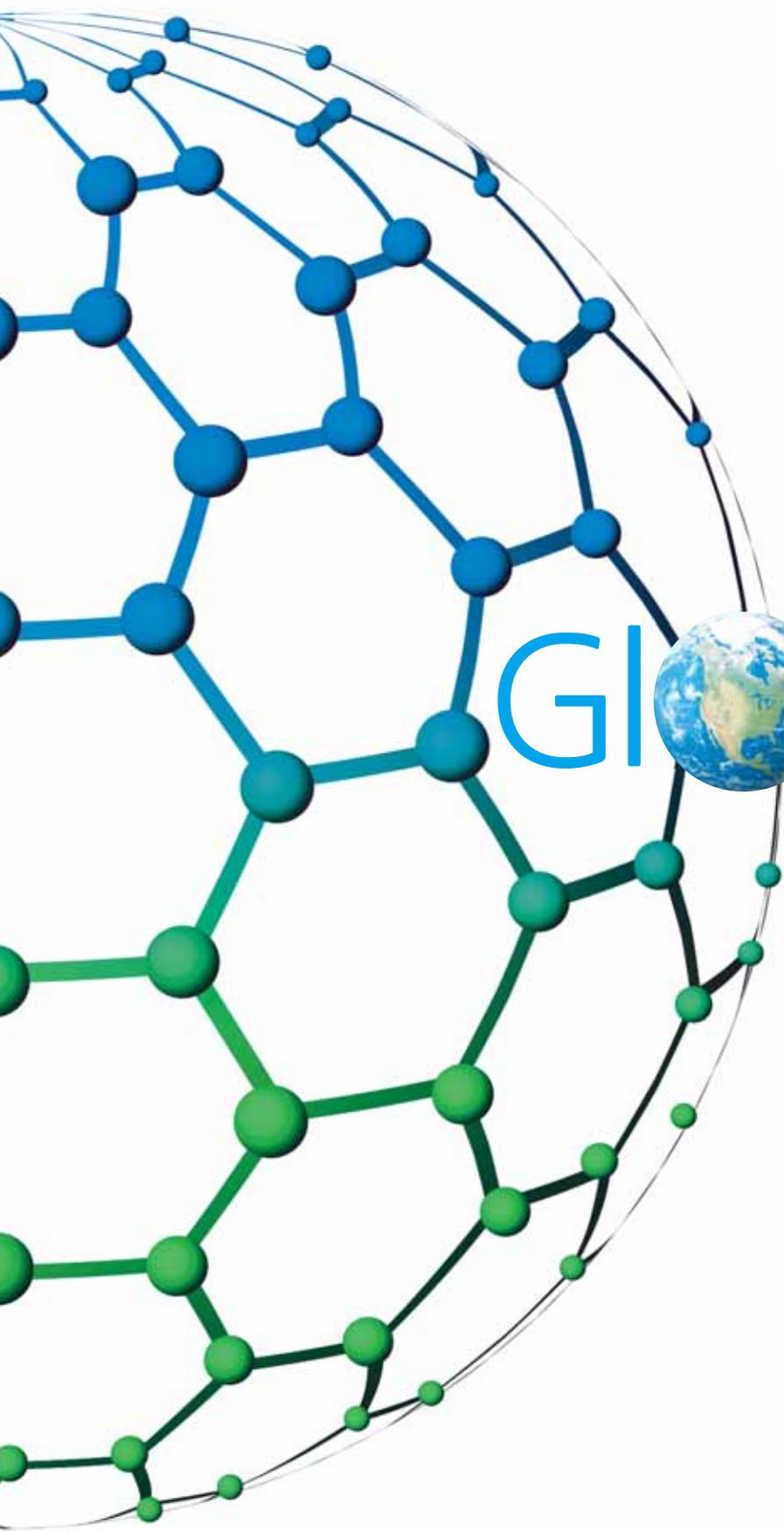
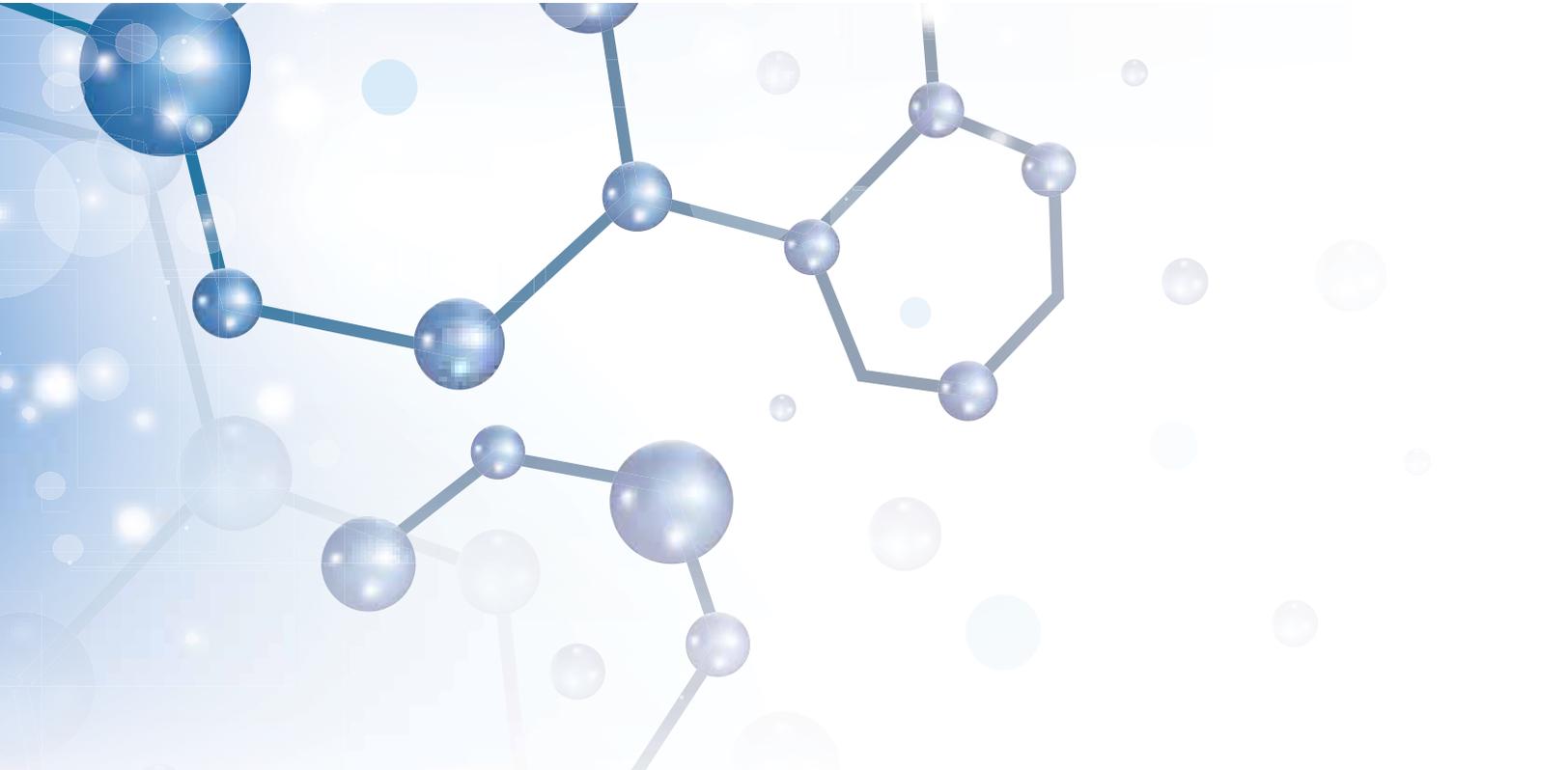




ANNUAL REPORT 2014-15



Global Presence
Local Reach



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Forward Looking Statement

In this Annual Report, we have shared information and made forward looking statements to enable investors to know our product portfolio, business logic and direction and thereby comprehend our prospects. Such and other statements – written and oral – that we may periodically make are based on our assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'intend', 'plan', 'project' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised although we believe we have been prudent in our assumptions. The achievement of results is subject to uncertainties, risks and even inaccurate assumptions. If uncertainties or known or unknown risks materialise or if underlying assumptions prove inaccurate, actual results can vary materially from those anticipated, estimated, intended, planned or projected. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise

At Camlin Fine Sciences Limited, we have always believed that the world is our marketplace, in line with our vision to become the largest manufacturer of antioxidant products and systems, and providing solutions and services locally across continents.

We have diversified our product portfolio by entering into aroma and performance chemicals which has given us a wide range of niche ingredients with wide ranging applications in food, animal feed, pet food, flavourings, fragrance, pharmaceuticals, packaging, UV and polymer stabilisers. There is a CFSL ingredient stabilising, enhancing and enriching an array of products from butter to biscuits, from cosmetics to coconut oil, from waxes to vitamins and from acrylics to plastics.

We began our journey by innovation, technology development and subsequently, integrating the value chain by going upstream and downstream. We began with the antioxidants TBHQ and BHA, went upstream for basic raw materials with HQ and Catechol in Italy, and now proceeding downstream with blends and systems of TBHQ and BHA.

The power of integration has given us unmatched advantages of size, scale and scope, and catapulted us as the world's largest producer and exporter of Food Grade antioxidants TBHQ and BHA, having more than 45 % of the global market.

Our ability to innovate has given us huge cost savings across our product lines making us one of the most cost competitive producers globally.

Our technical team has worked on process improvement, de-bottlenecking with limited investment and cost reduction leading to improved margins.

Having a substantial market-share in the synthetic antioxidants globally, we are now embarking on expanding our portfolio of products by focussing on synthetic Vanillin which will be a significant future growth driver.

Another growth driver will be the Performance Chemicals business which includes HQ, Catechol, TBC and MEHQ.

In our quest to get closer to our customers and build a strong local presence across continents, we are establishing our presence through a mix of manufacturing plants/ technical services supports, sales teams and distribution hubs in China, Brazil and Mexico. In the next phase, we will be establishing strong local presence in other continents.

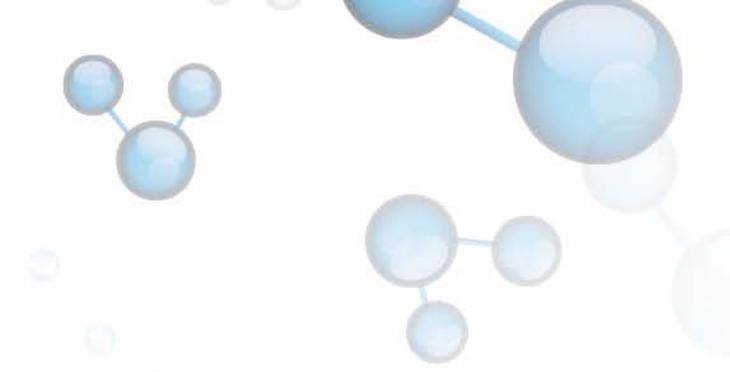


The power of integration has given us unmatched advantages of size, scale and scope, and catapulted us as the world's largest producer and exporter of Food Grade antioxidants TBHQ and BHA, having more than 45 % of the global market.



At Camlin Fine Sciences, our vision continues to be

GLOBAL PRESENCE. LOCAL REACH.



HIGHLIGHTS OF THE YEAR

FEBRUARY 2015

- Food Application Laboratory for servicing antioxidant blend customers globally commissioned at Mumbai

SEPTEMBER 2014

- Antioxidant blending facility with application laboratory commissioned in Brazil

APRIL 2014

- Antioxidant blending facility with application laboratory commissioned at Tarapur, India

MARCH 2015

- Global sales & application team stationed across geographies in place
- Green process for production of Guaiacol manufacturing commissioned
- Proposed to establish subsidiary companies in China and Mexico
- Plans for new manufacturing facility at Dahej SEZ for 9000 MTPA of HQ and 6000 MTPA of Vanillin finalised with expected date of commissioning September 2017

OCTOBER 2014

- New state-of-the-art Research & Development facility with ultra-modern Pilot Plant launched at Tarapur, India

MAY 2014

- Production capacity increased from 600 MT per month to 1000 MT per month by de-bottlenecking manufacturing process at CFS Europe

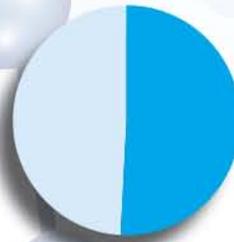
FINANCIAL HIGHLIGHTS

(On Consolidated Basis)



+10.3%

Gross Sale/Other
Operating Income



+51.6%

Profit Before Tax



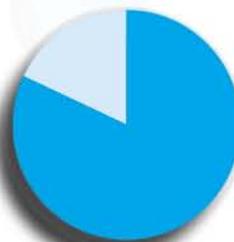
+91.6%

Profit After Tax



+30.3%

EBIDTA



+82.7%

Cash Accruals

MANAGING DIRECTOR'S MESSAGE



Dear Fellow Shareholders,

It has been another eventful and exciting year for all of us at Camlin Fine Sciences Limited.

The year ushered in an era of renewed vigour and confidence in the economy, underlining the long-term India growth story. The structural reforms initiated by the new government are bound to have substantial long-term benefits, impacting all industries and sectors. With the global economy growing at a moderate pace, and with China slowing down, India is the only bright

spot in the world and finds itself yet again as one of the most attractive investment destination.

For the Company, it was a year that saw significant improvement in performance and major financial parameters. Our sustained and focussed efforts of process improvement, de-bottlenecking with limited investment and cost reduction has yielded results and validated our strategy based on the Power of Integration.

Today, we have a strong presence and growth in Antioxidants. We have implemented a strategy for growing our Aroma and Performance Chemicals businesses in the next few years.

In Antioxidants, the Company is not only the world's largest manufacturer of food grade antioxidants, TBHQ and BHA, but has also integrated upstream, a strength unparalleled in this segment.

The Aroma business of the Company comprises of Vanillin and Ethyl Vanillin which hold tremendous potential considering it's market is in excess of 20,000 MTPA. Performance

Chemicals business of the Company continues to be its fastest growing business segment, with over 40 % growth over last year.

The key financial highlights on a consolidated basis for the year were:

- Gross Sale/Other Operating Income (Net of Sales/Purchases between Company and Subsidiaries) during the year ended 31st March 2015 stood at ₹ 57,057.68 lacs as against ₹ 51,716.91 lacs during the same period of previous year, thereby registering a growth of 10.33 %.
- EBIDTA stood at ₹ 9,289.02 lacs during the year ended 31st March 2015 as against ₹ 7,128.41 lacs during the same period of previous year, thereby registering a growth of 30.31 %.
- Profit Before Tax stood at ₹ 5,281.94 lacs during the year ended 31st March 2015 as against ₹ 3,483.91 lacs during the same period of previous year. This is an increase of ₹ 1,798.03 lacs, thereby registering a growth of 51.60 %.



We have ensured adequate technical infrastructure for growth by setting up during the year a new state-of-the art research and development facility with an ultra-modern pilot plant for trials and accelerating lab-to-market process.



- Profit After Tax stood at ₹ 5,502.73 lacs during the year ended 31st March 2015 as against ₹ 2,871.30 lacs during the same period of previous year. This is an increase of ₹ 2,631.43 lacs, thereby registering a growth of 91.65 %.
- Cash Accruals from Operations stood at ₹ 6,001.70 lacs during the year ended 31st March 2015 as against ₹ 3,285.10 lacs during the same period of previous year. This is an increase of ₹ 2,716.60 lacs, thereby registering a growth of 82.69 %.

Your Company is now into its next phase of growth, capitalising on the strengths derived and built from upstream and downstream integration. In our quest for expanding market share, we have started the ball rolling for establishing a new manufacturing plant at Dahej SEZ in Gujarat for manufacture of Hydroquinone/Catechol/Vanillin, which is a key strategic focus for the future. The approximate cost of this project is ₹ 191 crores, with an expected commissioning date of September 2017. I shall keep you updated on this during the year.

In line with our downstream activities in the Antioxidants business, we have expanded footprint by setting

up food application laboratories, manufacturing facilities, sales teams, technical teams in Brazil to service the Latin American markets, and at Tarapur in India, to service the Asian markets.

We have created a global team to focus on the Antioxidant products, systems, services and solutions. These are the key steps in ensuring that the Company is expanding its GLOBAL PRESENCE, and yet remains close to its customers through a LOCAL REACH.

We have ensured adequate technical infrastructure for growth by setting up during the year a new state-of-the art research and development facility with an ultra-modern pilot plant for trials and accelerating lab-to-market process.

Our technical team has carried out a de-bottlenecking of manufacturing process at Italy that resulted in enhancing our capacity from 600 MT per month to 1000 MT per month with minimal investment and has resulted in substantial cost saving.

We continue to nurture talent and leadership through our focused learning and development programs, aimed at enabling our people to achieve their personal as well as

professional goals. As a responsible corporate citizen, our CSR initiatives are aimed at transforming rural areas by aiding child education, nutrition and health-care. During the year, our CSR spend was 2 % of our PAT.

Looking ahead, the mid and near term prospects for growth continue to remain positive and bullish. At Camlin Fine Sciences, we believe that we are now entering a new phase of growth and expansion, and assure you that we will continue with our single-minded focus and commitment to continue on this fast-track.

Thank you for being with us throughout this exciting journey, which promises to be more fulfilling and rewarding for all our stakeholders. On behalf of the Board, I thank all our employees, customers, bankers, investors and vendors for their trust and faith in your Company.

With regards,

Ashish S. Dandekar

FINANCIAL HIGHLIGHTS

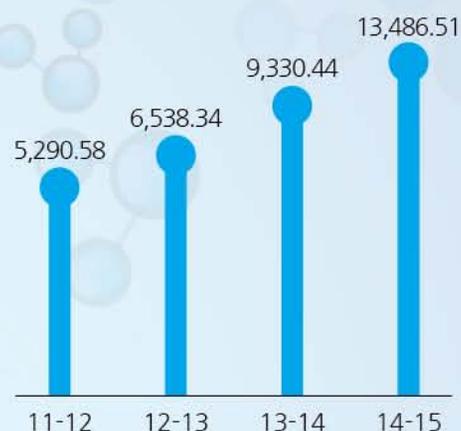
CONSOLIDATED



Fixed Assets Gross Block
(₹ in Lacs)



Net Fixed Assets
(₹ in Lacs)



Shareholders Funds
(₹ in Lacs)



Gross Sales/Other Operating
Income* (₹ in Lacs)



EBIDTA
(₹ in Lacs)



Profit Before Tax
(₹ in Lacs)

* Net of Sales/Purchase between CFSL & Subsidiaries.



Profit After Tax
(₹ in Lacs)



Cash Accruals
(₹ in Lacs)

Financial Highlights

₹ in Lacs (except per share data)

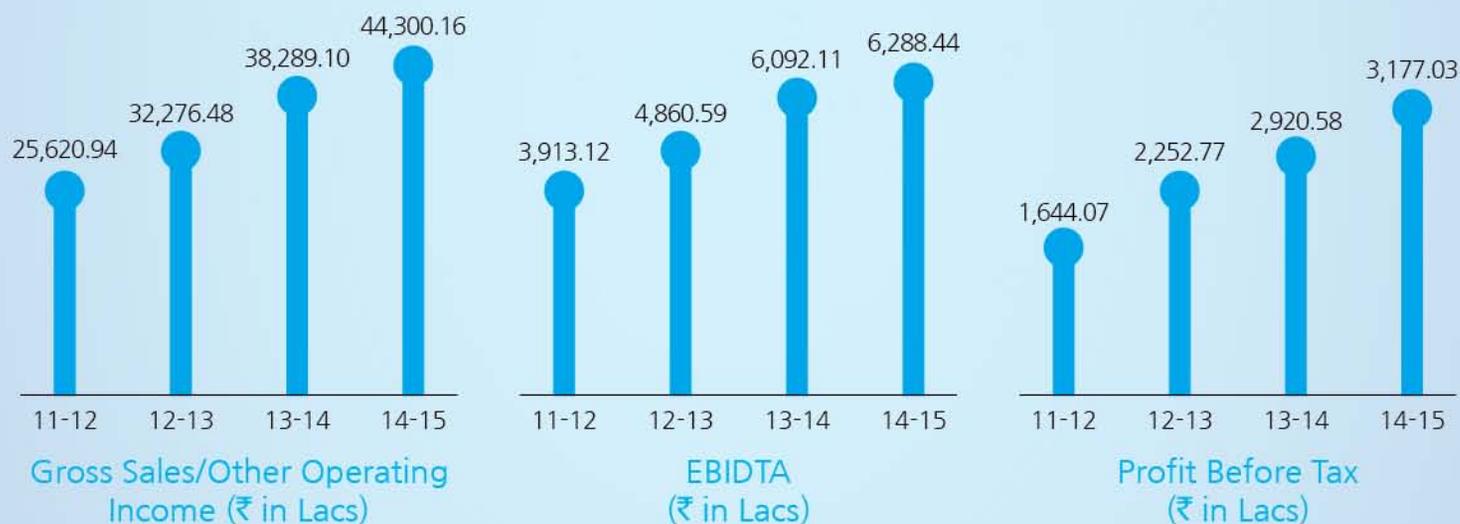
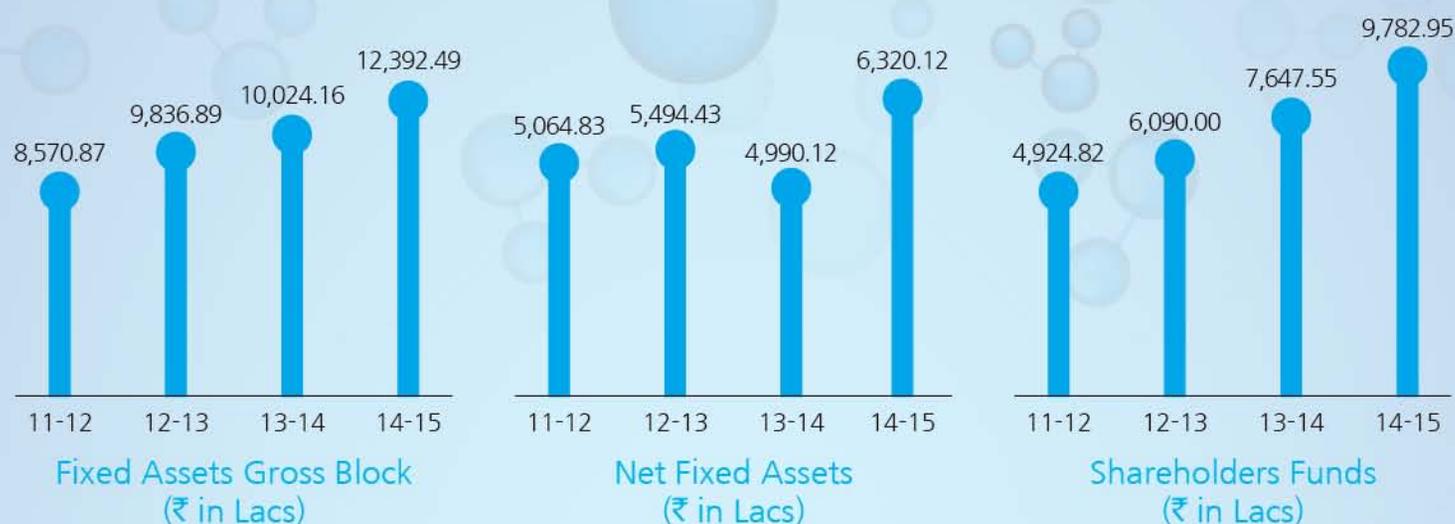
Sr. No.	Year Ending 31st March	2014-15	2013-14	2012-13	2011-12
A	Assets Employed				
1	Fixed Assets				
	Gross Block	29,793.48	30,522.43	25,180.04	22,831.69
	Less: Depreciation	18,868.91	19,999.45	16,775.66	15,226.51
	Net Fixed Assets	10,924.57	10,522.98	8,404.38	7,605.18
2	Net Current Assets	3,716.08	1,087.15	1,992.10	1,053.88
3	Others	2,173.53	1,065.14	223.54	260.74
	Total	16,814.18	12,675.27	10,620.02	8,919.80
B	Financed By				
1	Equity Share Capital	958.88	944.08	938.88	935.89
2	Reserves & Surplus	12,519.11	8,366.02	5,589.94	4,345.16
3	Employee Stock Options Outstanding	8.52	20.34	9.52	9.53
4	Shareholder's Funds	13,486.51	9,330.44	6,538.34	5,290.58
5	Loan Funds	2,806.33	2,852.46	3,766.98	3,299.06
6	Deferred Tax Liability	374.34	394.40	314.70	330.16
7	Long-term provisions	147.00	97.97	-	-
	Total	16,814.18	12,675.27	10,620.02	8,919.80
C	Sales & Profitability				
1	Gross Sales/Other Operating Income **	57,057.68	51,716.91	38,285.35	33,939.59
2	Less: Excise Duty/Discount	1,230.23	849.83	923.01	414.71
3	Net Sales/Other Operating Income	55,827.45	50,867.09	37,362.34	33,524.88
4	Other Income	837.63	966.38	1,022.11	1,156.01
5	Total Income (3+4)	56,665.08	51,833.47	38,384.45	34,680.89
6	Operating Profit (EBIDTA)	9,289.02	7,128.41	5,720.18	4,093.68
7	Finance Cost	2,382.46	2,465.90	2,010.99	1,669.00
8	Profit Before Depreciation & Tax	6,906.56	4,662.51	3,709.19	2,424.68
9	Depreciation	1,624.62	1,178.60	1,361.28	1,351.32
10	Profit Before Tax	5,281.94	3,483.91	2,347.91	1,073.36
12	Taxes	(220.79)	612.61	838.35	694.07
13	Profit After Tax	5,502.73	2,871.30	1,509.56	379.29
14	Dividend & tax on Dividend	519.84	388.23	271.93	216.31
15	Retained Earnings	4,982.89	2,483.07	1,237.63	162.98
16	Cash Accruals	6,001.70	3,285.08	2,860.16	1,730.61
D	Per Share Information				
1	Earning Per Share (Basic)*	5.75	3.06	1.61	0.41
2	Earning Per Share (Diluted)*	5.77	3.04	1.60	0.41
3	Book Value Per Share (₹)*	14.06	9.88	6.96	5.65
4	Dividend Per Share (₹)*	0.45	0.35	0.30	0.25
	(Excluding Tax on Dividend)				

NOTE: * Calculated with reference to face value of Equity Share post split at ₹ 1/- for Comparison.

