separately, as required under Schedule III to the Companies Act, 2013 and it has not been possible to ascertain the period of fixed Deposits and the dates of maturity.

NOTE 13**SHORT-TERM LOANS AND ADVANCES****Unsecured-Considered good by the management**

a) Loan to a Body Corporate (Free of interest)		
To Related Party (Refer Note 27)*	2,55,01,331	2,75,01,331
b) Advance to Others		
Income tax Refundable	51,04,431	33,39,283
Sales Tax Refundable	14,62,540	14,62,540
Service Tax Receivable	45,43,534	45,43,534
Advances to Employees	-	33,187
Prepaid Expenses**	33,69,991	33,03,853
Deposits	1,44,584	1,44,594
Deposit against Rent to Related Party (Refer Note 27)	90,000	90,000
Others	1,94,749	1,54,200
c) Advance payment of income tax (Net of Provision Rs.1,22,879/- Previous Year Rs.2,44,829/-)	1,38,556	17,65,492
	<u>4,05,49,716</u>	<u>4,23,38,014</u>

* Outstanding for more than 3 years considered good by the management.

** Includes Rs. Nil (Previous Year Rs.1,05,000/-) advance rent to Related Party (Refer Note 27)

	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
NOTE 14		
OTHER CURRENT ASSETS*		
Exports Benefits Receivable	4,63,033	4,63,033
Interest Receivable	1,46,323	1,46,323
	<u>6,09,356</u>	<u>6,09,356</u>

* Outstanding for more than 3 years considered good by the management.

NOTE 15**REVENUE FROM OPERATIONS**

Income From Wind Mill Operation	1,37,38,158	1,81,26,924
	<u>1,37,38,158</u>	<u>1,81,26,924</u>

NOTE 16**OTHER INCOME**

Interest from Bank on Fixed Deposit (Tax Deducted at Source Rs.11,435/-, Previous Year Rs.10,321/-)	1,17,615	1,10,100
Profit on Sale of Current Investments	92,40,460	51,57,849
Profit on Commodity Transaction	-	73,45,422
Excess Provision of TDS written back	-	297
Realisation on sale of scrap and residual material	-	24,000
Refund of Gurantee Premium paid to ECGC	-	4,800
Other Income	400	-
	<u>93,58,475</u>	<u>1,26,42,468</u>

NOTE 17**EMPLOYEE BENEFITS EXPENSE ***

Salary, Bonus and Exgratia	41,18,520	41,18,520
Medical Reimbursement	64,082	71,030
	<u>41,82,602</u>	<u>41,89,550</u>

*Includes Managing Directors Remuneration Rs. 36,29,346/- (Previous Year Rs. 36,53,030/-)

	As at 31st March, 2015 Rs.	As at 31st March, 2014 Rs.
NOTE 18		
FINANCE COSTS		
Interest Expenses		
To Income Tax Department	1,050	180,696
To Others	383	57,369
	<u>1,433</u>	<u>238,065</u>
Other Borrowing Cost		
Bank Charges	1,600	9,147
	<u>3,033</u>	<u>247,212</u>
NOTE 19		
OTHER EXPENSES		
Rent	19,31,292	18,34,292
Repairs & Maintenance		
– Vehicle	1,05,103	4,13,289
– Others	1,73,978	1,66,745
Insurance	1,19,998	49,121
Rates and Taxes	1,78,232	1,42,294
Directors' Sitting Fee	92,000	1,36,000
Listing Fee	1,12,360	28,090
Share Transfer Expenses	2,15,592	1,43,780
Advertisement	25,731	1,23,734
Legal & Professional Charges	11,08,295	8,27,439
Wind Mill Maintenance	50,64,562	48,89,346
Loss on Sales of Fixed Assets	–	5,00,866
Travelling and Conveyance	15,04,333	18,13,794
Postage and Courier Charges	4,36,928	2,63,552
Printing and Stationery	3,13,401	4,97,488
Security Service Charges	5,90,172	5,90,171
Auditor's Remuneration		
– As Auditor	3,08,990	2,75,000
– For other Services	92,860	25,000
– For Limited Review Audit	61,798	67,416
Miscellaneous Expenses	6,24,508	7,20,726
	<u>1,30,60,133</u>	<u>1,35,08,143</u>

20) Contingent Liabilities not provided for in the Financial Statements in respect of the following:

Income Tax Demand of Rs. 6,25,55,590/- for the Assessment Year 2012-13 disputed in appeal.