** Net of Sales/Purchases between CFSL & Subsidiaries.

FINANCIAL HIGHLIGHTS

STANDALONE



Financial Highlights

₹ in Lacs (except per share data)

Sr. No.	Year Ending 31st March	2014-15	2013-14	2012-13	2011-12
A	Assets Employed				
1	Fixed Assets				
	Gross Block	12,392.49	10,024.17	9,836.89	8,570.87
	Less: Depreciation	6,072.37	5,034.04	4,342.46	3,506.04
	Net Fixed Assets	6,320.12	4,990.13	5,494.43	5,064.83
2	Net Current Assets	5,431.48	5,487.04	4,458.02	3,221.13
3	Others	1,224.00	515.19	231.82	270.04
	Total	12,975.60	10,992.36	10,184.27	8,556.00
B	Financed By				
1	Equity Share Capital	958.88	944.08	938.88	935.89
2	Reserves & Surplus	8,815.55	6,683.13	5,141.60	3,979.40
3	Employee Stock Options Outstanding	8.52	20.34	9.52	9.53
4	Shareholder's Funds	9,782.95	7,647.55	6,090.00	4,924.82
5	Loan Funds	2,671.31	2,852.46	3,766.98	3,299.07
6	Deferred Tax Liability	374.34	394.40	327.29	332.11
7	Long-term provisions	147.00	97.95	-	-
	Total	12,975.60	10,992.36	10,184.27	8,556.00
C	Sales & Profitability				
1	Gross Sales/Other Operating Income	44,300.16	38,289.10	32,276.48	25,620.94
2	Less: Excise Duty/Discount	1,230.23	849.83	923.01	414.71
3	Net Sales/Other Operating Income	43,069.93	37,439.27	31,353.47	25,206.23
4	Other Income	194.64	232.70	286.50	355.79
5	Total Income (3+4)	43,264.57	37,671.97	31,639.97	25,562.02
6	Operating Profit (EBIDTA)	6,288.44	6,092.11	4,860.59	3,913.12
7	Finance Cost	2,115.11	2,239.53	1,752.13	1,620.11
8	Profit Before Depreciation & Tax	4,173.33	3,852.58	3,108.46	2,293.01
9	Depreciation	996.30	932.00	855.69	648.94
10	Profit Before Tax	3,177.03	2,920.58	2,252.77	1,644.07
11	Taxes	595.27	1,023.72	776.86	630.04
12	Profit After Tax	2,581.76	1,896.86	1,475.91	1,014.03
13	Dividend & tax on Dividend	519.84	388.23	329.51	271.93
14	Retained Earnings	2,061.92	1,508.63	1,146.40	742.10
15	Cash Accruals (9+12)	3,578.06	2,828.86	2,331.60	1,662.97
D	Per Share Information				
1	Earning Per Share (Basic)*	2.71	2.02	1.58	1.09
2	Earning Per Share (Diluted)*	2.70	2.02	1.58	1.08
3	Book Value Per Share (₹)*	10.20	8.10	6.49	5.26
4	Dividend Per Share (₹)* (Excluding Tax on Dividend)	0.45	0.35	0.30	0.25

NOTE: * Calculated with reference to face value of Equity Share post split at ₹ 1/- for Comparison.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Dilip D. Dandekar - Chairman
Mr. Ashish S. Dandekar - Managing Director
Mr. Dattatraya R. Puranik - Executive Director and CFO
Mrs. Leena A. Dandekar - Executive Director
Mr. Pramod M. Sapre - Independent Director
Mr. Sharad M. Kulkarni - Independent Director
Mr. Bhargav A. Patel - Independent Director
Mr. Abeezer E. Faizullabhoj - Independent Director
Mr. Atul R. Pradhan - Independent Director
Mr. Nicola A. Paglietti - Independent Director
Mr. Nirmal V. Momaya - Non-Executive Director
Mr. Ajit S. Deshmukh - Non-Executive Director

Mr. Rahul D. Sawale - Company Secretary

REGISTERED OFFICE

Plot No. F/11 & F/12, WICEL,
Opp. SEEPZ Main Gate, Central Road,
Andheri (East), Mumbai 400 093.
Tel. No. 91-22-6700 1000
Fax: 91-22-2832 4404
Website: www.camlinfs.com
Email: secretarial@camlinfs.com
CIN-L74100MH1993PLC075361

WORKS

Plot No. D-2/3, M.I.D.C. Boisar,
Tarapur (Dist. Thane) 401 506. (Unit-1)

Plot No. N-165, M.I.D.C. Boisar,
Tarapur (Dist. Thane) 401 506. (Unit-2)

AUDITORS

M/s. B. K. Khare & Co.
Chartered Accountants
Mumbai.

BANKERS

IDBI Bank Limited
Bank of India
Oriental Bank of Commerce
State Bank of India
State Bank of Travancore
Export-Import Bank of India
State Bank of Patiala

REGISTRARS AND TRANSFER AGENTS

M/s. Sharepro Services (India) Pvt. Limited
(Unit: Camlin Fine Sciences Limited)

- 13AB, Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Off Andheri-Kurla Road, Sakinaka,
Andheri (East), Mumbai 400 072.
- Investor Relation Centre, 912, Raheja Centre,
Free Press Journal Road, Nariman Point,
Mumbai 400 002.

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of Camlin Fine Sciences Limited, will be held on Wednesday the 5th August, 2015 at 3.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber Bldg., Indian Merchants Chamber Marg, Churchgate, Mumbai 400 020 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the audited financial statement of the Company for the year ended 31st March, 2015, the reports of the Board of Directors and Auditors thereon; and
 - b) the audited consolidated financial statement of the Company for the financial year ended 31st March, 2015.
2. To declare Dividend on equity shares.
3. To appoint a Director in place of Mr. Dilip D. Dandekar (DIN: 00846901), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Nirmal V. Momaya (DIN: 01641934), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. B. K. Khare and Co., Chartered Accountants (F.R. No.: 105102W), as Statutory Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 196 and 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) and the Articles of Association of the Company, consent of the Members be and is hereby accorded for the re-appointment of Mr. Ashish S. Dandekar (DIN: 01077379) as the Managing Director of the Company, for a period of 3 (three) years with effect from 1st August, 2015 upto 31st July, 2018 on the terms and conditions including remuneration as set out in the explanatory statement annexed hereto and also in the draft agreement to be entered into between the Company and Mr. Ashish S. Dandekar, with liberty to the Board of Directors (hereinafter referred to as “the Board”

which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/ or agreement, as may be agreed to between the Board and Mr. Ashish S. Dandekar.

RESOLVED FURTHER THAT the Directors of the Company and/or Company Secretary be and are hereby severally authorized to file necessary forms with Ministry of Corporate Affairs and to do all such acts, deeds and things as may be deemed and expedient and necessary to give effect to this resolution.”

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

“RESOLVED THAT in accordance with the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (including any Statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members be and is hereby accorded for:(A) the payment of remuneration of ₹ 30.00 Lacs (Rupees Thirty Lacs) per annum to Mr. Dilip D. Dandekar (DIN: 00846901), Chairman and Non-Executive Director of the Company for a period of 3 (three) years retrospectively from 1st January, 2014 to 31st December, 2016; and (B) making payment of the remuneration/ commission to directors who are neither managing directors nor whole-time directors; exceeding 1% of the Net Profits of the Company as computed under Section 198 of the Companies Act, 2013, subject to the aggregate limit of 11% prescribed under the Section 197 (1) of the Companies Act, 2013; and all acts done by the Company and the Board of Directors in connection with the earlier resolutions be and are hereby ratified and confirmed.

RESOLVED FURTHER THAT the Directors of the Company and/or Company Secretary be and are hereby severally authorized to file necessary forms with Ministry of Corporate Affairs and to do all such acts, deeds and things as may be deemed and expedient and necessary to give effect to this resolution.”

By Order of the Board

Rahul Sawale

Company Secretary

Place : Mumbai

Dated : 12th May, 2015

Note:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Wednesday 29th July, 2015 to Wednesday, 5th August, 2015 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the dividend for 2014-15.
4. The Dividend, if approved, will be paid within the stipulated period to those eligible shareholders whose names stand in the Register of Members as on 29th July, 2015.
5. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
6. Members who have not encashed their Dividend Warrants for the financial years ended 31st March, 2008 to 31st March, 2014 may approach the R & T Agent/ Company for issuance of demand draft upon completion of necessary formalities in the said behalf in lieu of such warrants.
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
9. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company /Depository Participant(s) for communication purposes unless any member has requested for a print copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode. Members are requested to register/update their email address for receiving all communication including Annual Report, Notices etc. from the Company electronically.
10. Electronic copy of the Notice of the 22nd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip, Ballot Form and Proxy Form are being sent in the permitted mode.
11. Members may also note that the Notice of the 22nd Annual General Meeting and the Annual Report for 2015 will also be available on the Company's web-site: www.camlinfs.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
12. Any Member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.

13. Members, who hold Shares in dematerialised form, are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.
14. Members who are holding Shares in physical form are requested to get their Shares dematerialised with any Depository Participants in their own interest.
15. Voting through electronic means :

In compliance with provisions of Section 108 of the Companies Act, 2013 (the "Act") and Rule 20 of the Companies (Management and Administration) Rules, 2014 (the "Rules") the Company is pleased to provide members facility to exercise their right to vote on the resolutions proposed to be passed at the 22nd Annual General Meeting (AGM) by electronic means. The members may cast their votes on electronic voting system other than the venue of the meeting (remote e-voting) and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The facility for voting, either through ballot form/polling paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting/ballot form shall be able to exercise their voting rights at the meeting. The members who have already cast their vote may attend the meeting but shall not be entitled to cast their vote again at the AGM.

- A. In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participant(s)]:
 1. Open the attached PDF file "CFSL 22nd AGM e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password.
 2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
 3. Click on "Shareholder - Login".
 4. Put User ID and password as initial password noted in step (1) above and Click Login.
 5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
 6. Home page of "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
 7. Select "EVEN" of Camlin Fine Sciences Limited. Members can cast their vote online from

2nd August, 2015 (9:00 am) till 4th August, 2015 (5:00 pm).

8. Note: e-Voting shall not be allowed beyond said time.
 9. Now you are ready for "e-Voting" as "Cast Vote" page opens.
 10. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
 11. Once you have voted on the resolution, you will not be allowed to modify your vote.
 12. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail cfsl.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s)] or requesting physical copy.
 1. Initial password is provided in the e-voting letter for the AGM: EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 2. Please follow all steps from Sl. No. 2 to Sl. No. 10 above, to cast vote.
 3. In case of any queries, you may refer the Frequently Asked Questions available at the Downloads section of www.evoting.nsdl.com (FAQs) for Shareholders and e-voting user manual for Shareholders.
 4. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

Please note that:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

- In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the Toll Free No.: 1800-222-990.
16. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 30th July, 2015.
 17. In terms of Clause 35B of the Listing Agreement, those Members, who do not have access to e-voting facility, may send their assent or dissent in writing on the Postal Ballot Form attached with this AGM Notice in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before 4th August, 2015 before the close of working hours. Any Postal Ballot Form received after this date will be treated as if the reply from the Members has not been received.
 18. Mr. J. H. Ranade, Proprietor of M/s. J. H. Ranade and Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the entire voting process in a fair and transparent manner.
 19. The Scrutinizer shall immediately after the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the

Company and not later than 3 (three) days of conclusion of the meeting make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

20. The Chairman or a person, authorised by him writing shall declare the results of the AGM forthwith. The Results declared alongwith the Scrutinizer's report shall be placed on the Company's website www.camlinfs.com and on the website of NSDL and the same will also be communicated to the Stock Exchanges.
21. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 6.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board

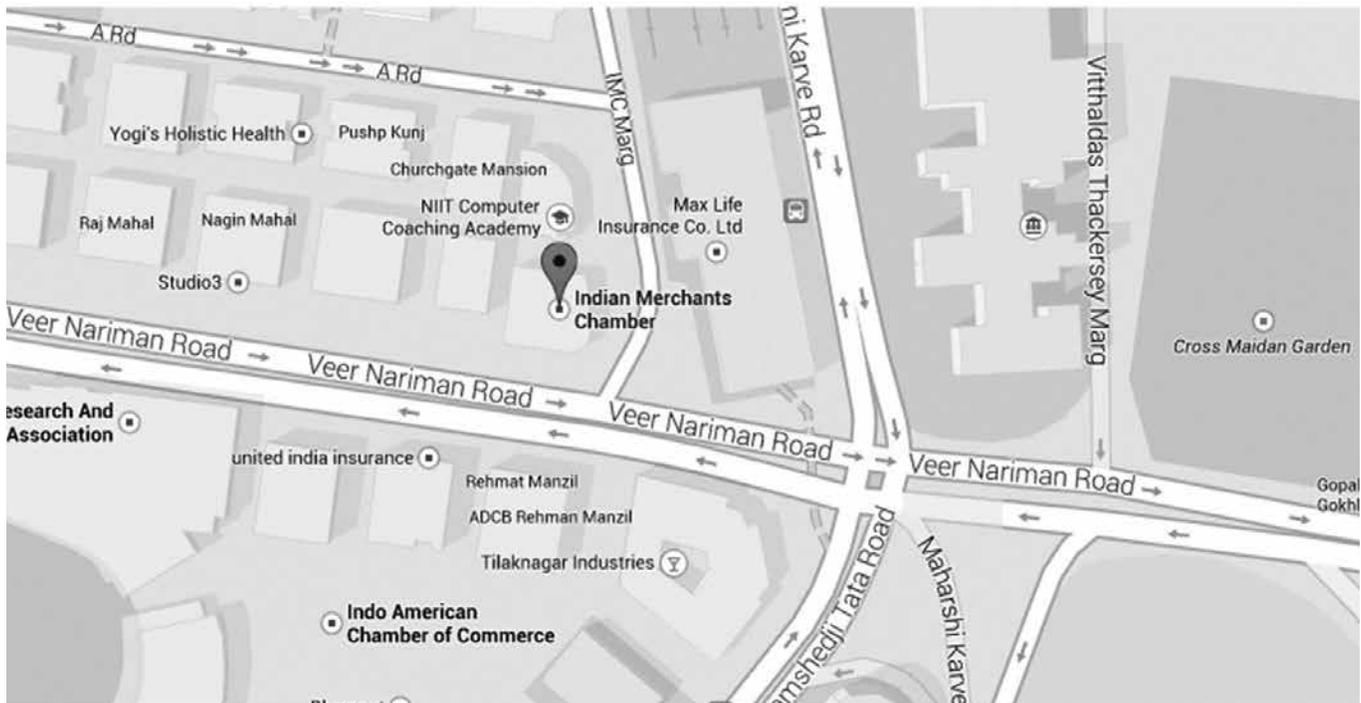
Rahul Sawale

Company Secretary

Place : Mumbai

Dated : 12th May, 2015

Route Map to the venue of the AGM



ANNEXURE FORMING PART OF THE NOTICE

(Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013)

SPECIAL BUSINESS

Item 6

At the 19th Annual General Meeting held on 1st August, 2012, the Members of the Company had approved the re-appointment and terms of remuneration of Mr. Ashish S. Dandekar as Managing Director of the Company for a period of three years w.e.f. 1st August, 2012 to 31st July, 2015. Mr. Ashish S. Dandekar is responsible for the day-to-day operations of the Company under the overall superintendence, direction and control of the Board.

Gross sales during the year ended 31st March, 2015 were higher at ₹ 44,300.16 Lacs as against ₹ 38,289.10 Lacs in the previous year. This is an increase of ₹ 6,011.06 Lacs in sales over the previous year registering a growth of 15.70%. Profit after tax was ₹ 2,581.76 Lacs as against ₹ 1,896.86 Lacs showing an increase of ₹ 684.90 Lacs over the previous year registering a growth of 36.10%. The Consolidated Profit after tax was ₹ 5,502.73 Lacs as compared to ₹ 2,871.30 Lacs in the previous year thereby registering a growth of 91.65%.

In view of significant improvement achieved by the Company in terms of turnover and profitability for the financial year 2014-15 which is expected to continue in future on a sustained basis and also that the salary structure of the managerial personnel has undergone a major upward change in the chemical industry, it is proposed to reappoint Mr. Ashish S. Dandekar as the Managing Director and to revise his remuneration package suitably for a period of 3 years w.e.f. 1st August, 2015.

The proposed remuneration takes into account valuable contribution by Mr. Ashish S. Dandekar to the Company and is comparable with the remuneration being paid by other chemical companies in the similar position.

The proposed remuneration structure for re-appointment of Mr. Ashish S. Dandekar is given below:

(a) Salary

Salary of ₹ 7,81,000/- (Rupees seven lacs eighty one thousand only) per month. Annual increment not exceeding 20% of the Salary.

(b) Commission/Incentives:

Remuneration by way of Commission will be payable to Mr. Ashish S. Dandekar in addition to the salary,

perquisites and allowances calculated with reference to the net profit of the Company for particular financial year, subject to overall ceilings laid down under the provisions of Section 197 and Rules framed thereunder of the Companies Act, 2013 as may be amended from time to time and upon the approval of the Nomination and Remuneration Committee / Board of Directors or if required, by Shareholders and/or Central Government.

(c) Perquisites and Allowances:

In addition to salary, the Managing Director shall also be entitled to perquisites and other allowances such as house rent allowance or rent free accommodation, gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel concession, leave encashment, club fees, provision of car with driver, telephone/fax facilities, assignment value of Keyman Insurance Policy(ies), Personal Accident Insurance and such other perquisites and allowances as may be given in accordance with the rules of the Company, subject to remuneration paid including perquisites not to exceed overall ceilings laid down under the provisions of Section 197 and Rules framed thereunder of the Companies Act, 2013, as may be amended from time to time.

Perquisites and allowances shall be evaluated as per Income tax Rules, wherever applicable. In the absence of any such rules, they shall be evaluated at actual cost.

(d) Provident Fund, Superannuation and Gratuity Fund:

Company's contribution to the Provident Fund, Family Pension Scheme and Superannuation Fund as per the rules of the Company.

Gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure shall not be included in the computation of limits for the remuneration or perquisites.

(e) Minimum Remuneration:

In the event of inadequacy or absence of profits in any Financial Year of the Company during the term of the Managing Director, remuneration, benefits and perquisites payable to him shall be considered as minimum remuneration payable and the Company shall obtain necessary approvals from Central Government, if required as per the applicable provisions, if any, of the Companies Act, 2013.

The Board of Directors shall have the power to effect any variations, alterations or modifications in future in respect of the aforesaid terms of appointment and remuneration of Mr. Ashish S. Dandekar within the limits specified in schedule V to the Companies Act, 2013 or any statutory modifications, substitutions or re-enactment's thereof, as may be agreed to by the Board of Directors and Mr. Ashish S. Dandekar.

(f) Loss of Office

Subject expressly to the provisions of Section 202 of the Companies Act, 2013, the Company shall pay to the Director compensation for loss of office or consideration for retirement from office or in connection with such loss or retirement. The amount of such compensation shall be strictly in accordance with the provisions of Section 202 of the Companies Act, 2013.

General:

Managing Director shall devote the whole of his time and attention to the business and affairs of the Company during the normal business hours of the Company and shall use his best endeavours to promote its interest and welfare. He shall conduct the day-to-day management of the Company subject to the supervision, direction and control of the Board.

Mr. Ashish S. Dandekar shall be eligible for Leave, its accumulation/encashment as per the HR policy of the Company. He shall also be covered under group medi-claim policy of the Company and other benefits to employee's as per the HR policy of the Company.

Mr. Ashish S. Dandekar shall not be entitled for sitting fees for attending Board/ Committee Meetings. Mr. Ashish S. Dandekar shall not be liable to retire by rotation as a Managing Director, subject to provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

Term of Office:

For a period of three years from 1st August, 2015 to 31st July, 2018.

Other Terms and Conditions:

Mr. Ashish S. Dandekar shall not, during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatsoever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company and Mr. Ashish S. Dandekar during the continuance of his employment thereunder, shall also use his best endeavors to prevent any other person from doing so.

The employment of Mr. Ashish S. Dandekar under the Agreement shall forthwith determine if he shall become insolvent or makes any composition or arrangement with his creditors or shall cease to be a Director of the Company.

The Company or Mr. Ashish S. Dandekar shall be entitled to determine Agreement by giving three calendar month's notice in writing in that behalf to the other party and on the expiry of the period of such notice, the Agreement shall stand terminated. The Company shall also be entitled to terminate the Agreement on giving to Mr. Ashish S. Dandekar three months' salary in lieu of notice required to be given under this clause.

Additional information relevant to the appointment of the Managing Director forming part to the explanatory statement:

INFORMATION ABOUT MANAGING DIRECTOR:

(a) Background Detail:

Mr. Ashish S. Dandekar aged 52 years has done his B.A. in Economics and Management Studies from Temple University, USA. He has wide experience of 30 years in the field of Pharmaceuticals and Fine Chemical Products including Business Planning, Information Systems, Research & Development, Product Development and Marketing.

(b) Past Remuneration (2014-15)

Name of the Managing Director	(₹ In Lacs)
Mr. Ashish S. Dandekar	176.88

* Inclusive of contribution to Provident Fund, Superannuation and Gratuity.

(c) Pecuniary relationship directly or indirectly with Company, or relationship with the managerial personnel, if any:

Besides the remuneration proposed and the remuneration payable to his wife Mrs. Leena A. Dandekar, professional fees paid to his father Mr. Subhash D. Dandekar, Sr. Corporate Advisor and related party transactions as disclosed in the Annual Report, the Managing Director does not have any other pecuniary relationship with the Company and its managerial personnel.

(d) Other Disclosures:

Name	Category	No. of shares held in the Company	No. of Board Meetings attended	No. of Directorships held in other Companies	No. of Committee positions held in other Companies	
					Chairman of Committee	Member of Committee
Mr. Ashish S. Dandekar	Managing Director	13,594,200	6	12	Nil	Nil

(e) Memorandum of Concern or Interest:

None of the Directors of the Company other than Mrs. Leena A. Dandekar and appointee is in any way concerned or interested in the above appointment.

The Draft Agreement between the Company and the Managing Director setting out the terms and conditions of his appointment is available for inspection of the members of the Company at its Registered Office between 9.00 a.m. and 6.00 p.m. on any working day of the Company.

None of the Directors other than Mrs. Leena A. Dandekar, Executive Director and appointee, are concerned or interested in the resolution.

The Board of Directors recommend the Special Resolution for your approval.

Item 7

On the recommendation of Nomination and Remuneration Committee and the Board, the shareholders under the postal ballot approved on 30th June, 2014 the payment of remuneration of ₹ 30 Lacs p.a. to Mr. Dilip D. Dandekar, Chairman and Non-Executive Director of the Company for 3 years from 1st January, 2014 to 31st December, 2016 subject to approval of central Government.

Ministry of Corporate Affairs vide their letter No. SRN C19694025/3/2014-CL-VII dated 16th April, 2015 conveyed to the Company that the Companies Act, 2013 does not have any provision for approval of Central Government for payment to Non-Executive Director including independent directors.

Pursuant to second proviso of Section 197(1) of the Companies Act, 2013 subject to the approval of the members

in general meeting, the remuneration payable to directors who are neither managing directors nor whole-time directors can exceed 1% of the Net Profits of the Company subject to the aggregate limit of 11% of the Net Profits.

Since payment of aforesaid remuneration to Mr. Dilip D. Dandekar, the total payment by way of commission and remuneration to directors who are neither managing directors nor whole-time directors is exceeding 1% of the Net Profits stated above. Hence, the members are requested to ratify the earlier resolution passed by postal ballot.

In view of the above, the resolution passed earlier for payment of remuneration to Mr. Dilip D. Dandekar for a period of 3 years retrospectively from 1st January, 2014 to 31st December, 2016 needs your ratification and confirmation.

Mr. Dilip D. Dandekar, Non-Executive Non Promoter Director, a well-known and experienced industrialist, has been actively involved in providing guidance for framing business policies of the Company. Besides, he also advises the Company on various issues and strategic plans. In achieving all round progress in terms of turnover, profitability, expansion of product range and geographical reach, role of Mr. Dandekar has been critical and important.

Apart from Mr. Dilip D. Dandekar, none of the Directors is concerned or interested in the resolution.

The Board of Directors recommend the Special Resolution for your approval.

By Order of the Board

Rahul Sawale

Company Secretary

Place : Mumbai

Dated : 12th May, 2015

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 22nd Annual Report and the Audited Financial Statement of Accounts for the financial year ended 31st March, 2015.

Financial Highlights of 2014-2015

- Net Sales and other income of the Company was ₹ 43,264.57 Lacs as compared to ₹ 37,671.97 Lacs in the previous year.
- Profit before tax was ₹ 3,177.03 Lacs as compared to ₹ 2,920.58 Lacs in the previous year.
- Profit after tax was ₹ 2,581.76 Lacs as compared to ₹ 1,896.86 Lacs in the previous year.
- Consolidated Net Sales and other income of the Company was ₹ 56,665.08 Lacs as compared to ₹ 51,833.46 Lacs in the previous year
- Consolidated Profit after tax was ₹ 5,502.73 Lacs as compared to ₹ 2,871.30 Lacs in the previous year.
- Consolidated EBIDTA was ₹ 9,290.43 Lacs as compared to ₹ 7,130.88 Lacs in the previous year.
- Consolidated Cash Accruals was ₹ 6,001.70 Lacs as compared to ₹ 3,285.08 Lacs in the previous year.
- Considering the profits available for distribution, Directors have recommended a dividend of ₹ 0.45 per share of ₹ 1/- each (i.e. 45%).

Financial Results:

(₹ in Lacs)

	2014-2015	2013-2014
Net Sales & Other Income	43,264.57	37,671.97
Profit before Interest & Depreciation	6,288.44	6,092.11
Interest	2,115.11	2,239.53
Depreciation	996.30	932.00
Profit before tax	3,177.03	2,920.58
Less: Provision for Tax (Net)	595.27	1,023.72
Profit After Tax	2,581.76	1,896.86
Balance bought forward from last year	3,646.63	2,328.00
Less: Depreciation adjustment (net of tax)	48.73	—
Balance available for Appropriation	6,179.66	4,224.86
Appropriations:		
Proposed Dividend	431.50	331.83
Corporate Dividend Tax	88.35	56.40
General Reserve	130.00	190.00
Balance Carried Forward	5,529.81	3,646.63
	6,179.66	4,224.86

Operational Performance/State of Company's Affairs

During the year under review, net sales and other income of the Company was ₹ 43,264.57 Lacs as compared to ₹ 37,671.97 Lacs during previous year, registering an increase of 14.85%. Company was successful in maintaining its market share

in major markets and also registered a growth in emerging markets like South America and Asia by extensive customer reach through its sales teams. This growth has been achieved in spite of recessionary pressures in the international market during the year. On a standalone basis the net profit after tax for the year was ₹ 2,581.76 Lacs as against ₹ 1,896.86 Lacs in the previous year thereby registering a growth of 36.10%.

Following are the main highlights during the Financial year 2014 - 2015:

- Commissioned antioxidant blending facility with application laboratory at Tarapur, India - April, 2014.
- Increase in production capacity from 600 MT p.m. to 1000 MT p.m. by de-bottlenecking its manufacturing process at CFS Europe, Italy. – May, 2014.
- Commissioned antioxidant blending facility with application laboratory in Brazil – September, 2014.
- Shifted its Research & Development facility from Mumbai to new state-of-the-art Research & Development facility with ultra modern Pilot plant at Tarapur, India – October, 2014.
- Food application laboratory for servicing antioxidant blend customers globally, commissioned in Mumbai – February, 2015.
- Global sales & application team stationed across geographies in place – March, 2015.
- Green process for production of Guaiacol manufacturing commissioned – March, 2015. (patent applied)

The Consolidated Income of the Company has registered a growth of 9.32% and the Consolidated Profit After Tax has registering a growth of 91.65% over the previous year.

The Company as a part of its growth strategy has progressed towards expanding its product portfolio in shelf life extension and developed a range of ready to use antioxidant solutions to address the shelf life extension needs of processed food products in segments like bakery, confectionery, fried snack foods, dairy etc.

The business is divided in to 3 categories, namely Antioxidants, Aroma, and Performance Chemicals

• Antioxidants

The Company is strongly positioned to address the demands of this segment, as the Company today is not only the world's largest manufacturer of food grade antioxidants, TBHQ and BHA but has also integrated upstream, a strength unparalleled in this segment.

• Aroma

The Company is also bringing in a stronger focus on Vanillin & Ethyl Vanillin, aroma compounds. The basic raw material for Vanillin is Guaiacol, which is being produced from the main key raw material "Catechol". The European/ US consumers prefer Catechol based Vanillin through Guaiacol rather than Vanillin based on other material due to quality/health hazard concerns from the food industry. CFS being one of the major producers of Vanillin based

on Catechol/Guaiacol route, the Company will thus have a strong position as a Vanillin supplier from the preferred route of raw material.

• Performance Chemicals

The Performance Chemicals Division has shown a growth of over 40% during the last financial year and the same has been achieved by focusing on sale of Guaiacol, Veratrole, Tertiary Butyl Catechol, and Hydroquinone Mono Methyl Ether (MEHQ), which are the derivatives of Catechol or Hydroquinone.

The operations team has successfully completed the enhancement in capacities for the existing and new products by technological improvements and process re-engineering with minimum of capital spending during the financial year 2014-15.

The process of market development for Diphenol downstream products and new products (both Performance Chemicals & Food) shall have the same momentum during the current year and steps have been taken for building up the additional production capacities which shall be adequate for meeting the increasing demands.

Future Plans

The Company has acquired a land admeasuring 64,407.91 sq. mts. situated at Dahej SEZ, located in Vagra Taluka of western part of Bharuch District, Gujarat for setting up a plant for manufacturing Hydroquinone/Catechol/Vanillin. At present the supply of both Hydroquinone/Catechol is done by CFS Europe and is also purchased from open market. This backward integration shall give Company a cost advantage for manufacturing these products in India as compared to Europe, which in turn will give cost benefit to our downstream products.

A detailed overview has been provided under Management Discussion and Analysis Report.

Dividend

Considering satisfactory growth in disposable profits, your Directors are pleased to recommend payment of a higher dividend at the rate of ₹ 0.45 per equity share (i.e. 45%) on 9,58,88,130 Equity Shares of ₹ 1/- each. If approved by the shareholders at the Annual General Meeting, the dividend will absorb ₹ 519.85 Lacs inclusive of Dividend Distribution Tax of ₹ 88.35 Lacs.

Employee Stock Option Scheme

During the year under review, the Company has introduced the ESOP Scheme viz. "CAMLIN FINE SCIENCES EMPLOYEES STOCK OPTION SCHEME 2014" to its permanent Employees/Directors in the financial year 2014-15.

The Compensation Committee at its meeting held on 30th December, 2014 has granted 16,38,000 Stock Options of ₹ 1/- each at an exercise price of ₹ 67/- per share to the 229 Employees of the Company and its subsidiary(ies), under the Camlin Fine Sciences Employees' Stock Option Scheme 2014, as amended from time to time.

During the year under review, the Company allotted 14,79,800 Equity Shares of ₹ 1/- each upon exercise of stock options by the eligible Employees/Directors under the Employee Stock Option Schemes of 2008 and 2012.

The applicable disclosure as stipulated under SEBI Guidelines as at 31st March, 2015 is given in Annexure A to this report.

Deposits

During the year under review, your Company neither accepted nor renewed any fixed deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The total amounts of fixed deposits held by the Company at the beginning of the year were ₹ 689.90 Lacs. During the year under review, Company has repaid the fixed deposits on their maturity. The total unclaimed Fixed Deposits as on 31st March, 2015 were ₹ 9.30 Lacs.

Subsidiaries

• Divestment in Dulcette Technologies LLC

Due to non-rewarding performance and erosion of net worth of the joint venture, the Company has divested its entire stake of 61% from the said joint venture during the year under review.

The Company has the following overseas subsidiaries (including step down subsidiaries) as on 31st March, 2015:

• CFCL Mauritius Private Limited

A 100% owned subsidiary of the Company incorporated for acquisition of CFS Europe S.p.A. in Italy.

• CFS Europe S.p.A.

A step down subsidiary of the Company engaged in manufacture and sale of key raw materials required by the Company.

• CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios Ltda.

A 100% owned subsidiary in Brazil to manufacture and market customized blends to cater to the Latin American market. Besides, it also handles distribution of bulk antioxidants and vanillin.

• Solentus North America Inc.

A 100% wholly owned subsidiary in Canada engaged in sales, marketing and distribution of antioxidants, food ingredients, blends, formulations etc in USA and Canada.

The statement containing the salient features of Company's Subsidiaries and Associate Companies under the first proviso of Section 129(3) forms the part of the financial statement.

As decided by the Board of Directors at its meeting held on 12th May, 2015 the copies of Audited Financial Statements of the Subsidiaries have not been attached to the Annual Accounts of the Company. These documents will, however, be made available upon request by any member of the Company and also shall be available for inspection at the registered office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

The Policy for Determining Material Subsidiaries is disclosed on the Company's website and the weblink for the same is <http://www.camlinfs.com/inrelations.html>.

Directors

As the present term of appointment of Mr. Ashish S. Dandekar, Managing Director, ends on 31st July, 2015, resolution for renewal of his appointment for the period 1st August, 2015 to 31st July, 2018 is being placed before the members for approval at the ensuing General Meeting.

Mr. Dilip D. Dandekar and Mr. Nirmal V. Momaya are retiring by rotation and being eligible offer themselves for reappointment. You are requested to appoint them.

With the appointment of Mrs. Leena A. Dandekar as Non-Retiring Executive Director w.e.f. 1st July, 2014, under postal ballot, the provisions of the Companies Act, 2013 and Listing Agreements as to appointment of women director are complied with. The Company has expanded its Board by appointing 2 (two) Retiring Directors and 2 (two) Independent Directors. Accordingly, Mr. Nirmal V. Momaya and Mr. Ajit S. Deshmukh were appointed as Non Executive Retiring Directors and Mr. Atul R. Pradhan and Mr. Nicola A. Paglietti were appointed as Independent Directors w.e.f. 4th August, 2014.

With effect from 1st August, 2014, Mr. Dattatraya R. Puranik was re-appointed as Executive Director & Chief Financial Officer (KMP).

As required under the Listing Agreement, particulars of Directors seeking reappointment at the ensuing Annual General Meeting have been given under Corporate Governance Report.

None of the Directors are disqualified from being appointed as Directors, as specified in Section 164 of the Companies Act, 2013.

All 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.

The details of familiarisation programmes held for the directors are disclosed on the Company's website and the weblink for the same is <http://www.camlinfs.com/invrelations.html>.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees.

The board's performance for the current year was assessed on the basis of participation of directors, quality of information provided/available, quality of discussion and contribution etc. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering the aforesaid aspects of the Board's functioning. The overall performance of the Board and Committee's of the Board was found satisfactory.

The overall performance of Chairman, Executive Directors and the Non-executive Directors of the Company is satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc.

Nomination and Remuneration Policy and Evaluation Criteria of Independent Directors

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration and evaluation criteria for performance of Independent Directors. The Nomination and Remuneration Policy and evaluation criteria of Independent Directors have been provided under Corporate Governance Report.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditor, corrective actions are undertaken in the respective areas and thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Directors' Responsibility Statement

Pursuant to the requirement u/s 134(3)(c) of the Companies Act, 2013 (the "Act") with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2015 and of the profit and loss of the Company for the 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; and
- (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.
- (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.

Meeting of Board and Committees of Directors

During the year 6 (six) Board Meetings and 4 (four) Audit Committee Meetings were convened and held. The details of the same along with other Committee's of Board are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Approval of resolutions through Postal Ballot

During the year under review, the Company has obtained approval of the Members for amending certain Articles of Association, appointment of Mrs. Leena A. Dandekar as Non-Retiring Director, re-appointment of Mr. Dattatraya R. Puranik as Executive Director & Chief Financial Officer, revision in remuneration payable to Mr. Dilip D. Dandekar, Chairman and Non-Executive Director, approvals Under Section 180 (1) (a) & (c) and Section 186 of the Companies Act, 2013 and the results of the postal ballot were declared on 30th June, 2014. All the resolutions were passed with requisite majority.

Auditors

M/s. B. K. Khare and Co., Chartered Accountants (FR No. 105102W), retire as Statutory Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from the retiring Auditors to the effect that their appointment as Statutory Auditors, if made, would be within the limits prescribed u/s 141 of the Companies Act, 2013.

Members are requested to consider and re-appoint M/s. B. K. Khare and Co., Chartered Accountants, as the Statutory Auditors of the Company from the ensuing Annual General Meeting till the conclusion of next Annual General Meeting.

Auditors' Report

The observations made in the Auditors' Report are self-explanatory and do not call for any further comments u/s 134(3)(f) of the Companies Act, 2013.

Secretarial Audit

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 M/s. J. H. Ranade & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure B". The findings of the Secretarial Audit were entirely satisfactory.

Cost Audit

For financial year 2014-2015, the Company had appointed V. R. & Associates, Cost Accountants in place of earlier auditor who has since relinquished his office. However, as per the Companies (Cost Records and Audit) Rules, 2014, the requirement for cost audit is not applicable to a Company whose revenue from exports, in foreign exchange, exceeds seventy five per cent of its total revenue.

Since, the Company's revenue from exports, in foreign exchange, exceeds seventy five per cent of its total revenue, Cost Audit is not applicable to the Company.

Particulars of Employees

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining

a copy thereof, such Member may write to the Company Secretary in this regard.

Corporate Social Responsibility (CSR)

Company operates CSR Policy in the areas of education including special education and employment enhancing vocation skills especially among children, women and differently abled, healthcare, sanitation and hygiene, promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward classes, sustainable livelihood and right social causes.

The projects shall be identified and adopted as per the activities included and amended from time to time in Schedule VII of the Companies Act, 2013. The Company endeavors to make CSR a key business process for sustainable development and welfare of the needy sections of the society.

During the Financial Year 2014-15, the Company has spent entire required amount of ₹ 51.76 Lacs towards CSR activities through various trusts and NGO's operating in the said areas.

The Annual Report on CSR activities forming part of this Board's report is annexed herewith as Annexure-C.

Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The objective of the Policy is to explain and encourage the directors and employees to raise any concern about the Company's operations and working environment, including possible breaches of Company's policies and standards or values or any laws within the country or elsewhere, without fear of adverse managerial action being taken against such employees.

The Whistle Blower Policy is disclosed on the Company's website and the weblink for the same is <http://www.camlinfs.com/invrelations.html>.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given to the Financial Statement.

Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The particulars of every contract or arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto is annexed herewith in Form No. AOC-2 as Annexure-D.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and the weblink for the same is <http://www.camlinfs.com/invrelations.html>.

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

As required by the Companies (Accounts) Rules, 2014, the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgoings respectively, is given in the Annexure-E to this report.

Risk Management Policy

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing / mitigating the same. Your Company's Risk management framework ensures compliance with the provisions of Clause 49 of the Listing Agreement.

Your Company has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed. Some of the risks identified and been acted upon by your Company are: Securing critical resources; ensuring sustainable plant operations; ensuring cost competitiveness including logistics; completion of CAPEX; maintaining and enhancing customer service standards and resolving environmental and safety related issues.

Corporate Governance

As required under Clause 49 of the Listing Agreement, a detailed Report on Corporate Governance is given as a part of Annual Report. The Company is in full compliance with

the requirements and disclosures that have to be made in this regard. The Certificate of the compliance with Corporate Governance requirements by the Company issued by the Practicing Company Secretaries is attached to the Report on Corporate Governance.

Management Discussion and Analysis

A detailed review of the operations, performance and future outlook of the Company and its business is given in the Management's Discussion and Analysis Report which forms a part of this report.

Extract of the Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013, the extract of the annual return in Form No. MGT-9 forms part of this Board's Report and is enclosed as Annexure - F.

Acknowledgment

The Board wishes to place on record its appreciation of sincere efforts put in by the employees of the Company, in helping it reach its current growth levels. Your Directors place on record their appreciation for the support and assistance received from the investors, customers, vendors, bankers, financial institutions, business associates, regulatory and governmental authorities.

For & On behalf of the Board

Ashish S. Dandekar
Managing Director

Dattatraya R. Puranik
*Executive Director &
Chief Financial Officer*

Place : Mumbai
Dated : 12th May, 2015

ANNEXURE A TO DIRECTORS' REPORT

DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (EMPLOYEE STOCK OPTION SCHEME & EMPLOYEE STOCK PURCHASE SCHEME) GUIDELINES, 1999.

		ESOP – 2008	ESOP - 2012	ESOP - 2014
A	Options granted	29,00,000	14,94,000	16,38,000
B	Exercise price	₹ 5/- & ₹ 6.20/-	₹ 8/-	₹ 67/-
C	Option vested	16,72,850	10,23,250	Nil
D	Options exercised	6,25,400	8,54,400	Nil
E	Total number of shares arising as a result of exercise of options	20,16,650	9,89,400	Nil
F	Option lapsed	94,700	48,850	17,000
G	Variation in terms of option	Exercise Price for the Shares Issued in Tranche IV is ₹ 6.20/-	–	–
H	Money realized by exercise of options	₹ 32,79,880/-	₹ 68,35,200/-	Nil
I	Total number of options in force	91,800	3,57,750	16,21,000
J	Employee-wise details of options granted to Sr. Managerial Personnel / Directors.	Mr. P. M. Sapre – 1,00,000 Mr. S. M. Kulkarni – 1,00,000 Mr. A. E. Faizullahoy – 1,00,000 Mr. B. A. Patel – 1,00,000 Mr. D. R. Puranik – 1,00,000 Mr. S. P. Padhya – 1,00,000 Mr. P. K. Dhotre – 1,00,000 Mr. A. S. Dukane – 1,00,000 Mr. G. S. Satpute – 1,00,000 Dr. A. P. Shanbhag – 1,00,000	Mr. P. M. Sapre – 50,000 Mr. S. M. Kulkarni – 50,000 Mr. A. E. Faizullahoy – 50,000 Mr. B. A. Patel – 50,000 Mr. D. R. Puranik – 50,000 Mr. S. P. Padhya – 50,000 Mr. P. K. Dhotre – 50,000 Mr. A. S. Dukane – 50,000	Mr. D. R. Puranik – 40,000 Mr. S. P. Padhya – 40,000 Mr. A. S. Dukane – 40,000 Mr. M. A. Jose - 40,000
K	Any other employee who received a grant in any one year of options amounting to 5% or more of options granted during the year.	None	None	None
L	Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None	None	None
M	Assumptions used in arriving at fair value of option			
	Risk free interest rate	7.59% to 8.20%	8.20%	8.29%
	Expected life	1 to 5 yrs	1 to 3 yrs	1 to 3 yrs
	Expected Volatility	80.78% to 91.60%	79.75%	69.72%
	Expected dividend yield	10.81% to 13.17%	10.81%	10.81%
	Price of share at the time of grant	6 to 12.20	11.50	67

The difference between employee compensation cost using intrinsic value method vis-à-vis fair value method of accounting for stock options:

Had the company followed Fair Value method of accounting for stock options, ₹ 66.85 Lacs would have been debited to Profit & Loss Account instead of ₹ 21.07 Lacs amount being debited under the intrinsic value method.

Basic & Diluted earnings per share (EPS) pursuant to the issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'earning per share' is ₹ 2.64/-.

For & On behalf of the Board

Ashish S. Dandekar
Managing Director

Dattatraya R. Puranik
Executive Director &
Chief Financial Officer

Place : Mumbai

Dated : 12th May, 2015

ANNEXURE B TO DIRECTORS' REPORT

Form No. MR-3

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

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

The Members,

Camlin Fine Sciences Limited
Plot No. F11/12, WICEL,
Opp. SEEPZ Main gate,
Central Road, Andheri (E),
Mumbai - 400093

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Camlin Fine Sciences Limited, (formerly known as Camlin Fine Chemicals Limited) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our 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:

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of remittance of dividend, foreign direct investment and external commercial borrowings.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during audit period)
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share based Employee Benefits) Regulation, 2014, notified on 28th October 2014.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during audit period)

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during audit period)
- and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during audit period)
- vi. The Law which is specifically applicable to the Company is as Under:

Food Safety and Standards Act, 2006

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not applicable as not notified during the period under review).
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited;

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

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The 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 and Listing Agreements.

Adequate notice of at least seven days is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent generally seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the Audit period, consent of the members was accorded to the Board under section:

- a. 13 and 61 of the Companies Act 2013 for Subdivision of existing Equity share of ₹ 2/- into two Equity share of ₹ 1/- each.
- b. 180(1)(a) of the Companies Act 2013 for mortgaging and/or charging immovable / movable properties of the Company upto ₹ 750 Crores.
- c. 180(1)(c) of the Companies Act 2013 for borrowing monies from banks / financial institutions upto ₹ 750 Crores.
- d. 186 of the Companies Act 2013 for making any Loan, Investment or giving Guarantee or providing any Security upto ₹ 150 Crores.

For **J. H. Ranade & Associates**
Company Secretaries

J. H. Ranade
(Proprietor)

FCS: 4317, CP: 2520

Place : Thane

Dated : 12th May, 2015

The Members,

Camlin Fine Sciences Limited

Plot No. F11/12, WICEL,
Opp. SEEPZ Main gate,
Central Road, Andheri (E)
Mumbai - 400093

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility.

2. Our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on our audit.
3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

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

For **J. H. Ranade & Associates**
Company Secretaries

J. H. Ranade
(Proprietor)

FCS: 4317, CP: 2520

Place : Thane

Dated : 12th May, 2015

ANNEXURE C TO DIRECTORS' REPORT

[Pursuant to clause (o) of Sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's Corporate Social Responsibility(CSR) policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

In the initial period, Company will operate CSR Policy in the areas education, healthcare, sanitation and hygiene. Arising from this, the focus areas that have emerged are Education, Health care, Sustainable livelihood and espousing social causes. The projects shall be identified and adopted as per the activities included and amended from time to time in Schedule VII of the Companies Act, 2013. The Company endeavors to make CSR a key business process for sustainable development.

During the Financial Year 2014-15, the Company has spent ₹ 51.76 Lacs towards CSR activities through various trusts and NGO's operating in the areas of health, promoting education, including special education and

employment enhancing vocation skills especially among children, women, the differently abled, promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward classes.

The Corporate Responsibility Policy is disclosed on the Company's website and the weblink for the same is <http://www.camlinfs.com/invrelations.html>.

2. The Composition of the CSR Committee:

Composition:

Mr. Abeezer E. Faizullabhoy – Chairman

Mr. Dilip D. Dandekar – Member

Mr. Ashish S. Dandekar – Member

3. Average net profit of the Company for last three financial years: ₹ 2588.03 Lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 51.76 Lacs

Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year: ₹ 51.76 Lacs

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

(₹ In Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	Project / Activity	Sector	State and district	Amount outlay (budget)	Amount spent	Cumulative expenditure	Amount spent : Direct or through implementing agency
1	Development support to people belonging to tribal backward class	Upliftment Tribal Backward Class	Nashik, Maharashtra	10.00	10.00	—	Vanvasi Kalyan Ashram, a public trust formed since 1952.
2	Development support to people belonging to tribal backward class	Upliftment Tribal Backward Class	Jashpur, Chattisgarh	16.76	16.76	—	Akhil Bharatiya Vanvasi Kalyan Ashram, a public trust formed since 1952.
3	Education, Capacity building of women for livelihood, their training etc.	Upliftment / Empowerment Women	Raigad, Maharashtra	5.00	5.00	—	Ahilya Mahila Mandal, founded 1996
4	Promoting education, including special education and health for differently abled	Special education for differently abled	Thane, Maharashtra	10.00	10.00	—	Sangopita –A shelter for care, NGO started in 2003
5	Education, youth empowerment including women	Education and empowerment of economically backward groups	Thane, Maharashtra	10.00	10.00	—	Savli Charitable Trust, started in 2007
	TOTAL			51.76	51.76	—	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: Not Applicable
7. **A responsibility statement of the CSR Committee:** The committee states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

Ashish S. Dandekar
Managing Director

Abeezar E. Faizullabhoj
Chairman CSR Committee

Dattatraya R. Puranik
*Executive Director &
Chief Financial Officer*

ANNEXURE D TO DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2)
of the Companies (Accounts) Rules, 2014)

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

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

- (a) Name(s) of the related party and nature of relationship - N.A.
- (b) Nature of contracts/arrangements/transactions - N.A.
- (c) Duration of the contracts / arrangements/transactions - N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any - N.A.
- (e) Justification for entering into such contracts or arrangements or transactions - N.A.
- (f) date(s) of approval by the Board - N.A.
- (g) Amount paid as advances, if any: - N.A.
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 - N.A.