21) Retirement Benefits

Liability in respect of Gratuity upto 31st March, 2015 comes to Rs.25,89,230/- against which the Company has provided Rs.4,64,346/-. Net liability of Rs.21,24,885/- including Rs.1,83,461/- for the current year remained unprovided in the Financial Statement.

22) Export Benefits

Consideration/Benefits for transfer of DEPB licences and benefits (including for entitlements in hand as on the close of the year and/or to be received) in previous year were accounted for on accrual basis and were being valued at estimated and/or at net estimated realizable value. Adjustments for short/excess realizations, out of Rs. 4,63,033/- outstanding as on 31.3.2015 and brought forward from earlier years are intended to be made on actual dates of realization. No recoveries against such receivable amount was made during the year. As the management considers such amount as fully receivable, no provision has been made against such receivable amount. In case there will be any short recovery the results of the Company will get affected to that extent.

23) The Company has not received any information from suppliers regarding their status under Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosure, if any, required to be made under the said Act could not be compiled and disclosed.

24) (i) The management has considered the following receivables as on 31-03-2015 as good and fully recoverable and hence no provision has been made till date for the following amounts.

Nature of Account	Amounts (Rs.)
(i) Trade Receivables (including Rs. 35,44,845/- due from related party)	11,45,38,776/-
(ii) Exports Benefits Receivable	4,63,033/-
(iii) Income Tax Refundable	51,04,431/-
(iv) Sales Tax Refundable	14,62,540/-
(v) Interest receivable on Security Deposits	1,46,323/-

All the above amounts are brought forward from earlier years.

(ii) Trade Receivables of Rs. 11,09,72,664/- in respect of commodity transactions are still pending realization. This year Rs. 4,36,246/- has been realized against such receivables. The broker through whom such transactions were made has informed that they are continuously pursuing the matter towards recovery of such outstanding amount with NSEL and that the matter is under Judicial Investigation by Forward Market Commission and Economic offence wing etc. Considering the present state of affairs, action taken by the Government and other authorities, the management is confident of recovering such dues over a period of time. Accordingly, against such exposure of Rs. 11,09,72,664/- no provision has been considered at this stage and such Trade Receivables are shown as good and fully recoverable.

- (iii) The Company was liable to pay Non – utilization penalty of Rs.2,15,13,989/- to Gujarat Industrial Development Corporation as per their Letter No. GDC/DM/CG/ANK/227 dated 03/02/2015 for seeking extension in time limit for utilization of Leasehold Land allotted, out of which the Company has paid Rs.71,71,330/- till 31st March, 2015 and the balance amount of Rs.1,43,42,659/- has not been provided for in the financial statements.
- (iv) Certain balances included in Trade Receivables, Trade Payables, other Current Liabilities and Claim Receivable are old balances and are subject to confirmation.

25) Earnings per Share (EPS)

	31.03.2015	31.03.2014
(i) Profits (after tax) attributable to the Equity Shareholders (A)	Rs. 26,20,545/-	Rs. 45,85,204/-
(ii) Basic / weighted average number of Equity Shares outstanding during the year (B)	81,90,000	81,90,000
(iii) Nominal value of per Share	Rs.10/-	Rs.10/-
(iv) Basic and Diluted Earnings per share (A)/(B)	Re. 0.32 P.	Re. 0.56 P.

26) Segment Reporting

The Company's operations during the year comprises of only one segment i.e. Windmill Power Sales as such Accounting Standard 17 on "Segment Reporting" is not relevant. The Geographical Segment is also not relevant as the Company did not have any overseas operations during the year.