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

- (a) Name(s) of the related party and nature of relationship – CFS Europe, S.p.A. (Step down subsidiary Company)
- (b) Nature of contracts/arrangements/transactions – Sale / Purchase Transactions
- (c) Duration of the contracts / arrangements/transactions – F Y - 2014 - 2015
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - Goods Sold – ₹ 14,56,12,691/-
 - Goods Purchased – ₹ 152,88,13,599/-
- (e) Date(s) of approval by the Board, if any: N.A.
- (f) Amount paid as advances, if any: ₹ 8,55,64,858/-

For & On behalf of the Board

Ashish S. Dandekar
Managing Director

Dattatraya R. Puranik
*Executive Director &
Chief Financial Officer*

Place : Mumbai
Dated : 12th May, 2015

ANNEXURE E TO DIRECTORS' REPORT

PARTICULARS PURSUANT TO SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014.

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A. CONSERVATION OF ENERGY

- (i) the steps taken on conservation of energy;

Energy conservation measures taken:

The major steps taken towards energy conservation were the installation of;

- i. Steam Generation Equipment.
 - ii. Shift from Light Diesel Oil (LDO) to Furnace Oil (FO).
 - iii. Additional accessories to Boiler System
 - iv. Installation of biomass resources for generation of thermal energy.
- (ii) the steps taken by the Company for utilising alternate sources of energy;
- Additional investments for installation of biomass resources for generation of thermal energy are envisaged. Steps are also taken to introduce improved operational methods, rationalization and better methods of lighting, aimed to save consumption of power and fuel.
- (iii) the capital investment on energy conservation equipments: Nil
- (iv) impact of the above matters:

As a result of measures taken enumerated above, further economy in conservation of energy coupled with reduction in cost of production shall be possible. Necessary measures are taken to make the change clean and environmental friendly by installation of additional accessories to Boiler System.

Substantial savings in steam generation cost will be felt due to the substitution of furnace oil with biomass resources.

B. TECHNOLOGY ABSORPTION

- (i) the efforts made towards technology absorption;

The Company's R & D Laboratory is recognised by the Department of Scientific & Industrial Research, Government of India, where continuous efforts are made to innovate new products and improve the quality of Fine Chemicals and products manufactured/procured by the

Company and to make the manufacturing process safe, cost effective and environment friendly;

- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- Technology, innovations and improvements undertaken at the Laboratory scale have been successfully absorbed at plant level. These efforts shall benefit the Company in increasing sales, reducing cost, and improving quality and scale of the production. The Company is heading towards global leadership in food grade antioxidants;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NIL
- (a) the details of technology imported: N.A.
 - (b) the year of import: N.A.
 - (c) whether the technology been fully absorbed: N.A.
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.
- (iv) the expenditure incurred on Research and Development.

(₹ in Lacs)

	2014-2015	2013-2014
Expenditure on R&D		
(a) Capital	948.94	7.56
(b) Recurring	247.89	272.37
(c) Total	1,196.83	279.93
(d) Total R&D Expenditure as a Percentage of total turnover	2.77%	0.74%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in Lacs)

	2014-2015	2013-2014
Foreign exchange outgo	25,612.45	16,157.37
Foreign exchange earned	33,060.68	29,431.87

For & On behalf of the Board

Ashish S. Dandekar
Managing Director

Dattatraya R. Puranik
Executive Director &
Chief Financial Officer

Place : Mumbai

Dated : 12th May, 2015

ANNEXURE F TO DIRECTORS' REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74100MH1993PLC075361
2.	Registration Date	30/11/1993
3.	Name of the Company	CAMLIN FINE SCIENCES LIMITED
4.	Category/Sub-category of the Company	Public Limited Company
5.	Address of the Registered office & contact details	Plot No. F/11 & F/12, WICEL, Opp. SEEPZ Main Gate, Central Road, Andheri East, Mumbai - 400 093, Maharashtra/Tel: 022-6700 1000 • Fax: 022-2832 4404
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any	M/s. Sharepro Services (India) Pvt. Ltd. 13-Ab, 2nd Floor, Samita Warehousing Complex, Behind Sakinaka Telephone Exchange, Andheri Kurla Road, Sakinaka, Mumbai 400 072. Tel. No. 67720400/401/402

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	BHA	29093090	41.01%
2.	TBHQ	29072990	28.70%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	CFCL Mauritius Pvt. Ltd. Add: Level 2, Max City Building, Remy Ollier street, Port-Louis, Mauritius	N.A.	Subsidiary	100%	2(87)
2.	CFS Europe S.p.A Add: Viale della Lirica, 35 48124 Ravenna, Italy	N.A.	Step Down Subsidiary	100%	2(87)
3.	CFS Do Brasil Industria, Comercio, Importacao E Exportacao De Aditivos Alimenticios Ltda. Add: Rua Esmeralda Martini Paula, 189 Distrito Industrial e Comercial Vitória Martini, Indaiatuba - SP 13347-636, Brazil	N.A.	Subsidiary	100%	2(87)
4.	Solentus North America Inc. Add: 55 York Street Suite 401 Toronto, ON M5J 1R7, Canada	N.A.	Subsidiary	100%	2(87)
5.	Dulcette Technologies LLC. Add: 2 Hicks Street, Lindenhurst, NY 11757, USA	N.A.	Subsidiary	61%	2(87)
6.	Fine Lifestyle Brands Ltd. Add: Plot No.F/11 & F/12, WICEL, Opp. SEEPZ Main Gate, Central Road, Andheri East, Mumbai - 400 093	U51311MH2008PLC186375	Associate	49.04%	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

A) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year (as on 1st April, 2014)				No. of Shares held at the end of the year (as on 31st March, 2015)				% Change in shareholding during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
(1)	Indian									
(a)	Individuals/H.U.F.	21,231,158	—	21,231,158	44.98	42,862,316	—	42,862,316	44.70	(0.28)
(b)	Central/State Government(s)	—	—	—	—	—	—	—	—	—
(c)	Bodies Corporate	3,007,410	—	3,007,410	6.37	6,014,820	—	6,014,820	6.27	(0.10)
(d)	Financial Institutions/Banks	—	—	—	—	—	—	—	—	—
(e)	Any Other (specify)	—	—	—	—	—	—	—	—	—
	Sub-Total (A)(1)	24,238,568	—	24,238,568	51.35	48,877,136	—	48,877,136	50.97	(0.38)
(2)	Foreign									
(a)	Non Resident Individuals/Foreign Nationals	586,400	—	586,400	1.24	1,172,800	—	1,172,800	1.22	(0.02)
(b)	Bodies Corporate	—	—	—	—	—	—	—	—	—
(c)	Institutions	—	—	—	—	—	—	—	—	—
(d)	Any Other (specify)	—	—	—	—	—	—	—	—	—
	Sub-Total (A)(2)	586,400	—	586,400	1.24	1,172,800	—	1,172,800	1.22	(0.02)
	Total holding of Promoter and Promoter Group (A)=(A)(1)+ (A)(2)	24,824,968	—	24,824,968	52.59	50,049,936	—	50,049,936	52.20	(0.39)
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Fund/UTI	—	—	—	—	818,076	—	818,076	0.85	0.85
(b)	Financial Institutions/Banks	750	1,500	2,250	—	12,570	3,000	15,570	0.02	0.01
(c)	Central/State Government(s)	—	—	—	—	—	—	—	—	—
(d)	Venture Capital Funds	—	—	—	—	—	—	—	—	—
(e)	Insurance Companies	—	—	—	—	—	—	—	—	—
(f)	Foreign Institutional Investors	—	—	—	—	62,000	—	62,000	0.06	0.06
(g)	Foreign Venture Cap. Inv	—	—	—	—	—	—	—	—	—
	Sub-Total (B)(1)	750	—	2,250	—	892,646	3,000	895,646	0.93	0.93
(2)	Non Institutions									
(a)	Bodies Corporate	4,116,217	5,575	4,121,792	8.73	7,046,193	11,150	7,057,343	7.36	(1.37)
(b)	Individuals									
	i) Holding nominal share capital upto ₹ 1 lakh	11,252,128	1,360,660	12,612,788	26.72	16,741,041	2,553,450	19,294,491	20.12	(6.60)
	ii) Holding nominal share capital in excess of ₹ 1 lakh	5,314,266	160,200	5,474,466	11.60	17,941,760	320,400	18,262,160	19.05	7.45
(c)	Any Other (specify)									
	Individual Non-Resident Individual	—	—	—	—	—	—	—	—	—
	Foreign National	25,000	—	25,000	0.05	50,000	—	50,000	0.05	(—)
	Overseas Corporate Bodies	—	—	—	—	—	—	—	—	—
	Non Resident Individuals (Non-Rep)	24,546	—	24,546	0.05	85,498	—	85,498	0.09	0.04
	Non Resident Individuals (Rep)	117,355	1,000	118,355	0.25	191,056	2,000	193,056	0.20	(0.05)
	Trust	—	—	—	—	—	—	—	—	—
	Sub-Total (B)(2)	20,849,512	1,527,435	22,376,947	47.40	42,055,548	2,887,000	44,942,548	46.87	(0.53)
	Total Public shareholding (B)=(B)(1)+(B)(2)	20,850,262	1,528,935	22,379,197	47.41	42,948,194	2,890,000	45,838,194	47.80	0.39
	TOTAL (A)+(B)	45,675,230	1,528,935	47,204,165	100.00	92,998,130	2,890,000	95,888,130	100.00	—

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year (as on 1st April, 2014)				No. of Shares held at the end of the year (as on 31st March, 2015)				% Change in shareholding during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
1	Promoter and Promoter Group	—	—	—	—	—	—	—	—	—
2	Public	—	—	—	—	—	—	—	—	—
	GRAND TOTAL (A)+(B)+(C)	45,675,230	1,528,935	47,204,165	100.00	92,998,130	2,890,000	95,888,130	100.00	—

B) Shareholding of Promoter

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No of Shares held	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No of Shares held	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Abha A. Dandekar	4,716,793	9.99	—	9,433,586	9.84	—	(0.15)
2	Ashish Subhash Dandekar	5,944,300	12.59	—	12,288,600	12.82	—	0.22
3	Ashish Subhash Dandekar	652,800	1.38	—	1,305,600	1.36	—	(0.02)
4	Cafco Consultants Limited	374,400	0.79	—	748,800	0.78	—	(0.01)
5	Camart Agencies Ltd	1,329,840	2.82	—	2,659,680	2.77	—	(0.04)
6	D P Dandekar (HUF)	252,000	0.53	—	504,000	0.53	—	(0.01)
7	Leena Ashish Dandekar	2,861,280	6.06	—	3,678,072	3.84	—	(2.23)
8	Leena Ashish Dandekar	458,396	0.97	—	3,678,072	3.84	—	2.86
9	Leena Ashish Dandekar	458,396	0.97	—	100,000	0.10	—	(0.87)
10	Leena Ashish Dandekar	—	—	—	100,000	0.10	—	0.10
11	Rajani Subhash Dandekar	262,400	0.56	—	524,800	0.55	—	(0.01)
12	S D Dandekar (HUF)	484,000	1.03	—	968,000	1.01	—	(0.02)
13	Subhash Digambar Dandekar	19,200	0.04	—	38,400	0.04	—	(—)
14	Subhash Digambar Dandekar	80,000	0.17	—	160,000	0.17	—	(—)
15	Subhash Digambar Dandekar	324,800	0.69	—	649,600	0.68	—	(0.01)
16	Vibha Agencies Pvt. Ltd.	1,303,170	2.76	—	2,606,340	2.72	—	(0.04)
17	Vivek A. Dandekar	3,800,000	8.05	—	9,133,586	9.53	—	1.48
18	Vivek A. Dandekar	916,793	1.94	—	300,000	0.31	—	(1.63)
19	Anagha S. Dandekar	586,400	1.24	—	1,172,800	1.22	—	(0.02)
	TOTAL	24,824,968	52.59	—	50,049,936	52.20	—	(0.39)

* change in holding at the end of the year is due to stock split from ₹ 2/ per share to ₹ 1/- per share.

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

Sr. No.	Particulars	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	At the beginning of the year	24,824,968	52.59		
2	Ashish Dandekar purchase from open market on	200,000	0.42	25,024,968	53.01
3	Stock Split for ₹ 2/- to ₹ 1/- per share			50,049,936	52.20
4	At the end of the year	50,049,939	52.20		

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

Sr. No.	Particulars	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	<u>At the beginning of the year</u>				
	Nirmal Vinod Momaya	1,780,760	3.77	1,780,760	3.77
	Market purchase	20,000	0.04	1,800,760	3.81
	Stock Split for ₹ 2/- to ₹ 1/- per share			3,601,520	3.76
	At the end of the year			3,601,520	3.76
2	<u>At the beginning of the year</u>				
	Camart Agencies Ltd	1,329,840	2.82	1,329,840	2.82
	Stock Split for ₹ 2/- to ₹ 1/- per share			2,659,680	2.77
	At the end of the year			2,659,680	2.77
3	<u>At the beginning of the year</u>				
	Rahul D. Dandekar	564,800	1.20	564,800	1.20
	Stock Split for ₹ 2/- to ₹ 1/- per share			1,129,600	1.18
	At the end of the year			1,129,600	1.18
4	<u>At the beginning of the year</u>				
	Dilip D. Dandekar	713,560	1.51	713,560	1.51
	Stock Split for ₹ 2/- to ₹ 1/- per share			1,427,120	1.49
	At the end of the year			1,427,120	1.49
5	<u>At the beginning of the year</u>				
	Ketki Amit Sawant	564,800	1.20	564,800	1.20
	Stock Split for ₹ 2/- to ₹ 1/- per share			1,129,600	1.18
	At the end of the year			1,129,600	1.18
6	<u>At the beginning of the year</u>				
	Aditi Dilip Dandekar	564,800	1.20	564,800	1.20
	Stock Split for ₹ 2/- to ₹ 1/- per share			1,129,600	1.18
	At the end of the year			1,129,600	1.18
7	<u>At the beginning of the year</u>				
	DDI Consultants Ltd.	480,000	1.02	480,000	1.02
	Stock Split for ₹ 2/- to ₹ 1/- per share			960,000	1.00
	At the end of the year			960,000	1.00
8	<u>At the beginning of the year</u>				
	Shatrunjaya Traders Pvt. Ltd.	447,740	0.95	447,740	0.95
	Market purchase	50	—	447,790	0.95
	Stock Split for ₹ 2/- to ₹ 1/- per share			895,580	0.93
	At the end of the year			895,580	0.93
9	<u>At the beginning of the year</u>				
	Shub Labh India Marketing and Constultants Pvt. Ltd.	407,000	0.86	407,000	0.86
	Sale of Shares	117,000	0.25	290,000	0.61
	Stock Split for ₹ 2/- to ₹ 1/- per share			580,000	0.60
	At the end of the year			580,000	0.60
10	<u>At the beginning of the year</u>				
	Shriram S. Dandekar	403,930	0.86	403,930	0.86
	Sale of Shares	5,000	0.01	398,930	0.85
	Stock Split for ₹ 2/- to ₹ 1/- per share			797,860	0.83
	At the end of the year			797,860	0.83

E) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Particulars	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	<u>At the beginning of the year</u>				
	Ashish S. Dandekar	6,597,100	13.98	6,597,100	13.98
	Market purchase	200,000	0.42	6,797,100	14.40
	Stock Split for ₹ 2/- to ₹ 1/- per share			13,594,200	14.18
	At the end of the year			13,594,200	14.18
2	<u>At the beginning of the year</u>				
	Dilip D. Dandekar	713,560	1.51	713,560	1.51
	Stock Split for ₹ 2/- to ₹ 1/- per share			1,427,120	1.49
	At the end of the year			1,427,120	1.49
3	<u>At the beginning of the year</u>				
	Pramod M. Sapre	79,995	0.17	79,995	0.17
	Stock Split for ₹ 2/- to ₹ 1/- per share			159,990	0.17
	ESOP	12,500	0.01	172,490	0.18
	At the end of the year			172,490	0.18
4	<u>At the beginning of the year</u>				
	Abeezar E. Faizullahoy	66,500	0.14	66,500	0.14
	Stock Split for ₹ 2/- to ₹ 1/- per share			133,000	0.14
	ESOP	12,500	0.01	145,500	0.15
	At the end of the year			145,500	0.15
5	<u>At the beginning of the year</u>				
	Sharad M. Kulkarni	68,200	0.14	68,200	0.14
	Stock Split for ₹ 2/- to ₹ 1/- per share			136,400	0.14
	ESOP	12,500	0.01	148,900	0.16
	At the end of the year			148,900	0.16
6	<u>At the beginning of the year</u>				
	Bhargav A. Patel	0	—	—	—
	ESOP	68,750	0.15	68,750	0.15
	Stock Split for ₹ 2/- to ₹ 1/- per share			137,500	0.14
	At the end of the year			137,500	0.14
7	<u>At the beginning of the year</u>				
	Mr. Dattatraya R. Puranik	65,500	0.14	65,500	0.14
	Stock Split for ₹ 2/- to ₹ 1/- per share			131,000	0.14
	ESOP	12,500	0.01	143,500	0.15
	Sale of Shares			8,777	0.01
	At the end of the year			134,723	0.14
8	<u>At the beginning of the year</u>				
	Mrs. Leena A. Dandekar	3,778,072	8.00	3,778,072	8.00
	Stock Split for ₹ 2/- to ₹ 1/- per share			7,556,144	7.88
	At the end of the year			7,556,144	7.88
9	<u>At the beginning of the year</u>				
	Mr. Atul R. Pradhan	0	—	0	—
	At the end of the year			0	—
10	<u>At the beginning of the year</u>				
	Mr. Nicola A. Paglietti	0	—	0	—
	At the end of the year			0	—
11	<u>At the beginning of the year</u>				
	Mr. Nirmal V. Momaya	1,780,760	3.77	1,780,760	3.77
	Purchase of Shares	20,000	0.04	1,800,760	
	Stock Split for ₹ 2/- to ₹ 1/- per share			3,601,520	3.76
	At the end of the year			3,601,520	3.76
12	<u>At the beginning of the year</u>				
	Mr. Ajit S. Deshmukh	0	—	0	—
	At the end of the year			20	—
13	<u>At the beginning of the year</u>				
	Mr. Rahul D. Sawale	0	—	0	—
	At the end of the year			0	—

V. INDEBTEDNESS – Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,472.38	689.90	—	13,162.28
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	13.37	73.70	—	87.07
Total (i+ii+iii)	12,485.75	763.60	—	13,249.35
Change in Indebtedness during the financial year				
* Addition	1,886.38	—	—	1,886.38
* Reduction	840.14	680.60	—	1,520.74
Net Change	1,046.24	(680.60)	—	365.64
Indebtedness at the end of the financial year				
i) Principal Amount	13,518.62	9.30	—	13,527.92
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	29.52	—	—	29.52
Total (i+ii+iii)	13,548.14	9.30	—	13,557.44

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. A. S. Dandekar	Mrs. L. A. Dandekar	Mr. D. R. Puranik	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	75.00	39.60	18.88	133.48
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	30.00	15.52	32.40	77.92
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	—	—	—	—
2	Stock Option	—	—	12500 (ESOP exercised during the year)	—
3	Sweat Equity	—	—	—	—
4	Commission	50.00	—	10.00	60.00
	– as% of profit	1.40%	—	0.28%	—
	– others, specify	—	—	—	—
5	Others, please specify(contribution to PF/ Gratuity/Superannuation)	21.88	7.73	—	29.61
	Total (A)	176.88	62.85	61.28	301.01
	Ceiling as per the Act	—	—	—	357.36

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		P. M. Sapre	S. M. Kulkarni	A. E. Faizullabhoy	B. A. Patel	N. A. Paglietti	A. R. Pradhan	
1	Independent Directors							
	Fee for attending board/ committee meetings	5.68	3.25	3.87	2.92	0.50	1.00	17.22
	Commission	4.40	4.40	4.40	4.40	4.40	4.40	26.40
	Others, please specify	—	—	—	—	—	—	—
	Total (1)	10.08	7.65	8.27	7.32	4.90	5.40	43.62
2	Other Non-Executive Directors	A. S. Deshmukh	N. V. Momaya	D. D. Dandekar				
	Fee for attending board/ committee meetings	0.50	0.50	3.67				4.67
	Commission	4.40	4.40	—				8.80
	Others, please specify Remuneration	—	—	18.00				18.00
	Total (2)	4.90	4.90	21.67				31.47
	Total (B)=(1+2)	14.98	12.55	29.94				75.09
	Total Managerial Remuneration	—	—	—				376.10
	Overall Ceiling as per the Act	—	—	—				393.10

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		5.70		5.70
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.70		0.70
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961		—		—
2	Stock Option		—		—
3	Sweat Equity		—		—
4	Commission – as% of profit – others, specify		—		—
5	Others, please specify		0.60		0.60
	Total		7.00		7.00

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					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For & On behalf of the Board

Ashish S. Dandekar
Managing Director

Dattatraya R. Puranik
Executive Director &
Chief Financial Officer

Place : Mumbai
Dated : 12th May, 2015

MANAGEMENT DISCUSSION AND ANALYSIS

1. Market Overview:

The Company has registered a 15.70% growth in sales during the financial year under review. This growth was achieved in spite of the recessionary pressures in the international market. The Company was successful in holding on to its share in major markets and registered a growth in the emerging markets of South America and Asia by extensive customer reach.

The growth of the Company is being powered by new and value added products for which the Company has created additional capacities at its existing manufacturing facilities coupled with technological improvements & cost efficiencies with minimal capital expenditure. With these improvements, the Company has further increased its market share of Diphenol downstream products in line with the planned strategy. These products are Tertiary Butyl Catechol (TBC), Guaiacol and Veratrole, which have contributed significantly to the growth of the Performance Chemicals Division. Considering the emergence of Performance Chemicals in the product portfolio of the Company, the share of this division has grown to around 30% of the total sales during the last 2 years and is expected further go up in the coming years.

With more than 45% of the global market share, Camlin Fine Sciences Ltd. is the World's largest producer and exporter of Food Grade antioxidants TBHQ and BHA. Further it has also added food formulations/food blends and Performance Chemicals in its portfolio of products. The Company is fully integrated with availability of key raw materials through its manufacturing facility in Italy, strong technology strength for developing down-stream products, in-house R & D and its integrated plant facilities in India and abroad. The Company has already set up state of the art Food Blends facilities in Brazil & in India, which were commissioned in the middle of the last year. Currently the Company is in an advanced stage of obtaining the required international certifications for its blends activities & products for these facilities.

The key drivers for growth and stability of the Company are summarized below:

- Fully integrated manufacturing Company having strong global presence.
- Manufacturing capacity of 5000 MT / p.a. of food grade bulk Antioxidants TBHQ and BHA along with other food products and Performance Chemicals

capacities of around 4500 MT / p.a. at other locations in India.

- CFS Europe has successfully enhanced its manufacturing capacity from 600 MT per month to 1000 MT per month from May, 2014, with minimal additional capital expenditure. This enhancement was achieved with the efforts of the strong R & D and process development team in Italy and India. Efforts are also on to still get further efficiencies at the Italian Diphenol facility.
- The market share for food and Performance Chemicals segments is spread across the customer base in India and globally.
- The applications in food are primarily to increase the shelf life of fats and oils, fried foods, snack foods, dairy, confectionery for the processed food manufacturers.
- The applications of antioxidants are also directed towards its use in feed and pet food market.
- The Performance Chemicals have a wide range of applications in the field of paints & inks manufacturing, resins, for rubber stabilization, as petroleum additives & stabilizers for biodiesel, acrylic acid, butadiene & for polymers such as polystyrene, polyvinyl chloride etc.
- The extension of Food blends and formulations and vanillin as products are expected to be the future growth drivers.
- The Company has successfully completed the enhancement in capacities for the existing and new products by technological improvements, establishing environmental friendly green processes and carrying out process re-engineering and bringing about cost efficiencies with minimum of capital spending during the financial year 2014-15.

2. Technology & Research & Development (R&D)

a) R & D Centre at Tarapur at plot No. N-165

Company has always nurtured and focused on R&D activities since its inception & it has paid rich dividends over the years. To complement the Company's growth plans in years to come, the

existing R&D centre at Head Office was moved to a bigger & independent site at Tarapur in October 2014. This site has Process Development group supported by R&D group along with ultra modern Pilot Plant facility to carry out scale up activities. The Analytical Development Laboratory supports all the testing requirements for this centre. It has 25 full time researchers working in 2 shifts. This centre has successfully launched 4-Methoxy Acetophenone (4-MAP) & 2-Chloro-1,4-dimethoxy benzene (CME) products recently. Many more projects are underway & will be completed in coming years.

The R&D team has been focusing on the development of Diphenol downstream products by commercializing newly developed products and further growth is anticipated in the coming 2 years by enhancing the capacities with new and improved processes along with technological up-gradations.

b) R & D Centre at Head Office with Food Application laboratory

Company has also set up a Food Application Laboratory along with its R & D Centre at Head Office for food formulations/Blends in February, 2015. This facility is equipped with advanced equipment/testing facility with qualified research staff support.

Both the R & D Facilities in India are Department of Scientific and Industrial Research Technology (DSIRT) recognized having notified as approved by the DSIRT under Department of Science and Technology.

c) CFS do Brasil has fully equipped application laboratory, which follows strict protocols and is ready to discover and develop the most effective modes of application. The Company will strive to assure that its customers receive the maximum value from its products, and will provide technical support for the antioxidant market.

d) R & D and Technology Team in Italy, Europe.

The R&D activities in CFS Europe are carried out both in house and in collaboration with external research units / university.

The in-house activities are performed in the CFS Europe laboratory, located in the factory and it is integrated with active support of the Quality Control structure for the analytical part. There are dedicated facilities for the analysis and the characterization of organic and inorganic material.

The R&D activities in Italy are mainly focussed on two fields: the improvement of the existing technology and the development of new processes

and products. Most of the activities are also done in collaboration with the parent Company's R&D/ PD units, where the processes are optimized in the laboratory and are tested in the pilot plant.

The major achievement over the last two years was the optimization of a different process for phenol hydroxylation. For the next project, the focus will be on the setting up of a new processes based on "green" technology within the facility.

e) Technological Capabilities & strong Process Development Team with state of the art Pilot Plant Facility at Tarapur, India.

The strength of the Company is in the expertise of manufacturing Diphenol down stream products, TBHQ, BHA, MEHQ, Guaiacol, Veratrole, TBC and Vanillin.

The processes and products have been developed by Research and Development team, which over the past years have played an important role in setting up highly cost efficient manufacturing and yield products adhering to high quality standards. The Company has a process patent for manufacturing BHA.

The technical capabilities in developing highly cost efficient processes, process innovations and adopting standards of customer needs has been the base of our consistent growth and strength in the Diphenol downstream market.

3. Business Strategy Analysis and Future Growth Drivers:

The business strategy in the year under review was to expand the customer reach and base, for the food and Performance Chemicals segments. The Company has expanded its sales team in Latin America, India and China to increase customer reach and penetration in the markets.

The Company as a part of its growth strategy has progressed towards expanding its product portfolio in shelf life extension and developed a range of ready to use antioxidant solutions to address the shelf life extension needs of processed food products, in segments like bakery, confectionery, fried snack foods, dairy etc.

The business is divided in to 3 categories, namely Antioxidants, Aroma, and Performance Chemicals.

• Antioxidants

Shelf life extension presents a huge challenge for the food industry because of continuous evolution and

demand and hence this segment presents a huge opportunity where the Company wants to position itself, beginning with Antioxidants.

The Company is strongly positioned to address the demands of this segment, as the Company today is not only the world's largest manufacturer of food grade antioxidants, TBHQ and BHA but has also integrated upstream, a strength unparalleled in this segment. The Company with the expanded manufacturing capacity of new antioxidant, Ascorbyl Palmitate, will also strengthen its antioxidant product portfolio.

The Company will leverage its strength of bulk antioxidants by addition of customized antioxidant ready to use solutions for the food industry with applications in fats and oils, fried snack foods, bakery, confectionery and dairy products. Customers, with the addition of the blends will have complete traceability from raw material to finished product a very critical aspect in food safety. Further, customers will also benefit from improved stability and availability of product at all times. The key differentiation in the approach of the Company is adding value and cost benefit to customers at all times. The technical sales team will be equipped and sensitive to address this key aspect of the approach with customers at all times.

The food application laboratory is at the centre of the strategy of adding value and cost benefit to customers. The laboratory will have a team of food technologists having testing and developmental capabilities in bakery, confectionery, fried snack foods, fats and oils. This team will support developments of products and undertake application studies as required by customers all over the globe.

To achieve the aforementioned growth objective, the Company has set up the food application laboratory and testing facility to offer developmental and solution providing capabilities to customers globally. The laboratory has been operational from January 2015, having a team of dedicated food technologists with testing and developmental capabilities.

The identity is being created which will be offering the customized blended solutions in antioxidants to the customers, under the brand Xtendra. The Company has started developing natural shelf life extension products, which will also be launched to complete the basket of antioxidants.

The Company with a goal to be closer to customers by way of products and service has set up, a wholly owned subsidiary; CFS Brazil, having manufacturing and warehousing facilities. The customized blend

manufacturing facility conforming to GMP and food standards has been commissioned in the middle of the last year. A similar customized blend manufacturing facility has also been set up in India, which will cater to the markets of Asia and Middle East.

CFS do Brasil

As a subsidiary, CFS do Brasil is a state-of-the-art production and warehousing facility, strategically located in Indaiatuba, near São Paulo, Brazil.

This manufacturing facility serves customers in Latin America and is a reflection of the Company's continued commitment to growth in the region. It also allows the Company to customize the space to meet the specifications and requirements, including warehousing facility to ensure just in time deliveries, testing capabilities with fully equipped quality control laboratory and customers technical support.

The 11,000 sq. ft. Kosher facility is equipped with cutting-edge machinery, made in Brazil / imported from US and the technology allows for complete control of the manufacturing processes with high quality standards. The plant has a total monthly production capacity of 310 tons of antioxidants and the major focus is the integrated food market.

To better serve the existing customers and aggressively expand to new ones, CFS do Brasil tests its products at every stage from laboratory to field. It is used experiments and practical results under commercial situations that ensure quality, safety, and environmental care of the products offered, in addition to outstanding performance. CFS do Brasil products includes Xtendra antioxidants as well as distribution of BHA, TBHQ and Ascorbyl Palmitate.

Aroma

Vanillin

The Company is also bringing in a stronger focus on Vanillin & Ethyl Vanillin, aroma compounds, by offering the customers, an integrated final product with traceability maintained from raw material till the finished product, a critical requirement in ensuring food safety and quality. The basic raw material for Vanillin is Guaiacol which is being produced from the main key raw material "Catechol" and the European/US consumers prefer Catechol based Vanillin through Guaiacol rather than Vanillin based on other material due to quality /health hazard concerns from the food industry. CFS being one of the major producers of Vanillin based on Catechol/ Guaiacol route, the Company will thus have a strong position as a Vanillin supplier from the preferred route of raw material.

The Company is in the advanced stage of setting up a facility by using internally developed Vanillin/Ethyl Vanillin process in its plant at Tarapur in India. With this, the dependence on out-sourced production for these two products will come down in the coming years once this plant will be operational in the Financial Year 2015-16.

- Fragrance & Flavours Association of India (FAFAI) – Company has already applied for life time membership with FAFAI and the Company expects to get the membership by mid of May.
- The International Federation of Essential Oil & Aroma Traders (IFEAT) – Company has taken the IFEAT membership for global F&F events\ exhibitions etc

Application related information (For Vanillin & Ethyl Vanillin) –

Segments	Application
Food Segment	Bakery, Biscuits, Cake, Cake Premixes, Muffin, Donuts, Pan Cake, Ice Cream, Dark Chocolate, Milk Chocolate, Confectionery (Soft-centre sweets, Fondants Candy Soft/Hard, Fudge, Marshmallow, Chewing gum etc.), Nutritional Supplements Powder, Drinking Chocolate, Puddings, Custard Powder, Flavored Milk, Vanilla Sugar.
Flavor & Fragrance	Flavors, Fragrance, Perfumes, Attar.
Incense Sticks Segment	Incense Sticks
Pharma	Pharma Syrups, Compressed Tablets & biscuits, Pharma API.
Cattle Feed	Cattle Feed

Purpose of using Vanillin & Ethyl Vanillin - Vanillin & Ethyl Vanillin products are used to give food and beverages a flavour of vanilla, to enhance other flavours or to mask or smoothen unwanted off-flavours. Usage of Vanillin & Ethyl Vanillin depends upon labelling requirements, Cost in use, Process requirements (Solubility, Intensity, Temperature), personal taste and geographical differences.

- **Performance Chemicals**

The Performance Chemicals Division has shown a growth of over 40% during the last financial year and the same has been achieved by focusing on sale of Guaiacol, Veratrole, Tertiary Butyl Catechol and Hydroquinone Mono Methyl Ether (MEHQ), which are the derivatives of Catechol or Hydroquinone.

The Company will focus on deeper market penetration, by adding distribution channels in new geographies. The Company is creating distribution hubs in key markets like North America, Asia and Latin America.

Guaiacol has a huge demand worldwide and this product used as an intermediate for manufacturing Vanillin, an important food flavoring agent and for Guaiphenesin, an important pharmaceutical intermediate. The Company has enhanced the capacity of the plant by 100%. The Sales of Guaiacol has already commenced for the Indian and the overseas market and its further downstream use for Vanillin will be more visible during the second quarter of the next financial year.

Tertiary Butyl Catechol (TBC) has also a huge market potential with demand at around 5000 MT/p.a. worldwide and is an important polymerization inhibitor for the petrochemical industry. The current manufacturing capacity for this product is already been fully used and the Company is in a position to enhance its capacity for garnering the additional supplies to global customers during the next financial year. Supplies have started to Europe, Latin America, China, Middle East, Japan, Korea and South East Asia. With approvals from major customers, the business is expected to double thereby achieving around 16% market share. Warehouse will be set up in USA shortly, which will add new customers to the portfolio.

Veratrole another important downstream product developed and commercialized by the Company, with a market demand of around 2000 MT/p.a. This product is an important intermediate for the pharmaceutical and agrochemical industry. Supplies to major customers in India and international market have commenced and the product has been well accepted. The aim is to capture 70% market share in 2015-16.

Hydroquinone Monomethyl Ether or HQMME is a downstream product of Hydroquinone with a market demand of 6000 MT/p.a. This product is used as a polymerisation inhibitor in the petrochemical industry. Manufacturing of this product is expected to start with a capacity of 1200 MT/p.a. by end of second quarter of 2015.

4-Methoxy Acetophenone is an aromatic chemical compound. It is used as a chemical intermediate in manufacturing of bulk pharmaceuticals, cosmetic additives like Avobenzene, resins & flavoring agents. The demand for this product is growing due to increase in the cosmetic industry. There are very few manufacturers of this product in the world. The production is expected to be commenced by second quarter of 2015.

MDB-Methylene Dioxybenzene is a Catechol based product with good demand. It has wide range of applications in pharmaceutical, agrochemical & fragrance industry. The total world demand is close to 5000 MT/p.a. The Company has started the pilot plant trials of the product and expect the production to be commenced by Third quarter of 2015

1-Chloro-2,5-Dimethoxy Benzene is a specialized product which is used in the dyestuff industry. The annual demand is expected to be around 2000 MT/p.a. The Company has commenced pilot plant trials of the product and expects the production to commence by second quarter of 2015

CFS Europe S.p.A., Italy

- CFS Europe S.p.A. (erstwhile Borregaard Italia) a step down subsidiary of the Company has a plant based in Italy. This plant originally had the capacity to manufacture 3600 MT/p.a. of Hydroquinone and 4400 MT/p.a. of Catechol.
- CFS Europe has successfully enhanced its manufacturing capacity from 600 MT per month to 1000 MT per month from May, 2014, with minimum of capex spending and this improvement was possible due to sustained efforts from R & D and process development teams in Italy and India. The efforts are still on to get further efficiencies at our Italian Diphenol facility.
- This plant is fully automated and the entire production of 11000 MT Per annum is being done with the operating strength of just 35 workers including the production & QC/QA team. This operating efficiency for such a large production has been possible only due to total automation in the plant.

4. Global Market Development Team:

To improve customer service and shorten supply time to customers, the Company has established an office and a distribution hub in Latin America and China. Further, the Company has also appointed an experienced professional as a Global Vice President – Antioxidants. Stationed in Europe, the new role is expected to bring about a focused approach to developing the market across the entire product range. The Company has also appointed a Global Technical Head as part of its initiative to develop Food Antioxidant blends and other products.

5. New Project at Dahej SEZ, Gujarat for Hydroquinone, Catechol & Vanillin manufacturing within the SEZ set up.

The Company has acquired land admeasuring 64,407.91 sq. mts. situated at Dahej SEZ, located in Vagra Taluka of western part of Bharuch District, Gujarat for setting up a plant for manufacturing Hydroquinone/Catechol/Vanillin. At present the supply of both Hydroquinone/Catechol is done by CFS Europe and is also purchased from open market. There is a cost advantage for manufacturing these products in India as compared to Europe, which in turn will give benefit to our downstream products.

Dahej SEZ is well connected with National Highway (NH-8). Road and Railway both are having the connectivity

to New Delhi and Mumbai. This SEZ is a part of Dahej Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) and is within Delhi-Mumbai Investment Corridor (DMIC).

The major advantage for acquiring land and setting up of a plant is as follows:

1. Availability of key raw materials in vicinity.
2. Situated near ports. (GCPTCL for chemical cargo and Adani-Petro LNG for solid bulk cargo handling)
3. Good infrastructure.
4. Conducive for future expansions.
5. Advantageous for tax and excise benefits as in SEZ zone.
6. Common effluent treatment plant.

The approximate cost of acquisition of the aforesaid land shall be ₹ 8.00 Crores. It is estimated that ₹ 180.00 Crores will be required for setting up the Plant. The Company has already appointed the Project management Consultant of international repute and the project is expected to be commissioned during the later part of financial year 2017-18 and the full-scale manufacturing/commercial operations are expected to start from Financial Year 2018-19. These are conservative and the most practical timelines for project execution.

The main driver for this expansion project is to become the major Diphenol supplier in the world, with product portfolio having a growing demand globally for Hydroquinone, Catechol and Vanillin as well as its derivative/down-stream products and maintaining its leadership and technological superiority for retaining the dominant position in the global market. These steps would ensure the use of "Science & Technology" for large basket of Diphenol product groups in future.

RISKS AND CONCERNS:

The risk is always associated with the business involving international operations and the Company is constantly reviewing the risk aspects which would impact adversely. It is the de-risking ability of the Company which makes the difference.

The availability of key raw materials from international sources at the right quantity and at right price is a risk factor associated with the business of the Company. However the Company has mitigated this risk by acquisition of Borregaard Italia S.p.A. (now known as CFS Europe S.p.A.), as a step towards backward integration. The main raw material is now available in the right quantity at the right price through proper planning, compliance with all aspects of transfer pricing, currency impact within transfer pricing and regular monitoring. Besides, the risk of over dependence on few

overseas suppliers for key raw material and its price sensitivity has been taken care by this acquisition.

Further, on the international currencies front, volatility of exchange rate is a matter of concern for a Company because major sales are in the form of exports worldwide besides corresponding imports in foreign currency for key raw materials. However, the risk associated with currency fluctuation has been mitigated by effective forex management policy along with judicious use of natural hedge provided by exports against its imports in view of the Company being the net exporter on the currency front. The Company still believes in adopting a very conservative and cautious forex policy to avoid any unwarranted effects of currency volatility.

As regards inflationary pressures and its impact on the cost of manufacturing, the Company has taken suitable cost control steps at various levels of operations. The costs are being monitored regularly to ensure that they would not affect the operating margins of the Company. Correspondingly, the steps taken by the Company for process re-engineering, process improvements, yield improvements, technological up-gradation and other cost saving measures have resulted in cost optimisation. Overall, these measures have been fructified in improving the margins not only for existing core products but also for newly developed down-stream products.

Lack of clarity on future Government policies continues to be an area of major concern for the industry. The exact impact of this cannot be assessed until the proposed changes are actually introduced and implemented.

INFORMATION & TECHNOLOGY:

In line with the overall growth objective and strengthening of infrastructure base, the Company had invested in Information Technology (IT) viz. SAP Enterprising Resource Planning system for leveraging its business values. Through implementation of SAP the Company has improved its operational efficiencies, inventory minimisation and cost optimization not only for its Indian operations but also in its overseas manufacturing operations at Italy & Brazil.

The Company views SAP as a strategic tool to enhance its operational efficiencies, through various functional integration.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate internal control procedures commensurate with its size and nature of business in India and also at its subsidiaries abroad. The Company has clearly laid down policies, guidelines and procedures that form a part of the internal control systems. The adequacy of Internal Control Systems, which encompasses the Company's business processes and financial reporting systems, is examined by the management as well as by its internal

auditors at regular intervals. The internal auditors carry out audits at regular intervals in order to identify weaknesses and suggest improvements for better functioning. The observations and recommendations of the Internal Auditors are discussed by the Audit Committee, to ensure effective corrective action.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

STANDALONE

- Gross sales during the year ended 31st March, 2015 were higher at ₹ 44,300.16 Lacs as against ₹ 38,289.10 Lacs in the previous year. This is an increase of ₹ 6,011.06 Lacs in sales over the previous year registering a growth of 15.70%.
- Profit before tax was ₹ 3,177.03 Lacs as against ₹ 2,920.58 Lacs showing an increase of ₹ 256.45 Lacs over the previous year registering a growth of 8.78%.

CONSOLIDATED

- Gross Sale/Other Operating Income (Net of Sales/Purchases between Company and Subsidiaries) during the year ended 31st March, 2015 stood at ₹ 57,057.68 Lacs as against ₹ 51,716.91 Lacs during the same period of previous year, thereby registering a growth of 10.33%.
- EBIDTA stood at ₹ 9,289.02 Lacs during the year ended 31st March, 2015 as against ₹ 7,128.41 Lacs during the same period of previous year, thereby registering a growth of 30.31 %.
- Profit before tax stood at ₹ 5,281.94 Lacs during the year ended 31st March, 2015 as against ₹ 3,483.91 Lacs during the same period of previous year. This is an increase of ₹ 1,798.03 Lacs, thereby registering a growth of 51.60 %.
- Profit after tax stood at ₹ 5,502.73 Lacs during the year ended 31st March, 2015 as against ₹ 2,871.30 Lacs during the same period of previous year. This is an increase of ₹ 2,631.43 Lacs, thereby registering a growth of 91.65 %.
- Cash Accruals from Operations stood at ₹ 6,001.70 Lacs during the year ended 31st March, 2015 as against ₹ 3,285.10 Lacs during the same period of previous year. This is an increase of ₹ 2,716.60 Lacs, thereby registering a growth of 82.69 %.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company is vigilant in its enforcement towards corporate principles and is committed towards sustainable development and inclusive growth. The Company constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objective. It also pursues initiatives related to quality management, environment preservation and social awareness.

In the initial period, Company will operate CSR Policy in the areas of education, healthcare, sanitation and hygiene. Arising from this the focus areas that have emerged are Education, Health care, Sustainable livelihood and espousing social causes. The projects shall be identified and adopted as per the activities included and amended from time to time in Schedule VII of the Companies Act, 2013. The Company endeavours to make CSR a key business process for sustainable development.

During the Financial Year 2014-15, the Company has spent ₹ 51.76 Lacs towards CSR activities through various trusts and NGO's operating in the areas of promoting education, including special education and employment enhancing vocation skills especially among children, women, the differently abled, promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward classes. Further, the Company understands the importance of CSR initiatives and has donated funds to spread educational awareness amongst children from tribal area school through contributions towards these activities.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company constantly facilitates and encourages its employees at all levels to enhance their knowledge and skills

and continuously seeks to inculcate within its employees, a strong sense of business ethics and social responsibility.

The Company has completed HR initiatives by partnering with Deloitte, one of the major HR Consulting firms in the world, to look at some critical areas in HR such as Organization Structure, Roles & Responsibilities, Performance Management System and Rewards Scheme and brought about changes in these systems in line with leading practices in the sector. The association with Deloitte has brought in positive results in bringing integration and performance based approach amongst the employees across the organization.

Relations with the employees at all levels remained cordial during the year. Your Company has 235 permanent employees as on 31st March, 2015.

For & On behalf of the Board

Ashish S. Dandekar
Managing Director

Dattatraya R. Puranik
*Executive Director &
Chief Financial Officer*

Place : Mumbai

Dated : 12th May, 2015

REPORT ON CORPORATE GOVERNANCE

Your Directors present the Company's Report on Corporate Governance as per Clause 49 of the Listing Agreement for the year ended 31st March, 2015.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Camlin Fine Sciences philosophy of corporate governance is to conduct its business on the basis of ethical business value and maximise its value to all its stakeholders. The Company has inculcated a culture of transparency, accountability and integrity. The Company has already put in place systems and procedures and has complied with the Clause 49 of the Listing Agreements.

2. BOARD OF DIRECTORS:

Composition

The Company has a Non-Executive Chairman and the number of Independent Directors is half of the total strength of the Board. The Company has complied with the requirements of Clause 49 of the Listing Agreement in respect of the Composition of the Board.

None of the Independent Directors have any material pecuniary relationship or transactions with the Company.

Necessary disclosures regarding composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting, number of other Directorship and other Committee Memberships are given below:

Name & Designation of Directors	Category	No. of Board Meetings attended	No. of Directorships held in other Companies	Attendance at last AGM	No. of Committee positions held in other Companies	
					Chairman of Committee	Member of Committee
Mr. Dilip D. Dandekar <i>Chairman</i>	NED	6	11	Yes	Nil	Nil
Mr. Ashish S. Dandekar <i>Managing Director</i>	ED	6	12	Yes	Nil	Nil
Mr. Pramod M. Sapre	NED (I)	6	1	Yes	Nil	Nil
Mr. Sharad M. Kulkarni	NED (I)	4	9	Yes	4	3
Mr. Abeezer E. Faizullabhoy	NED (I)	5	2	Yes	Nil	Nil
Mr. Bhargav A. Patel	NED (I)	4	7	Yes	Nil	Nil
Mr. Dattatraya R. Puranik*	ED	5	4	Yes	Nil	Nil
Mrs. Leena A. Dandekar ^{>}	ED	3	–	NA	Nil	Nil
Mr. Nirmal V. Momaya [#]	NED	2	12	NA	Nil	Nil
Mr. Atul R. Pradhan [#]	NED (I)	2	3	NA	Nil	1
Mr. Nicola A. Paglietti [#]	NED (I)	1	6	NA	Nil	Nil
Mr. Ajit S. Deshmukh [#]	NED	2	5	NA	Nil	Nil

ED – Executive Director/NED (I) – Non-Executive Director (Independent)

(>) appointed w.e.f. 1st July, 2014 (*) re-appointed w.e.f. 1st August, 2014 (#) appointed w.e.f. 4th August, 2014

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 Committees as specified in Clause 49, across all the Companies in which he/she is a Director.

Number of Board Meetings:

During the financial year 2014-2015, 6 (Six) Board Meetings were held on the following dates:

Sr. No.	Date	Board Strength	No. of Directors Present
1	12th May, 2014	7	6
2	29th May, 2014	7	5
3	17th June, 2014	7	6
4	4th August, 2014	8	6
5	13th November, 2014	12	12
6	6th February, 2015	12	11

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board members and Senior Managerial Personnel of the Company. The Code of conduct is available on web site of the Company at www.camlinfs.com.

All Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to that effect signed by the Managing Director has been obtained.

PROFILE OF THE MEMBERS OF THE BOARD OF DIRECTORS BEING APPOINTED/RE-APPOINTED:

(A) Mr. Ashish Subhash Dandekar

Mr. Ashish S. Dandekar aged 52 years has done his B. A. in Economics and Management Studies from Temple University, USA. He has wide experience of 30 years in the field of Pharmaceuticals and Fine Chemical Products including Business Planning, Information Systems, Research & Development, Product Development and Marketing.

He is a director in the following Companies:

Sr. No.	Name of the Company
1	Camlin International Ltd.
2	Camart Finance Ltd.
3	Chemolutions Chemicals Ltd.
4	Fine Lifestyle Brands Ltd.
5	Fine Lifestyle Solutions Ltd.
6	Vibha Agencies Pvt. Ltd.
7	Focussed Event Management Pvt. Ltd.
8	Abana medisys Pvt. Ltd.
9	Payce Business Solutions Pvt. Ltd.
10	CFCL Mauritius Pvt. Ltd.
11	CFS Europe SpA
12	Solentus North America Inc.