27) Related Party Transactions

Related Party disclosures as required under Accounting Standard-18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, as certified by the Management, are given below:

1. Relationship**A. Key Management Personnel and their relatives**

- 1) Mr. S. K. Jalan (Managing Director)
- 2) Late B.P. Jalan (Father of Mr. S. K. Jalan, Managing Director)
- 3) Mr. S. G. Somani (CFO)
- 4) Mr. Mukesh Sharma (Company Secretary)

HUF

M/s. Bajarang Prasad & Son (HUF) [Mr.S.K. Jalan is Karta]

B. Enterprises over which Key Management Personnel and relatives of such Key Managerial Personnel Exercise Significant Influence

- 1) Kilburn Office Automation Limited
- 2) Kilburn Software Technologies Limited
- 3) Shree Durga Agencies Limited
- 4) Supriya Finance Limited (formerly Buckingham Financial Services Limited)
- 5) Pushpdant Vyapaar Private Limited
- 6) Arham Vyapaar Private Limited.
- 7) Maryada Advisory Services Private Limited
- 8) Saket Fiscal Services Private Limited

2. Disclosure of Transaction with Related Parties during the year

Nature of Transaction	31.03.2015	31.03.2014
1. Rent paid		
a) Late B. P. Jalan	9,60,000	9,60,000
b) M/s Bajarang Prasad & Son (HUF)	3,00,000	3,00,000
2. Managerial Remuneration		
Mr. Sandeep Kumar Jalan	36,29,346	36,53,030
Mr. Sunil G. Somani, <i>Chief Financial Officer</i>	10,88,400	10,88,400
Mr. Mukesh Sharma, <i>Company Secretary</i>	5,08,240	5,08,240
3. Refund of Loan given		
Kilburn Office Automation Ltd.	20,00,000	–
4. Purchase of Fixed Assets		
M/s Kilburn Office Automation Ltd.	–	1,78,250
Balances as at 31.03.2015		
5. Investments		
Kilburn Software Technologies Ltd.	7,50,000	7,50,000
6. Advances against rent		
Late B. P. Jalan	–	80,000
Bajarang Prasad & Son (HUF)	–	25,000
7. Deposits against rent		
Late B.P. Jalan	48,000	48,000
Bajarang Prasad & Son (HUF)	42,000	42,000
8. Loan given		
Kilburn Office Automation Ltd.	2,55,01,331	2,75,01,331
9. Other Payables		
Kilburn Office Automation Ltd	1,14,793	1,14,793
Late B.P. Jalan	72,000	–
10. Trades Receivables		
Kilburn Office Automation Ltd.	35,44,845	41,44,845

28) Additional information pursuant to the provisions of Schedule III of the Companies Act, 2013.

	31.03.2015	31-03-2014
	Rs.	Rs.
Expenditure in Foreign Currency		
Travel (purchase of travellers cheques / foreign currencies/ exchange)(as certified)	5,49,925	6,86,964

29) Due to change in method of providing depreciation as per Schedule-II to the Companies Act, 2013 depreciation provided during the year is lower by Rs. 33,05,818/- and thereby disclosing profit higher by similar amount.

30) Exceptional items in the Statement of Profit and Loss represents excess Remuneration of Rs. 6,06,130/- paid to Managing Director in earlier year recovered during the year.

31) The amount of Rs.6,31,462/- lying in Unpaid Dividend Account for the year 2006-2007 has been transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder, on 22/12/2014 the due date of which was 25/10/2014.

32) The previous year's figures have been regrouped, rearranged wherever found necessary.

As per our Report of even date.

For **V. SINGHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 311017E

SUNIL SINGHI

Partner M. No. 060854

Four Mangoe Lane, Kolkata - 700001

Dated : 29th May, 2015

For and on behalf of the Board

SUNIL G. SOMANI
Chief Financial Officer

S. K. JALAN
Managing Director

MUKESH SHARMA
Company Secretary

V. VANCHI
Director

If undelivered please return to :

MAHESHWARI DATAMATICS PVT. LTD.

Unit : Kilburn Chemical Ltd.

6, Mangoe Lane, 2nd Floor

Kolkata - 700 001