(B) Mr. Nirmal Vinod Momaya

Mr. Nirmal V. Momaya possess over 25 years of professional experience in finance, taxation, audit and management consultancy.

Mr. Momaya aged 49 years, holds Bachelors degree in Commerce and is a Chartered Accountant.

Mr. Momaya is a founder of "Pagoda Advisors Pvt. Ltd." with a focus on consulting for various businesses. Pagoda Advisors is being involved in several consulting assignments for various businesses like quick service restaurants, FMCG, Pharmaceuticals, Weight Loss & Health Centre's, Chemicals, Engineering, Infrastructure, Bio medical Waste treatment, Real Estate, Agriculture and Luxury Retail. The said Company is also advising your Company on important business and strategic matters since 2009.

He is a director in the following Companies:

Sr. No.	Name of the Companies
1	Smokin' Joe's Pizza Pvt. Ltd.
2	Smokin Lees Restaurants Pvt. Ltd.
3	Abana Medisys Pvt. Ltd.
4	Fine Lifestyle Brands Ltd.
5	Ashar Locker (India) Pvt. Ltd.
6	Fine Renewable Energy Ltd.
7	Fine Lifestyle Solutions Ltd.
8	Scigen Biopharma Pvt. Ltd.
9	Payce Business Solutions Pvt. Ltd.
10	Capital Foods Pvt. Ltd.
11	MJ Medical Devices Pvt. Ltd.
12	CFS Europe S.p.A.

(C) Mr. Dilip Digambar Dandekar

Mr. Dilip D. Dandekar, aged 65 years is Director of the Company since June 2006. Mr. Dilip D. Dandekar, G.C.D., has long and vast experience in the field of Marketing, Administration and overall Management.

He is a director in the following Companies:

Sr. No.	Name of the Companies
1	Kokuyo Camlin Ltd.
2	Alphakids Learning and Activity Centre Ltd.
3	Triveni Pencils Ltd.
4	Nilmac Packaging Industries Ltd.
5	Camart Finance Ltd.
6	Camlin International Ltd.
7	CAFCO Consultants Ltd.
8	DDI Finance Pvt. Ltd.
9	Colart Camlin Canvas Pvt. Ltd.
10	Indian Merchant Chambers
11	Datamatics Global Services Limited

COMMITTEES OF THE BOARD:

As required under the Companies Act, 2013, listing agreement and ESOP Guidelines, the Board of Directors has in place 5 (five) Committees: Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Compensation Committee. The role and responsibilities assigned to these Committees are covered under the terms of reference approved by the Board and are subject to review by the Board from time to time. The minutes of the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Compensation Committee are placed before the Board periodically for its information and noting. The details as to the composition, terms of reference, number of meetings and the related attendance etc., of these Committees are given below:

3. AUDIT COMMITTEE:

Composition, meetings and the attendance during the year:

The Audit Committee was constituted on 27th November, 2006. The Company has complied with all the requirements of Clause No. 49 (II) (A) of the Listing Agreement relating to the composition of the Audit Committee.

During the financial year 2014-2015, 4 (four) meetings of the Audit Committee were held on the 29th May, 2014, 4th August, 2014, 10th November, 2014 and 6th February, 2015.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Sharad M. Kulkarni	Chairman	NED (I)	3
Mr. Pramod M. Sapre	Member	NED (I)	4
Mr. Abeezer E. Faizullabhoy	Member	NED (I)	2
Mr. Bhargav A. Patel	Member	NED (I)	2

The Audit Committee meetings were attended by the Non-Executive Chairman, the Managing Director and the Executive Director & Chief Financial Officer. The representatives of the Internal Auditors, Statutory Auditors were also invited to the meeting. The Company Secretary acted as the Secretary to the Committee.

Terms of reference:

The terms of reference of the Committee, inter alia covers all the matters specified under Clause 49 of the Listing Agreement with the Stock Exchange as amended from time to time as well as specified in Section 177 of the Companies Act, 2013 read along with rules made thereunder. Besides, in addition to other terms as may be referred by the Board of Directors, the Audit Committee has the power inter alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

4. NOMINATION AND REMUNERATION COMMITTEE:

Composition, meetings and the attendance during the year:

The Nomination and Remuneration Committee was constituted on 12th May, 2015 in place of earlier Remuneration Committee.

During the financial year 2014-2015, 4 (four) meetings of the Committee were held on the 12th May, 2014, 29th May, 2014, 17th June, 2014 and 6th February, 2015.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Pramod M. Sapre	Chairman	NED (I)	4
Mr. Sharad M. Kulkarni	Member	NED (I)	2
Mr. Abeezer E. Faizullabhoy	Member	NED (I)	4
Mr. Bhargav A. Patel	Member	NED (I)	2

Terms of reference:

The role, broad terms and reference of the committee includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration and evaluation criteria for performance evaluation of Independent Directors. The Nomination and Remuneration Policy and evaluation criteria of Independent Directors have been appended herewith as Annexure- A & B.

The aforesaid Policy and evaluation criteria is disclosed on the Company's website and the weblink for the same is <http://www.camlinfs.com/inrelations.html>.

Remuneration to Directors:

(A) MANAGING DIRECTOR

Following is the Remuneration paid to the Managing Director during the financial year ended 31st March, 2015.

(₹ In Lacs)

Name	Salary	Perquisites #	Commission	Contribution to P.F. and Other Funds	Total
Mr. Ashish S. Dandekar	75.00	30.00	50.00	21.88	176.88

Perquisites interalia, include reimbursement of expenses/allowances for utilities such as rent, gas, electricity, water, furnishing and repairs, medical reimbursement, leave travel concession, club fees, provision of car with driver, telephone/fax facilities, benefit of personal accident insurance scheme etc.,

The Managing Director is also entitled to Company's contribution to provident fund, superannuation, gratuity and encashment of leave at the end of tenure as per the rules of the Company.

Agreement for appointment for a period of 3 (three) years w.e.f. 1st August, 2012 has been entered into with the Managing Director. Re-appointment of Mr. Ashish S. Dandekar is proposed at the ensuing Annual General Meeting.

(B) EXECUTIVE DIRECTOR

Following is the Remuneration paid to the Executive Director during the financial year ended 31st March, 2015.

(₹ In Lacs)

Name	Salary	Perquisites #	Commission	Contribution to P.F. and Other Funds	Total
Mrs. Leena A. Dandekar	39.60	15.52	—	7.73	62.85

Perquisites interalia, include house rent allowance, reimbursement of expenses/allowances for utilities such as gas, electricity, water, furnishing and repairs, medical reimbursement, leave travel concession, club fees, provision of car with driver, telephone/ mobile/ communication facilities, benefit of personal accident insurance scheme etc.,

Agreement for a period of 3 (three) years w.e.f. 1st July, 2014 has been entered into with the Executive Director.

(C) EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER

Following is the Remuneration paid to the Executive Director & Chief Financial Officer during the financial year ended 31st March, 2015.

(₹ In Lacs)

Name	Salary	Commission	Perquisites #	Total
Mr. Dattatraya R. Puranik	18.88	10.00	32.40	61.28

Perquisites interalia, include reimbursement of expenses/allowances for utilities such as gas, electricity, water, furnishing and repairs, medical reimbursement, leave travel concession, club fees, provision of car with driver, telephone/fax facilities, benefit of personal accident insurance scheme etc.,

Agreement for a period of 2 (two) years w.e.f. 1st August, 2014 has been entered into with the Executive Director & Chief Financial Officer.

(D) NON-EXECUTIVE DIRECTORS / INDEPENDENT DIRECTORS

During the financial year 2014-2015, the Company has paid remuneration to Mr. Dilip D. Dandekar. The details of payment are given below:

(₹ In Lacs)

Name	Category	Amount Paid
Mr. Dilip D. Dandekar	NED	18.00*

* During the year, a provision of ₹ 15 Lacs is made for payment of increase in the Remuneration.

Besides the above payment of remuneration, the Company pays sitting fees to Non-Executive Directors / Independent Directors for attending the meetings of the Board / Committees of the Board and reimbursement of conveyance for attending such meetings. Additionally it pays commission to Non-Executive Directors / Independent

Directors except Mr. Dilip D. Dandekar. The details of payment of sitting fees and commission during the year 2014-2015 are given below:

(₹)

Name	Board	Audit Committee	Stakeholders Relationship Committee	Compensation Committee	Independent Directors Meeting	Nomination & Remuneration Committee	CSR Committee	Total
Mr. Dilip D. Dandekar	1,36,000	—	10,000	75,000	—	—	20,000	2,41,000
Mr. Sharad M. Kulkarni	1,00,000	75,000	—	50,000	50,000	50,000	—	3,25,000
Mr. Pramod M. Sapre	1,36,000	1,00,000	—	75,000	50,000	81,000	—	4,42,000
Mr. Abeezar E. Faizullabhoy	1,11,000	50,000	10,000	50,000	25,000	81,000	10,000	3,37,000
Mr. Bhargav A. Patel	86,000	50,000	—	25,000	50,000	31,000	—	2,42,000
Mr. Nirmal V. Momaya	50,000	—	—	—	—	—	—	50,000
Mr. Atul R. Pradhan	50,000	—	—	—	50,000	—	—	1,00,000
Mr. Nicola A. Paglietti	25,000	—	—	—	25,000	—	—	50,000
Mr. Ajit S. Deshmukh	50,000	—	—	—	—	—	—	50,000
GRAND TOTAL	7,44,000	2,75,000	20,000	2,75,000	2,50,000	,243,000	30,000	17,92,000

Name	Category	Commission (₹)
Mr. Pramod M. Sapre	NED (I)	4,40,000
Mr. Sharad M. Kulkarni	NED (I)	4,40,000
Mr. Abeezar E. Faizullabhoy	NED (I)	4,40,000
Mr. Bhargav A. Patel	NED (I)	4,40,000
Mr. Atul R. Pradhan	NED (I)	4,40,000
Mr. Nicola A. Paglietti	NED (I)	4,40,000
Mr. Ajit S. Deshmukh	NED	4,40,000
Mr. Nirmal V. Momaya	NED	4,40,000

The Company has introduced the ESOP Scheme viz. "CAMLIN FINE SCIENCES EMPLOYEES' STOCK OPTION SCHEME, 2008" to its permanent Employees/Directors in the financial year 2008-09, "CAMLIN FINE SCIENCES EMPLOYEES' STOCK OPTION SCHEME, 2012" to its permanent Employees/Directors in the financial year 2012-13 and "CAMLIN FINE SCIENCES EMPLOYEES STOCK OPTION SCHEME 2014" to its permanent Employees/Directors in the financial year 2014-15. The details of ESOP's granted under the aforesaid schemes to its directors are enclosed to the Directors Report.

Details of Shareholding of Present Non-Executive Director/Independent Directors as on 31st March, 2015.

Present Directors Name	Shares held
Mr. Dilip D. Dandekar	1427120
Mr. Pramod M. Sapre	172490
Mr. Sharad M. Kulkarni	148900
Mr. Abeezar E. Faizullabhoy	145500
Mr. Bhargav A. Patel	137500
Mr. Atul R. Pradhan	—
Mr. Nicola Paglietti	—
Mr. Nirmal V. Momaya	3601520
Mr. Ajit S. Deshmukh	20

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Composition, meetings and the attendance during the year.

The Stakeholders Relationship Committee was constituted on 29th May, 2015 in place of Shareholders/Investors Grievance Committee to look into the redressing of Shareholders and Investors complaints concerning transfer of shares, non receipt of Annual Reports, and non receipt of Dividend etc.

During the financial year 2014-2015, 1 (one) meeting was held on 6th February, 2015.

The Details of composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Abeezer E. Faizullabhoy	Chairman	NED (I)	1
Mr. Dilip D. Dandekar	Member	NED	1
Mr. Ashish S. Dandekar	Member	ED	1

The Board has designated Mr. Rahul Sawale, Company Secretary as the Compliance Officer.

Complaints received and redressed by the Company during the financial year.

During the year, 4 (four) complaints were received from shareholders, which were attended to promptly and resolved to the satisfaction of the concerned Shareholders. There were no pending complaints at the close of the financial year

6. COMPENSATION COMMITTEE:

Composition, meeting and the attendance during the year

The Compensation Committee was constituted on 29th April, 2008.

During the financial year 2014-2015, 3 (three) meetings were held on 29th May, 2014, 10th November, 2014 & 30th December, 2014.

Details of Composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Abeezer E. Faizullabhoy	Chairman	NED (I)	2
Mr. Dilip D. Dandekar	Member	NED	3
Mr. Ashish S. Dandekar	Member	ED	3
Mr. Pramod M. Sapre	Member	NED (I)	3
Mr. Sharad M. Kulkarni	Member	NED (I)	2
Mr. Bhargav A. Patel	Member	NED (I)	1

Terms of reference

- To formulate Employees Stock Option Scheme (ESOP) and its implementation.
- To administer and supervise the compliance of the detailed terms and conditions in accordance with SEBI Guidelines.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Composition, meeting and the attendance during the year

The Corporate Social Responsibility Committee was constituted on 29th May, 2015.

During the financial year 2014-2015, 2 (two) meetings were held on 10th November, 2014 and 30th December, 2014.

Details of Composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Abeezer E. Faizullabhoy	Chairman	NED (I)	1
Mr. Dilip D. Dandekar	Member	NED	2
Mr. Ashish S. Dandekar	Member	ED	2

The role, broad terms and reference of the committee shall include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy;
- Recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities to the Board;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

8. INDEPENDENT DIRECTORS' MEETING:

As required under Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Independent Directors have to hold at least one meeting in a year, without the attendance of non-independent directors and members of the management.

During the financial year 2014-2015, 2 (two) meetings were held on 13th November, 2014 and 27th March, 2015.

Details of Composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Sharad M. Kulkarni	Chairman	NED (I)	2
Mr. Pramod M. Sapre	Member	NED (I)	2
Mr. Abeezer E. Faizullabhoy	Member	NED (I)	2
Mr. Bhargav A. Patel	Member	NED (I)	2
Mr. Atul R. Pradhan	Member	NED (I)	2
Mr. Nicola A. Paglietti	Member	NED (I)	1

The role, broad terms and reference of the committee shall include the following:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive directors and Non-executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

9. GENERAL BODY MEETINGS:

Details of location, date and time of Annual General Meetings held during the last three years:

Financial Year	Venue	Date and Time
2013-2014	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA), Oricon House, 6th Floor, 12, K. Dubhash Marg, Near Kala Ghoda, Fort, Mumbai 400 001.	4th August, 2014 at 3.00 p.m.
2012-2013	Walchand Hirachand Hall, Indian Merchants Chamber Marg, Churchgate, Mumbai 400020.	13th August, 2013 at 3.00 p.m.
2011-2012	Walchand Hirachand Hall, Indian Merchants Chamber Marg, Churchgate, Mumbai 400020.	1st August, 2012 at 3.00 p.m.

3 (three) Special Resolutions were passed at the 19th Annual General Meeting, 3 (three) Special Resolutions were passed at the 20th Annual General Meeting and 2 (two) Special Resolutions were passed at the 21st Annual General Meeting.

Approval of resolutions through Postal Ballot

During the year under review, the Company has obtained approval of the Members for amending certain Articles of Association, appointment of Mrs. Leena A. Dandekar as Non-Retiring Director, re-appointment of Mr. Dattatraya R. Puranik as Executive Director & Chief Financial Officer, revision in remuneration payable to Mr. Dilip D. Dandekar, Chairman and Non-Executive Director, approvals Under Section 180 (1) (a) & (c) and Section 186 of the Companies Act, 2013 and the results of the postal ballot were declared on 30th June, 2014. All the resolutions were passed with requisite majority. Result of postal ballot is enclosed as Annexure-C. Mr. J. H. Ranade of M/s. J. H. Ranade & Associates, Practicing Company Secretaries was appointed as Scrutinizer. The postal ballot was conducted as per the procedure laid down in Section 110 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014. Subject to the approval of the Board, the Company proposes to conduct the postal ballot exercise in the current year for inter alia considering the amendment to the Memorandum and Articles of Association of the Company.

10. Disclosures

Related Party Transactions

The Company did not enter into any materially significant related party transactions, which had potential conflict with the interest of the Company at large. The register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

Transactions with the related parties are disclosed to the financial statement in the Annual Report.

Compliance with Regulations

The Company has complied with all the requirements of the Listing Agreements with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against your Company by SEBI, Stock Exchanges or any other statutory authority in any matter relating to capital markets after the listing of Shares on the Bombay Stock Exchange Ltd. and The National Stock Exchange of India Ltd.

Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The objective of the Policy is to explain and encourage the directors and employees to raise any concern about the Company's operations and working environment, including possible breaches of Company's policies and standards or values or any laws within the country or elsewhere, without fear of adverse managerial action being taken against such employees. It is hereby affirmed that in relation to the same, no personnel has been denied access to the audit committee.

CEO / CFO Certification

Managing Director and the Executive Director & Chief Financial Officer of the Company have furnished the requisite Certificates to the Board of Directors under Clause 49 (IX) of the Listing Agreement.

Mandatory and non-mandatory requirements

The Company has complied with the mandatory requirements of clause 49 of the listing agreement, which are detailed in the annual report and also have adopted some of the non-mandatory requirements of Clause 49 viz. Non-executive Chairman to the Board, reporting of internal auditor to the Audit Committee and separate posts for Chairman and Managing Director.

11. Means of Communication:

- The quarterly, half-yearly and yearly results are published in widely circulating national and local dailies such as Economic Times and Maharashtra Times.
- As per requirements of the Listing Agreements, all data relating to the quarterly financial results, shareholding pattern etc., is provided on the Company's website i.e. www.camlinfs.com within the time frame prescribed in this regard.

12. General Shareholders Information:

As indicated in the Notice to the Shareholders, the 22nd Annual General Meeting of the Company will be held on Wednesday, 5th August, 2015 at 3.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber Bldg., Indian Merchants Chamber Marg, Churchgate, Mumbai 400 020

- | | |
|--|--|
| (i) Financial Calendar: | Financial Reporting by: |
| Financial Year | April-March |
| Unaudited Results for the quarter ending 30th June, 2015 | : Mid of August, 2015 |
| Unaudited Results for the quarter ending 30th September, 2015 | : Mid of November, 2015 |
| Unaudited Results for the quarter ending 31st December, 2015 | : Mid of February, 2016 |
| Audited Results for the year ending 31st March, 2016 | : end of May, 2016 |
| (ii) Date of Book Closure | : From 29th July, 2015 to 5th August, 2015
(both days inclusive) |
| (iii) Date of Dividend Payment | : on or before 4th September, 2015 |
| (iv) Listing of Equity Shares on Stock Exchanges | : The Equity Shares of the Company are listed at BSE Limited (Stock Code 532834) & The National Stock Exchange of India Limited (CAMLINFINE) |
| (v) Demat ISIN in CDSL/NSDL | : INE052I01032 |
| (vi) Share Price (High & Low) for the year 2014-2015 at BSE and NSE: | |

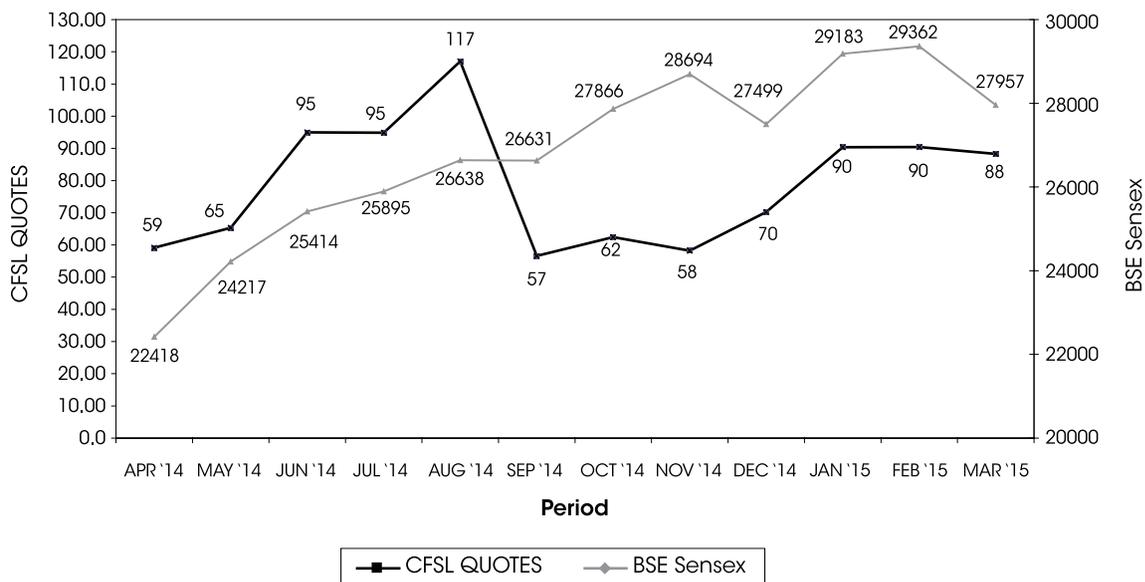
Month	BSE		NSE*	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2014	67.50	38.00	–	–
May, 2014	74.95	49.00	–	–
June, 2014	106.55	64.75	–	–
July, 2014	104.95	80.05	–	–
August, 2014	117.00	91.00	–	–
September, 2014	121.85	56.05	–	–
October, 2014	65.35	54.00	–	–
November, 2014	69.55	55.00	–	–
December, 2014	79.95	58.55	–	–
January, 2015	99.00	68.30	99.90	81.00
February, 2015	105.00	89.00	104.80	78.10
March, 2015	104.00	80.00	104.00	78.85

* The Equity Shares of the Company were listed on The National Stock Exchange of India Limited w.e.f. 20th January, 2015.

Stock Performance:

The performance of the Company's share in comparison to BSE Sensex is given in the Chart below:

Monthly High-Low CFSL Share price / BSE Sensex



(vii) **Registrars and Share Transfer Agents for Shares:**

M/s. Sharepro Services (India) Pvt. Ltd., 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400072.

(viii) **Share Transfer System:**

Presently, the Share Transfers which are received in physical form are processed by the Registrars and Share Transfer Agent and approved by the Committee of Directors in their meeting which normally meets twice in a month and the share certificates are returned within a period of 20 to 25 days from the date of lodgment, subject to the transfer instrument being valid and complete in all respects.

(ix) **Distribution of Shareholding as on 31st March, 2015.**

No. of Equity Shares Held	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shares (%)
Up to 500	3382	41.014	627446	0.654
501 - 1000	1564	18.967	1420901	1.482
1001 - 2000	1628	19.743	2965618	3.093
2001 – 3000	408	4.948	998356	1.041
3001 - 4000	410	4.972	1526415	1.592
4001 - 5000	275	3.335	1238806	1.292
5001 - 10000	261	3.165	1961614	2.046
10001 and above	318	3.856	85148974	88.800
TOTAL	8246	100.00	95888130	100.000

(x) Shareholding Pattern as on 31st March, 2015:

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of shares held in demated form	Total shareholding as a percentage of total number of shares As a percentage of (A+B)
(I)	(II)	(III)	(IV)	(V)	(VI)
(A)	Shareholding of Promoter and Promoter Group				
	(1) Indian				
	(a) Individuals/H.U.F	15	42,862,316	42,862,316	44.70
	(b) Central/State Government(s)	—	—	—	—
	(c) Bodies Corporate	3	6,014,820	6,014,820	6.27
	(d) Financial Institutions/Banks	—	—	—	—
	(e) Any Other (specify)	—	—	—	—
	SUB-TOTAL (A) (1)	18	48,877,136	48,877,136	50.97
	(2) Foreign				
	(a) Non-Resident Individuals/Foreign Nationals	1	1,172,800	1,172,800	1.22
	(b) Bodies Corporate	—	—	—	—
	(c) Institutions	—	—	—	—
	(d) Any Other (specify)	—	—	—	—
	SUB-TOTAL (A)(2)	1	1,172,800	1,172,800	1.22
	Total holding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	19	50,049,936	50,049,936	52.20
(B)	Public Shareholding				
	(1) Institutions				
	(a) Mutual Fund/UTI	4	818,076	818,076	0.85
	(b) Financial Institutions/Banks	6	15,570	12,570	0.02
	(c) Central/State Government(s)	—	—	—	—
	(d) Venture Capital Funds	—	—	—	—
	(e) Insurance Companies	—	—	—	—
	(f) Foreign Institutional Investors	1	62,000	62,000	0.06
	(g) Foreign Venture Cap. Inv	—	—	—	—
	SUB-TOTAL (B)(1)	11	895,646	892,646	0.93
	(2) Non-institutional				
	(a) Bodies Corporate	289	7,057,343	7,046,193	7.36
	(b) Individuals				
	i) Holding nominal share capital upto ₹ 1 lakh	7,779	19,294,491	16,741,041	20.12
	ii) Holding nominal share capital in excess of ₹ 1 lakh	46	18,262,160	17,941,760	19.05

Category Code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of shares held in demated form	Total shareholding as a percentage of total number of shares As a percentage of (A+B)
(I)	(II)	(III)	(IV)	(V)	(VI)
	(c) Any Other(specify) Individual	—	—	—	—
	Non-Resident Individual	—	—	—	—
	Foreign National	1	50,000	50,000	0.05
	Overseas Corporate Bodies	—	—	—	—
	Non Resident Individuals (Non-Rep)	32	85,498	85,498	0.09
	Non Resident Individuals (Rep)	69	193,056	191,056	0.20
	Trust	—	—	—	—
	SUB-TOTAL (B)(2)	8,216	44,942,548	42,055,548	46.87
	Total Public Shareholding (B) = (B)(1)+(B)(2)	8,227	45,838,194	42,948,194	47.80
	TOTAL (A)+(B)	8,246	95,888,130	92,998,130	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued				
	Promoter and Promoter Group	—	—	—	—
	Public	—	—	—	—
	GRAND TOTAL (A)+(B)+(C)	8,246	95,888,130	92,998,130	100.00

(xi) **Dematerialisation of Shares:**

The Company's Equity Shares are held in dematerialised form by National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) under ISIN No. INE052101032. As on 31st March, 2015, 96.99% of the total shares of the Company have been dematerialised.

(xii) **Outstanding: GDR/ADR/Warrants/Options:**

As of date, the Company has not issued GDR/ADR/Warrants/Options.

The Company has issued 14,79,800 Equity Shares of ₹ 1/- each to its employees under the ESOP Scheme - 2008 & 2012 at a price of ₹ 5/-, ₹ 6.20/- and ₹ 8/- per Share on 21st April, 2014, 2nd July, 2014, 13th August, 2014, 9th October, 2014, 2nd December, 2014 & 26th February, 2015.

(xiii) **Subsidiary Company:**

The Company does not have any materially unlisted Indian Subsidiary Company and hence is not required to have an Independent Director of the Company on the Board of such Subsidiary.

(xiv) **Plant Location:** D-2/3 M.I.D.C. Boisar, Tarapur, Dist. Thane 401 506.
N/165 M.I.D.C. Boisar, Tarapur, Dist. Thane 401 506.

(xv) **Address for correspondence:**

Registered Office : Plot No. F/11 & F/12, WICEL,
Opp. SEEPZ Main Gate, Central Road,
Andheri (East), Mumbai 400 093.

Tel No. : 022-6700 1000
Fax No. : 022-2832 4404
E-mail : secretarial@camlinfs.com

(xvi) **Secretarial Department:**

The Company's Secretarial Department, headed by the Company Secretary, is situated at the Registered Office mentioned above. Shareholders/Investors may contact the Company Secretary for any assistance they may need.

13. Non Mandatory Requirements:

Non-Executive Chairman's Office:

The Chairman of the Company is a Non-Executive Chairman

Shareholders Rights:

The Quarterly, Half Yearly and Annual Financial Results of the Company are published in the Newspaper and also posted on the Company's website. The complete Annual Report is sent to each and every Shareholder of the Company.

Audit Qualifications:

There are no Audit qualifications in the Company's financial statement for the year under reference.

Separate post for Chairman & CEO

The Company has appointed separate persons to the post of Chairman and Managing Director.

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

For & On behalf of the Board

Ashish S. Dandekar
Managing Director

Dattatraya R. Puranik
*Executive Director
& Chief Financial Officer*

Place : Mumbai
Dated : 12th May, 2015

Declaration by the Managing Director as required under Clause 49 of the Listing Agreement

I hereby declare that all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2015.

Ashish S. Dandekar
Managing Director

Place : Mumbai
Dated : 12th May, 2015

ANNEXURE A TO REPORT ON CORPORATE GOVERNANCE

NOMINATION AND REMUNERATION POLICY

INTRODUCTION

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, key managerial personnel and employees of the company, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the stock exchanges (as amended from time to time), this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee ("the Committee") and approved by the Board of Directors of the Company. The Committee plays a dual role of,

- Identifying potential candidates for becoming members of the Board and determining the composition of the Board based on the need and requirement of the Company from time to time and also identify persons to be recruited in the senior management of the Company; and
- To ensure the Companies compensation packages and other human resource practices are effective in maintaining a competent workforce and to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees.

OBJECTIVES

This Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The key objectives of the Committee are as follows:

- a. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation
- c. To recommend to the Board on remuneration payable to the Directors and Key Managerial Personnel.
- d. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- e. To provide to Directors, Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- f. To retain, motivate and promote talent and to ensure long term sustainability of talented persons and create competitive advantage.

APPLICABILITY

The Policy is applicable to:

- i. Directors (Executive, Non-Executive and Independent)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel

DEFINITIONS

"Act" means the Companies Act, 2013 and Rules framed there under, including notifications, clarifications and guidelines issued by Ministry of Corporate Affairs from time to time.

"Board" means Board of Directors of the Company.

"Company" means Camlin Fine Sciences Limited.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. Such other officer as may be prescribed.

"Senior Management" means Senior Management means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors including the Functional heads.

"Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

"Policy or This Policy" means, "Nomination and Remuneration Policy."

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

GUIDING PRINCIPLES

The Policy ensures that:

Potential candidates are identified for becoming members of the Board and also to identify persons to be recruited in the senior management of the Company including KMP's;

- Determining the composition of the Board based on the need and requirement of the Company from time to time;
- To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance;

- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

ROLE AND DUTIES OF THE COMMITTEE IN RELATION TO NOMINATION AND REMUNERATION MATTERS

A. ROLE OF THE COMMITTEE:

The Role of the Committee inter alia will be the following:

- a. To carry out evaluation of Director's performance and recommend to the Board appointment/removal based on his/her performance;
- b. To formulate a criteria for determining qualifications, positive attributes and independence of a Director;
- c. To recommend to the Board the appointment and removal of Key Managerial Personnel and Senior Management;
- d. To recommend to the Board on (i) Remuneration for Directors and Key Managerial Personnel and (ii) Executive Directors remuneration and incentive;
- e. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- g. To devise a policy on Board diversity;
- h. To develop a succession plan for the Board and to regularly review the plan.

B. DUTIES OF THE COMMITTEE IN RELATION TO NOMINATION MATTERS:

The duties of the Committee in relation to nomination matters include:

- a. Ensuring that there is an appropriate induction in place for new Directors, Key Managerial Personnel and members of Senior Management and reviewing its effectiveness;
- b. Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

- c. Determining the appropriate size, diversity and composition of the Board;
- d. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- e. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- f. Recommend any necessary changes to the Board; and
- g. Considering any other matters, as may be requested by the Board.

C. DUTIES OF THE COMMITTEE IN RELATION TO REMUNERATION MATTERS:

The duties of the Committee in relation to remuneration matters include:

- a. Based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- b. Approving the remuneration of the Directors and key managerial personnel of the Company for maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c. Delegating any of its powers to one or more of its members of the Committee.
- d. Considering any other matters as may be requested by the Board.

COMMITTEE MEMEBERS INTEREST AND VOTING

A. COMMITTEE MEMEBERS INTEREST

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

B. VOTING

- a. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

PROVISIONS RELATING TO APPOINTMENT, REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

A. APPOINTMENT CRITERIA AND QUALIFICATIONS

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- b. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- c. The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

B. TERM/TENURE

- a. **MANAGING DIRECTOR/ WHOLETIME DIRECTOR:**
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b. **INDEPENDENT DIRECTOR:**
 1. An Independent Director shall hold office for a term upto 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.
 2. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
 3. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

C. EVALUTION:

The evaluation of performance of every Director and KMP shall be carried as and when may be decided by the Committee.

D. REMOVAL/VACANCY:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director and KMP subject to the provisions and compliance of the said Act, rules and regulations. Vacancy may also arise due to retirement, resignation, death etc or vacancy arisen out of annual Board performance evaluation or any change required by Board on account of diversity or as required by law.

E. RETIREMENT:

The Executive Director including Managing Director, Whole-time Director and KMP shall retire as per the applicable provisions of the Companies Act, 2013, listing regulations and as per the prevailing policy of the Company. The Board will have the discretion to retain the Executive Director including Managing Director, Whole-time Director and KMP in the same position/remuneration or otherwise even after attaining the retirement age, for the benefits of the Company as per the applicable laws, regulations and as per the prevailing policy of the Company.

PROVISIONS RELATING TO REMUNERATION OF MANAGING DIRECTOR, KMP AND SENIOR MANAGEMENT

1. REMUNERATION:

The Executive Director including Managing Director and Whole-time Director shall be eligible for a monthly remuneration/commission as may be approved by the Board on the recommendation of the Committee. The break up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees 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.

Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration. The Company may also assign any policy including key man insurance policy to its directors as may be decided by the Committee and Board subject to applicable laws and regulations.

Managing Director, Whole-time Director, KMP or Senior Management Personnel may be given loan but the same shall be part of the conditions of service extended by Company to all its employees and subject to applicable Act, laws and regulations.

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and/or as may approved by the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

In case any of the relevant regulations require that remuneration of KMPs or any other officer is to be specifically approved by the Committee and/or the Board of Directors then such approval will be accordingly procured.

2. MINIMUM REMUNERATION:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Director including Managing Director and/or Whole-time Director 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, wherever required.

3. PROVISIONS FOR REMUNERATION:

If any Executive Director including Managing Director and/or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 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.

PROVISIONS RELATING TO REMUNERATION TO NON-EXECUTIVE/ INDEPENDENT DIRECTOR

1. REMUNERATION/ COMMISSION:

The remuneration/commission shall be fixed as per the conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder with the previous approval of the Shareholders and /or Central Government, wherever required.

2. SITTING FEES:

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. STOCK OPTIONS:

An Independent Director shall not be entitled to any stock option of the Company. However, Independent Directors shall be eligible to take the stock options granted to them prior to 01st April, 2014 and which were not vested to them.

4. PROVISIONS FOR REMUNERATION:

If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 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.

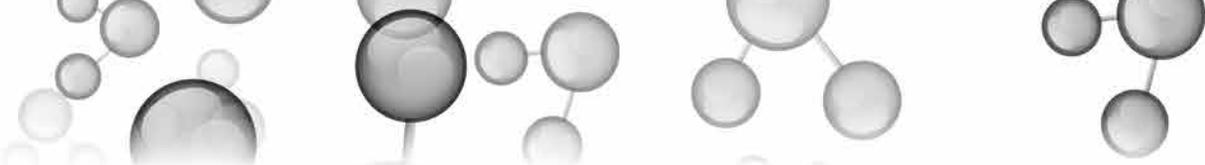
REVIEW, AMENDMENT AND DEVIATIONS FROM POLICY

- a. The Committee or the Board may review the Policy as and when it deems necessary.
- b. The Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- c. This Policy may be amended or substituted by the Committee or by the Board as and when required and where there is any statutory changes necessitating the change in the policy.
- d. Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any/all of its powers to any of the Directors and/or officers of the Company, as deemed necessary for proper and expeditious execution

DISSEMINATION OF POLICY

This Policy shall be shall be hosted on the website of the Company and web link thereto shall be provided in the annual report of the Company.



ANNEXURE B TO REPORT ON CORPORATE GOVERNANCE

EVALUATION CRITERIA OF INDEPENDENT DIRECTORS

Background

In accordance with the provisions of the Companies Act, 2013 and Listing Agreement as amended from time to time, the Nomination and Remuneration Committee (NRC) shall lay down evaluation criteria for performance evaluation of Independent Directors.

Evaluation Mechanism

As per Para VIII of Code for Independent Directors in Schedule IV of the Companies Act, 2013, the performance evaluation of Independent Directors shall be done by entire Board of Directors, excluding the Director being evaluated.

Evaluation Process

The statement as per Annexure-1 is required to be completed by the entire Board of Directors, excluding the Directors being evaluated. The duly completed statement is required to be submitted to the Company Secretary or any other officer as may be determined by the Board of Directors. Company Secretary or the authorized officer shall prepare the summary of report based on the statement given and shall submit the same to the Chairman of the NRC.

On the basis of the report of the performance evaluation, the NRC shall decide to extend or continue the terms of appointment of the independent director.

Annexure -1

Template for Performance Evaluation of the Independent Directors

Name and signature of the Director giving the feedback:

Parameters	Remark#
<p>Name of the Independent Director:</p> <ol style="list-style-type: none"> 1. Engagement (commitment and discipline) (maintains satisfactory attendance) (diligently prepares and remains well-informed) 2. Leadership (knowledge and inspiration) (contributes by displaying good functional* and business* leadership) (contributes by displaying good people** leadership) 3. Analysis (depth in thinking) (reviews internal financial controls and performance with rigour) (deliberates in detail and seeks clarifications on or amplification of information as required) 4. Quality of decision-making (participation) (probes effectively and constructively to test the assumptions and validate the information for quality decision-making) (actively supports worthwhile ideas and proposals) 5. Interaction (communication) (communicates meaningfully in an open, constructive manner) (gives a fair chance to others for expressing their views) 6. Governance (ethics) (exercises independent judgment) (helps in implementing and sustaining good governance practices and focuses on compliance) 7. Stakeholders (responsibility) (helps take informed and balanced decisions particularly in case of conflicting interests) (protects interest of the minority shareholders) <p>* Functional knowledge (such as finance, legal, marketing, etc) Business knowledge (related to vision, strategy, investments, risks, execution and review)</p> <p>** Exemplary personal qualities such as integrity, humility, farsightedness, eye for detail, positivity, etc)</p> <p>Appointment of Directors and development of and succession plan for Key Management Personnel</p>	

Remark

Unsatisfactory Satisfactory Good

ANNEXURE C TO REPORT ON CORPORATE GOVERNANCE

RESULT OF POSTAL BALLOT

Result of the voting conducted through Postal Ballot in respect of passing of following resolutions as set out in Notice dated 12th May, 2014 pursuant to Section 110 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014:

Item No. 1

Special Resolution u/s. 14 of the Companies Act, 2013:- Amendments in the Articles of Association of the Company by insertion of new Article 117A and 158A.

Particulars	No. of Postal ballot	No. of votes exercised
Total no. of postal ballot received	295	30706115
Less: Invalid postal ballot	16	13215
Valid postal ballot	279	30692900
a) Votes in Favour	266	30675570
b) Votes against	11	16745

Item No. 2

Ordinary Resolution u/s. 160 of the Companies Act, 2013:- Appointment of Mrs. Leena A. Dandekar as Director not liable to retire by rotation

Particulars	No. of Postal ballot	No. of votes exercised
Total no. of postal ballot received	295	30706115
Less: Invalid postal ballot	16	13215
Valid postal ballot	279	30692900
a) Votes in Favour	257	30671234
b) Votes against	15	16731

Item No. 3

Special Resolution u/s. 196 & 197 of the Companies Act, 2013:- Appointment of Mrs. Leena A. Dandekar as Non-Retiring Executive Director for a period of 3 years from July 01, 2014 and to approve her remuneration

Particulars	No. of Postal ballot	No. of votes exercised
Total no. of postal ballot received	295	30706115
Less: Invalid postal ballot	16	13215
Valid postal ballot	279	30692900
a) Votes in Favour	257	30670034
b) Votes against	16	18681

Item No. 4

Special Resolution u/s. 196 & 197 of the Companies Act, 2013:- Re-appointment of Mr. Dattatraya R. Puranik as an Executive Director and Chief Financial Officer for the period of 2 years w.e.f. August 01, 2014 and to approve his remuneration

Particulars	No. of Postal ballot	No. of votes exercised
Total no. of postal ballot received	295	30706115
Less: Invalid postal ballot	16	13215
Valid postal ballot	279	30692900
a) Votes in Favour	263	30673180
b) Votes against	11	16035

Item No. 5

Special Resolution u/s. 197 of the Companies Act, 2013:- Revision of remuneration payable to Mr. Dilip D. Dandekar, Non-Executive Director & Chairman

Particulars	No. of Postal ballot	No. of votes exercised
Total no. of postal ballot received	295	30706115
Less: Invalid postal ballot	16	13215
Valid postal ballot	279	30692900
a) Votes in Favour	253	30666454
b) Votes against	20	22261

Item No. 6

Special Resolution u/s. 180 (1) (a) of the Companies Act, 2013:- Consent for mortgaging and/or charging immovable / movable properties of the company upto Rs. 750.00 Crores.

Particulars	No. of Postal ballot	No. of votes exercised
Total no. of postal ballot received	295	30706115
Less: Invalid postal ballot	16	13215
Valid postal ballot	279	30692900
a) Votes in Favour	250	30649616
b) Votes against	23	38601

Item No. 7

Special Resolution u/s. 180 (1)(c) of the Companies Act, 2013:- Consent for borrowing from banks / financial institutions upto Rs. 750.00 Crores

Particulars	No. of Postal ballot	No. of votes exercised
Total no. of postal ballot received	295	30706115
Less: Invalid postal ballot	16	13215
Valid postal ballot	279	30692900
a) Votes in Favour	253	30650572
b) Votes against	20	37945

Item No. 8

Special Resolution u/s. 186 of the Companies Act, 2013:- Consent to make any Loan, Investment or give Guarantee or provide any Security upto Rs. 150 Crores

Particulars	No. of Postal ballot	No. of votes exercised
Total no. of postal ballot received	295	30706115
Less: Invalid postal ballot	16	13215
Valid postal ballot	279	30692900
a) Votes in Favour	253	30654312
b) Votes against	20	32655

The resolutions have been approved by the shareholders with the overwhelming majority.

By Order of the Board

Rahul Sawale

Company Secretary

Place : Mumbai

Dated : 30th June, 2014

Managing Director/CFO Certification

We the undersigned, in our respective capacities as Managing Director and Executive Director & Chief Financial Officer of Camlin Fine Sciences Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2015 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Ashish S. Dandekar
Managing Director

Dattatraya R. Puranik
*Executive Director
& Chief Financial Officer*

Place : Mumbai

Dated : 12th May, 2015

Certificate from Practicing Company Secretaries Regarding Compliance of Conditions of Corporate Governance

The Members of Camlin Fine Sciences Limited

We have examined the compliance of conditions of Corporate Governance by Camlin Fine Sciences Ltd for the year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement as amended from time to time of the said Company with Stock Exchanges.

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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We have to state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Registrars and Transfer Agents and reviewed by the Stakeholders Relationship Committee (formerly Shareholders/Investors' Grievance Committee).

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

For **J. H. Ranade & Associates**
Company Secretaries

J. H. Ranade
(Proprietor)

FCS: 4317, CP: 2520

Place : Thane

Dated : 12th May, 2015

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF CAMLIN FINE SCIENCES LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Camlin Fine Sciences Limited** ("the Company"), which comprise the balance sheet as at March 31, 2015, and the statements of profit and loss and cash flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). 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

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. 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

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

9. We draw attention to Note No. 12 of the financial statements in respect of the Company's investment of ₹ 56 Lacs in and loans of ₹ 122.89 Lacs given to its subsidiary company recoverability of which is based on successful implementation of management's future plans in respect of the subsidiary.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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 Cash Flow 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 (as amended);
 - e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11

of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations which would impact the financial position of the Company.
- ii. The Company did not have any long term contracts including derivative contracts on which provision for material foreseeable losses was required under the applicable law or accounting standards.
- iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration Number 105102W

Himanshu Chapsey
Partner
Membership Number: 105731

Mumbai, 12th May, 2015

ANNEXURE REFERRED TO IN PARAGRAPH 10 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE COMPANY ON THE FINANCIAL STATEMENTS OF CAMLIN FINE SCIENCES LIMITED FOR THE YEAR ENDED MARCH 31, 2015

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- 2 (a) The inventory has been physically verified by the management during the year. Confirmations have been received in respect of inventories lying with third parties. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of the inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.
- 3 The Company has granted unsecured loans to 8 companies covered in the register maintained under Section 189 of the Act which aggregated ₹ 1,481.59 Lacs at March 31, 2015.
 - (a) The Company has written off ₹ 65.41 Lacs of loans given to two companies listed under Section 189 of the Act. Other than this except for a loan to a company aggregating ₹ 390.40 Lacs outstanding towards principal and interest, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
 - (b) In respect of the aforesaid loans, in the cases where the overdue amount is more than ₹ 1 lakh, in our opinion, except for loans and interest thereon aggregating ₹ 390.40 Lacs (a provision of ₹ 160 Lacs has been made in respect of the loan upto March 31, 2015), reasonable steps have been taken by the Company for the recovery of the principal amounts and interest. In respect of this loan of ₹ 390.40 Lacs, the Company is in discussions with the borrower for recovery of the amount.
- 4 In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and sale of goods and services. 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 we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
- 5 As indicated in note 4(c) to the financial statements, the Company has, in respect of the deposits accepted by it, complied with the provisions of Section 73-76 of the Act read with the Rules framed thereunder. According to the information and explanations given to us, the Company has not accepted deposits during the year ended March 31, 2015. According to the information and explanations given to us and to the best of our knowledge and belief, no order has been passed by the Company Law Board or the Reserve Bank of India or any court or other tribunal which is to be complied with by the Company.
- 6 We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7 (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues are in arrears, as on March 31, 2015 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us and records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of any dispute.
 - (c) There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
- 8 The Company does not have accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- 9 Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- 10 In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantee given by the Company for loans taken by a subsidiary company from banks or financial institutions are not prejudicial to the interest of the Company.
- 11 In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- 12 During the course of our examination of the books and records of the Company, 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 have we been informed of such case by the management.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration Number 105102W

Himanshu Chapsey
Partner
Membership Number: 105731

Mumbai, 12th May, 2015

Balance Sheet As at 31 March, 2015

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

	Note No.	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	958.88	944.08
Reserves & Surplus	3	8,824.07	6,703.47
		9,782.95	7,647.55
Non-current liabilities			
Long-term Borrowings	4	2,671.31	2,852.46
Deferred tax liability, net	5	374.34	394.40
Long-term provision	6	147.00	97.95
		3,192.65	3,344.81
Current liabilities			
Short-term Borrowings	7	9,760.15	8,576.34
Trade payables	8	9,363.31	6,016.43
Other current liabilities	9	1,713.94	2,271.77
Short-term provisions	10	757.79	871.26
		21,595.19	17,735.80
TOTAL		34,570.79	28,728.16
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	5,909.88	4,172.29
Intangible assets	11	388.86	617.72
Capital work-in-progress		21.38	200.11
		6,320.12	4,990.12
Non-current Investments	12	457.77	380.73
Long-term loans and advances	13	766.23	134.46
Current assets			
Inventories	14	9,009.30	4,883.96
Trade receivables	15	12,392.91	9,149.25
Cash and Bank Balances	16	1,222.01	1,436.61
Short-term loans and advances	17	3,542.53	6,942.76
Other current assets	18	859.92	810.27
		27,026.67	23,222.85
TOTAL		34,570.79	28,728.16
Significant Accounting Policies	1		

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

As per our report of even date.
For B. K. Khare & Co.
Chartered Accountants
 Firm Registration No. 105102W

Himanshu Chapsey
Partner
 Membership No. 105731

Mumbai
 Dated: 12 May, 2015

For and on behalf of the Board of Directors of
 Camlin Fine Sciences Limited

D. D. Dandekar	<i>Chairman</i>	B. A. Patel	<i>Director</i>
A. S. Dandekar	<i>Managing Director</i>	A. E. Faizullahbhoj	<i>Director</i>
D. R. Puranik	<i>Executive Director & Chief Financial Officer</i>	A. R. Pradhan	<i>Director</i>
L. A. Dandekar	<i>Executive Director</i>	N. A. Paglietti	<i>Director</i>
P. M. Sapre	<i>Director</i>	N. V. Momaya	<i>Director</i>
S. M. Kulkarni	<i>Director</i>	A. S. Deshmukh	<i>Director</i>
		R. D. Sawale	<i>Company Secretary</i>

Mumbai
 Dated: 12 May, 2015

Statement of Profit and Loss For the Year ended 31 March, 2015

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

	Note No.	Year ended March 31, 2015	Year ended March 31, 2014
Income			
Revenue from operations (Gross)		44,300.16	38,289.10
Less: Excise Duty		(1,230.23)	(849.83)
Revenue from operations (Net)	19	43,069.93	37,439.27
Other Income	20	194.64	232.70
Total Revenue		43,264.57	37,671.97
EXPENDITURE			
Cost of materials consumed	21	26,361.74	20,772.64
Purchase of stock-in-trade	22	2,423.17	2,253.15
Changes in inventories of finished goods/WIP/stock-in-trade	23	(933.47)	627.33
Employee benefits expense	24	1,770.91	1,398.15
Finance cost	25	2,115.11	2,239.53
Depreciation and amortisation expense	11	996.30	932.00
Research and development expenses	26	247.89	272.37
Other expenses	27	7,105.89	6,256.22
		40,087.54	34,751.39
Profit before tax		3,177.03	2,920.58
Less: Tax expense			
— Current tax		734.73	956.60
— MAT credit entitlement		(144.49)	—
— Deferred tax		5.03	67.12
Profit for the year		2,581.76	1,896.86
Earnings per equity share of face value of ₹ 1/- each	29		
Basic		2.71	2.02
Diluted		2.70	2.01
Significant Accounting Policies	1		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date.
For B. K. Khare & Co.
Chartered Accountants
 Firm Registration No. 105102W

Himanshu Chapsey
Partner
 Membership No. 105731

Mumbai
 Dated: 12 May, 2015

For and on behalf of the Board of Directors of
 Camlin Fine Sciences Limited

D. D. Dandekar	<i>Chairman</i>	B. A. Patel	<i>Director</i>
A. S. Dandekar	<i>Managing Director</i>	A. E. Faizullahbhoj	<i>Director</i>
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S. M. Kulkarni	<i>Director</i>	A. S. Deshmukh	<i>Director</i>
		R. D. Sawale	<i>Company Secretary</i>

Mumbai
 Dated: 12 May, 2015

Cash Flow Statement For the Year ended 31 March, 2015

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

	Year ended March 31, 2015	Year ended March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before taxation	3,177.03	2,920.58
Adjustments for:		
Depreciation on Fixed Assets	996.30	932.00
Deferred employee compensation expenses amortised	(11.82)	10.82
Foreign Exchange loss/(gain) (Unrealised)	(256.54)	(24.10)
(Profit)/Loss on Sale of Fixed Assets	(47.75)	95.34
Provision for Doubtful Advances	160.00	—
Provision for Doubtful Debts (Net)	75.10	61.24
Provision for leave encashment	53.77	3.55
Provision for diminution other than temporary in investments	30.60	—
Finance costs	2,115.11	2,239.53
Interest Received/Dividend Received	(141.81)	(175.34)
Operating Profit before Working Capital changes	6,149.99	6,063.62
Adjustments for:		
(Increase)/Decrease in inventories	(4,125.34)	3,983.72
(Increase)/Decrease in trade receivables	(3,134.69)	(2,554.07)
(Increase)/Decrease in short term loans and advances	1,739.89	(3,443.85)
(Increase)/Decrease in long term loans and advances	(512.76)	373.54
(Increase)/Decrease in other receivables	(49.65)	(810.27)
Increase/(Decrease) in trade payable	3,425.98	(1,422.95)
Increase/(Decrease) in other payable	129.51	(4.93)
Cash generated in Operations	3,622.93	2,184.81
Direct taxes paid	(982.94)	(893.00)
Net Cash generated from Operating Activities	2,639.99	1,291.81
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(2,388.23)	(623.90)
Sale of Fixed Assets	54.73	14.27
(Purchase)/Sale of Investments	(107.64)	(247.41)
Interest received	141.78	175.31
Dividend received	0.03	0.03
Net Cash used in Investing Activities	(2,299.33)	(681.70)

Cash Flow Statement For the Year ended 31 March, 2015 (Contd.)

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

	Year ended March 31, 2015	Year ended March 31, 2014
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings (Net of repayments)	1,183.82	2,464.76
Repayment of term loan	(818.17)	(182.27)
Proceeds from issue of share capital	134.05	38.10
Receipt/(Payment) of Loans and advances	1,500.34	—
Maturity of/(Investment in) Margin Fixed Deposit	78.01	(122.08)
Interest Paid	(2,169.47)	(2,205.82)
Dividend Paid	(335.97)	(281.67)
Tax on Dividend	(56.65)	(47.85)
Net Cash used in Financing Activities	(484.04)	(336.83)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(143.39)	273.27
Opening Cash and Cash Equivalents	357.07	83.80
Closing Cash and Cash Equivalents	213.68	357.07
Significant Accounting Policies	1	
The accompanying notes are an integral part of these financial statements.		

As per our report of even date.
For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Himanshu Chapsey
Partner
Membership No. 105731

Mumbai
Dated: 12 May, 2015

For and on behalf of the Board of Directors of
Camlin Fine Sciences Limited

D. D. Dandekar	<i>Chairman</i>	B. A. Patel	<i>Director</i>
A. S. Dandekar	<i>Managing Director</i>	A. E. Faizullahoy	<i>Director</i>
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S. M. Kulkarni	<i>Director</i>	A. S. Deshmukh	<i>Director</i>
		R. D. Sawale	<i>Company Secretary</i>

Mumbai
Dated: 12 May, 2015

Notes to the Financial Statements For the Year Ended 31 March, 2015

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Company have been prepared in accordance with the historical cost convention and on accrual basis in accordance with generally acceptable accounting principles in India. These financial statements have been prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other relevant provisions of the Companies Act, 2013.

(b) Use of Estimates

The preparation of financial statements in accordance with Indian GAAP requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements, which in management's opinion are prudent and reasonable. Actual results may differ from these estimates. Any revision to accounting is recognized prospectively in current and future periods.

(c) Presentation and Disclosure of Financial Statements

The financial statements are prepared and presented in the form set out in Schedule III of the Act, so far as they are applicable thereto. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of products and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

(d) Summary of Significant Accounting Policies

(i) Fixed Assets

Tangible Fixed Assets

Fixed assets are recorded at cost of acquisition or construction and they are stated at historical cost (net of CENVAT and VAT). All direct expenses attributable to acquisition of fixed assets are capitalised. Cost includes all incidental expenses related to acquisition and installation. Borrowing costs relating to acquisition of fixed assets, which take a substantial period of time to get ready for their intended use are also included to the extent they relate to the period till such assets are ready to be put to use. When an asset is scrapped or otherwise disposed of, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any is reflected in the Statement of Profit and Loss.

Capitalised hardware/software costs of Enterprise Resource Planning (ERP) system includes design software cost, which provides significant future economic benefits over an extended period. The cost comprises licence fee, cost of system integration and initial customisation. The costs are capitalised in the year in which the relevant system is ready for the intended use. The upgradation/enhancements are also capitalised and assimilated with the initial capitalisation cost.

Intangible assets are initially measured at cost and amortised so as to reflect the pattern in which the asset's economic benefits are consumed.

(ii) Impairment of Assets

The carrying amount of cash generating units/assets is reviewed at Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated at the higher of net selling price and value in use. Impairment loss is recognised wherever carrying amount exceeds the recoverable amount.

(iii) Depreciation

Depreciation is provided as per straight-line method over the estimated useful lives of the assets prescribed under schedule II to the Act, in order to reflect the actual usages of the assets.

Leasehold land is depreciated over its period of lease.

Capitalised ERP hardware/software, technical know-how and development expenditure of projects/products incurred is amortised over the estimated period of benefits, not exceeding five years.

Notes to the Financial Statements For the Year Ended 31 March, 2015

- (iv) **Investments**
Long-term investments are stated at cost. Provision, if any, is made for diminution other than temporary in the value of investments.
Current investments are stated at cost or fair value whichever is lower.
- (v) **Inventories**
Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.
Raw materials and packing materials are valued at cost or net realizable value whichever is lower. Cost is determined on the basis of weighted average method. Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realisable value whichever is lower. Excise duty is included in the value of finished goods inventory.
Stores and spares are carried at cost.
- (vi) **Foreign Currency Transactions**
Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at year-end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.
In respect of forward exchange contracts the difference between the forward rate and the exchange rate at the inception of the contract is recognised as income or expense over the period of the contract.
Gains or losses on cancellation/settlement of forward exchange contracts are recognised as income or expense.
- (vii) **Research and Development**
Revenue expenditure on Research and Development (R&D) is included under the natural heads of expenditure. Capital expenditure on R&D is capitalised as fixed assets. Development cost including legal expenses and/or in relation to patent/trade marks relating to the new and improved product and/or process development is recognised as an intangible asset to the extent that it is expected that such asset will generate future economical benefits.
- (viii) **Employee Stock Options**
Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight-line basis.
- (ix) **Employee Benefits**
Short-term Employee Benefits
All short-term employee benefits such as salaries, wages, bonus, special awards and medical benefits which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognised on an undiscounted basis and charged to the statement of profit and loss.
Defined Contribution Plan
The Company has a statutory scheme of Provident Fund a defined contribution scheme and contribution of the Company is charged to the Statement of Profit and Loss as incurred. The Company has a scheme of superannuation with the LIC of India and contribution of the Company is charged to the statement of profit and loss as incurred.
Defined Benefit Plan
The Company's liability towards gratuity to its employees is provided on the basis of an actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in full in the statement of profit and loss in the year in which they occur.
- (x) **Revenue**
Revenue from the sale of products is recognised when the title and the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding collectability of the amount due, associated costs or the possible return of goods.

Notes to the Financial Statements For the Year Ended 31 March, 2015

- Revenue in respect of overdue interest, insurance claim, export benefits, etc is recognised to the extent the company is reasonably certain of its ultimate realisation.
- (xi) Expenses
Expenses are accounted for on accrual basis.
Provisions are recognised when a present legal or constructive obligation exists and the payment is probable and can be reliably estimated.
- (xii) Contingent Liabilities
A Contingent liability is a possible obligation that arises from past events or a present obligation that is not recognised because it is not possible that an outflow of resources will be required to settle the obligation. The Company does not recognise a contingent liability but discloses its existence in the financial statements.
- (xiii) Income-tax
Tax expense comprises current and deferred tax.
Current tax is measured at the amount computed under the Income Tax Act, 1961, or Book Profit computed under section 115JB, whichever is higher, and correspondingly set-off available under section 115JAA is credited to the statement of profit and loss of the financial year. MAT credit is recognised as an asset only when, and to the extent, there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent that there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.
Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted, at the reporting date.
- (xiv) Earnings Per Share
Basic earnings per equity share is computed by dividing net profit by the weighted average number of equity shares outstanding for the period. Diluted earnings per equity share is computed by dividing net income by the weighted average number of equity shares outstanding adjusted for the effects of all dilutive potential equity shares.
- (xv) Borrowing Costs
Borrowing costs, that are attributable to the acquisition, construction or production of a qualifying asset, are capitalised as part of the cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.
- (xvi) Cash and Cash Equivalents
Cash and cash equivalents for the purposes of cash flow statement comprised cash at bank and in hand and short term investments with an original maturity of three months or less.
- (xvii) Lease
Finance Leases, where substantially all the risks and benefits incidental to ownership of the leased item, are transferred to the Company, are accounted for as finance leases. Assets acquired under finance leases are capitalised at lower of fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalised.
If there is no reasonable certainty that the company will obtain the ownership by the end of the lease item, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Notes to the Financial Statements For the Year Ended 31 March, 2015

	As at March 31, 2015	As at March 31, 2014
2. SHARE CAPITAL		
Authorised Share Capital		
13,50,00,000 Equity Shares of ₹ 1/- each (Previous Year 6,75,00,000 equity shares of ₹ 2/- each)	1,350.00	1,350.00
Issued, subscribed and fully paid-up share capital		
9,58,88,130 Equity Shares of ₹ 1/- each (Previous Year 4,72,04,165 equity shares of ₹ 2/- each)	958.88	944.08
Pursuant to approval of the members at its Annual General Meeting held on 4 th August, 2014, one equity share having face value of ₹ 2/- each has been sub-divided into two equity shares of ₹ 1/- each.		
(a) Terms/rights attached to equity shares		
The Company has only one class of shares having par value of ₹ 1/- each holder of equity shares is entitled to one vote per share.		
The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.		
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. However, no such preferential amounts exist currently. The distribution will be in proportion to number of equity shares held by the shareholders.		

(b) Reconciliation of the number of shares

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Balance, beginning of the year	4,72,04,165	944.08	4,69,43,940	938.88
Add: Stock options exercised (shares of face value of ₹ 2/- each)	4,25,350	8.51	—	—
	4,76,29,515	952.59	4,69,43,940	939
Increase in number of shares due to stock split	4,76,29,515	—	—	—
Stock options exercised (shares of face value of ₹ 1/- each)	6,29,100	6.29	2,60,225	5.20
Balance, end of the year	9,58,88,130	958.88	4,72,04,165	944.08

Notes to the Financial Statements For the Year Ended 31 March, 2015

2. SHARE CAPITAL (Contd.)

(c) Details of Shareholders holding more than 5% shares in the company

Name of Shareholder	Number	%	Number	%
Ashish S. Dandekar	1,35,94,200	14.18	65,97,100	13.98
Leena A. Dandekar	75,56,144	7.88	37,78,072	8.00
Abha A. Dandekar	94,33,586	9.84	47,16,793	9.99
Vivek A. Dandekar	94,33,586	9.84	47,16,793	9.99
Camart Agencies Ltd.	53,19,360	5.55	26,59,680	5.63
	4,53,36,876	47.29	2,24,68,438	47.59

The number of shares at March 31, 2015 are shares of face value of ₹ 1/- each and those at March 31, 2014 are shares of face value of ₹ 2/- each.

(d) Shares reserved for issue under options

The Company has 20,70,550 equity shares (of face value of ₹ 1/- each) (Previous Year : 10,36,450 equity shares of face value of ₹ 2/- each) reserved for issue as options (See Note 24(i)).

	As at March 31, 2015	As at March 31, 2014
3. RESERVES & SURPLUS		
Capital Reserve		
Balance, beginning and end of the year	80.60	80.60
Securities Premium		
Balance, beginning of the year	683.85	650.96
Received on exercise of stock options	119.25	32.89
Balance, end of the year	803.10	683.85
Employee Stock Options Outstanding (See Note 24(i))		
(a) Employee Stock Option Outstanding –		
Balance, beginning of the year	47.62	56.83
Less: Amount transferred in respect of options lapsed- to statement of profit and loss	(2.37)	(8.04)
Transferred to security premium on account of exercise of option.	(32.89)	(1.17)
Balance, end of the year a	12.36	47.62
Less:		
(b) Deferred employee compensation expense		
Balance, beginning of the year	27.28	47.31
Add: Fresh grant of options	—	—
Less: Employee compensation/option lapsed net-to statement of profit and loss	(23.44)	(20.03)
Balance, end of the year b	3.84	27.28
(a-b)	8.52	20.34

Notes to the Financial Statements For the Year Ended 31 March, 2015

	As at March 31, 2015	As at March 31, 2014
3. RESERVES & SURPLUS (Contd.)		
General Reserve		
Balance, beginning of the year	2,272.04	2,082.04
Transfer from balance in Profit and Loss	130.00	190.00
Balance, end of the year	2,402.04	2,272.04
Balance in Statement of Profit and Loss		
Balance, beginning of the year	3,646.63	2,328.00
Profit for the Year	2,581.76	1,896.86
Less: Depreciation adjustment [Net of tax (See Note 11)]	(48.73)	—
	6,179.66	4,224.86
Appropriations		
Proposed dividend	(431.50)	(331.83)
Tax on proposed dividend	(88.35)	(56.40)
Transfer to General Reserve	(130.00)	(190.00)
	(649.85)	(578.23)
Balance, end of the year	5,529.81	3,646.63
	8,824.07	6,703.47

Balance in General Reserves includes ₹ 16 Lacs as on 1 April 2011 transferred on account of amalgamation of Sangam Laboratories Limited in the year ended 31 March, 2011 which is not available for distribution of dividend.

	Non-current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
4. LONG-TERM BORROWINGS				
Secured				
Term loan from banks				
In foreign currency (See a below)	499.57	873.96	558.85	464.29
In Rupees (See b below)	2,171.74	1,978.50	528.31	548.75
Finance lease obligations	—	—	—	30.54
Unsecured	2,671.31	2,852.46	1,087.16	1,043.58
Deposits from public (See c below)	—	—	9.30	689.90
	2,671.31	2,852.46	1,096.46	1,733.48

Notes to the Financial Statements For the Year Ended 31 March, 2015

4. LONG-TERM BORROWINGS (Contd.)

(a) Foreign currency term loans

Foreign currency term loans at 31 March, 2015 comprise two term loans, which are repayable in 21 substantially equal quarterly installments commencing after a moratorium of 24 months from the date of 1st disbursement i.e. 3 March 2011 and 28 March 2014 respectively. The loans are secured by

- i) First pari passu mortgage and charge on the entire immoveable properties and moveable fixed assets of the company, both present and future.
- ii) Pledge of 100% of the equity shares of CFCL Mauritius Pvt. Ltd ("CFCL Mauritius").
- iii) Pledge of 100% equity stake of the CFS EUROPE S.p.A. Italy held by the CFCL Mauritius.

Collateral Security: 2nd pari passu charge on the entire current assets of the Company.

These loans carry an interest rate 4.50% and 4.50% above LIBOR, respectively. The current interest rate on these ranges from 4.89% to 4.95%.

(b) Rupee term loans

Rupee term loan from banks comprise term loans from EXIM Bank, State Bank of Patiala and Vehicle loans from HDFC Bank and ICICI Bank.

Term loan from EXIM Bank is repayable in 28 & 21 equal quarterly installments commencing after a moratorium period of one year and two year for the date of first disbursement from 13 May, 2010 and 28 March 2014. The loan is secured by a first pari passu charge on all the fixed assets of the company, both present and future. Collateral Securities: 2nd pari passu Charge on the entire Current assets of the Company. In addition to the above the loan disbursed on 28 March 2014 is also secured by way of (1) Pledge of 100% Shares of CFCL Mauritius Private Limited held by the Company. (2) Pledge of 100% shares of CFS Europe S.P.A. Italy held by CFCL Mauritius Pvt. Ltd. The current interest rate on these ranges from 12.05% to 13.35%.

Term loan from State Bank of Patiala is repayable in 26 equal quarterly installments commencing from 31 December 2013. The loan is secured by first pari passu charge on all the fixed assets of the Company, both present and future. Collateral Security: 2nd pari passu Charge on the entire Current assets of the Company. The current interest rate is 12.50%.

Term loan from HDFC Bank is repayable in maximum tenure five to seven years. The loan is secured by hypothecation of vehicles. The current interest rate ranges from 11.50% to 12.50%.

Term loan from ICICI Bank is repayable in maximum tenure five years. The loan is secured by hypothecation of vehicles. The current interest rate ranges from 11.50% to 12.50%.

(c) The fixed deposits of ₹ 9.30 outstanding at March 31, 2015 represent deposits taken under the Companies Act, 1956. The Company has been unable to repay these deposits as:

- certain cheques issued for repayment of the deposits have not been presented to the bank for payment and
- certain deposit holders have not submitted to the Company the original deposit receipts for repayment.

5. DEFERRED TAX LIABILITY (Net)

The components of the deferred tax liability are as follows

	As at March 31, 2015	As at March 31, 2014
Liability		
Depreciation	551.62	334.60
Gratuity (Prepaid)	10.52	21.86
Lease Payments	—	116.55
	562.14	473.01
Asset		
Provision for doubtful debts and advances	122.84	32.52
Leave encashment	58.84	40.57
Other disallowances under the Income-tax Act	6.12	5.52
	187.80	78.61
	374.34	394.40

Notes to the Financial Statements For the Year Ended 31 March, 2015

6. LONG-TERM PROVISION

The long term provision comprises entirely provision for leave encashment. (See Note 24(iii)).

7. SHORT-TERM BORROWINGS

The short term borrowings comprise entirely secured cash credit/packing credit from banks in foreign currency repayable on demand. The facilities are secured by primary charge over company's inventory of raw material, packing material, semi finished goods and book debts and further by way of collateral security in the form of equitable mortgage of factory land and building at Tarapur MIDC, Boisar as second charge). Second pari passu charge on all movable and immovable fixed assets of the Company.

8. TRADE PAYABLES

Trade payables comprise entirely amounts payable to creditors. Based on the information available with the Company, no creditors have been identified as 'supplier' within the meaning of Micro, Small & Medium Enterprises Development Act, 2006 as on 31 March, 2015.

	As at March 31, 2015	As at March 31, 2014
9. OTHER CURRENT LIABILITIES		
Current maturities of foreign currency debt	558.85	464.29
Current maturities of long-term debt	528.31	548.75
Current maturities of finance lease obligations	—	30.54
Current maturities of public deposits [See Note 4(c)]	9.30	689.90
Interest accrued but not due on borrowings	29.52	86.77
Unpaid dividends (See Note below)	18.61	14.59
Unclaimed Interest on public deposit	2.89	—
Share Application money received for allotment of securities and due for refund	0.38	0.35
Deposits	10.18	3.34
TDS Payable	94.03	27.35
Other statutory dues	8.28	9.17
Commission to Director	110.20	71.80
Commission on Sales	145.14	105.67
Other outstanding liabilities	198.25	219.25
	1,713.94	2,271.77
Does not include any amount due and outstanding to be credited to Investor Education and Protection Fund		
10. SHORT-TERM PROVISIONS		
Provision for		
Employee benefits – leave encashment	26.11	21.39
Taxation	213.44	461.64
Proposed dividend	430.14	331.83
Tax on proposed dividend	88.10	56.40
	757.79	871.26

Notes to the Financial Statements For the Year Ended 31 March, 2015

11. FIXED ASSETS

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK		
	As at April 1, 2014	Additions during the year	Deletions during the year	As at March 31, 2015	As at April 1, 2014	Depreciation charge for the year	Adjusted to reserves	Depreciation on deletions during the year	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Tangible Assets											
Freehold Land	212.46	—	5.27	207.19	—	—	—	—	—	207.19	212.46
Leasehold Land	35.14	—	—	35.14	1.06	0.33	—	—	1.39	33.75	34.08
Factory & Other Building	914.33	77.91	—	992.24	360.62	44.61	—	—	405.23	587.01	553.71
Site Development	37.55	—	—	37.55	6.86	1.54	—	—	8.40	29.15	30.69
Plant, Equipment & Machinery	6,348.61	1,484.82	33.50	7,799.93	3,594.02	536.02	57.27	31.79	4,155.52	3,644.41	2,754.59
Furniture & Fixtures											
Owned	226.84	10.69	—	237.53	81.18	22.11	3.82	—	107.11	130.42	145.66
Leased (See Note 32)	194.09	—	—	194.09	58.33	60.69	—	—	119.02	75.07	135.76
Vehicles	230.81	31.80	—	262.61	45.07	31.32	—	—	76.39	186.22	185.74
ERP Hardware Cost	128.93	15.99	—	144.92	79.38	24.25	11.61	—	115.24	29.68	49.55
R&D Assets											
Equipments & Furniture	98.34	719.91	—	818.25	28.29	28.19	1.12	—	57.60	760.65	70.05
Building	—	229.03	—	229.03	—	2.70	—	—	2.70	226.33	—
TOTAL	8,427.10	2,570.15	38.77	10,958.48	4,254.81	751.76	73.82	31.79	5,048.60	5,909.88	4,172.29
Intangible Assets											
ERP Software Cost	121.54	15.68	—	137.22	100.76	11.81	—	—	112.57	24.65	20.78
Technical Know-How	1,275.41	—	—	1,275.41	678.47	232.73	—	—	911.20	364.21	596.94
TOTAL	1,396.95	15.68	—	1,412.63	779.23	244.54	—	—	1,023.77	388.86	617.72
CURRENT YEARS TOTAL	9,824.05	2,585.83	38.77	12,371.11	5,034.04	996.30	73.82	31.79	6,072.37	6,298.74	4,790.01
Previous Year	9,760.87	413.22	350.03	9,824.06	4,342.46	932.00	—	240.42	5,034.04	4,790.02	

The Company has revised depreciation rates on fixed assets effective 1st April 2014 in accordance with requirements of Schedule II of the Act. The remaining useful life has been revised by adopting standard useful life as per the Act. The carrying amount as on April 1, 2014 is depreciated over the revised remaining useful life. As a result of these changes

- the depreciation charge for year ended 31st March, 2015 is higher by ₹ 108.45 lacs respectively.
- there is a debit to retained earning of ₹ 48.73 lacs net (net of deferred tax) for the assets whose remaining life on April 1, 2014 is reduced to NIL in accordance with revised life as considered by management.

	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
12. NON-CURRENT INVESTMENTS				
Trade, valued at cost unless otherwise stated				
In equity instruments (unquoted)				
of Subsidiary Companies				
CFCL Mauritius Limited (of US \$ 1 fully paid)	132,000	59.73	132,000	59.73
Contribution in the capital of Dulcette Technologies LLC [US \$ - (Previous Year US \$ 76,000)]	—	—	76,000	32.53
CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios Ltda. (of Real \$ 1 fully paid)	1,250,000	331.58	783,738	203.50
Solentus North America Inc. (of CAD \$ 1 fully paid)	98,600	56.01	77,000	43.92
		447.32		339.68
of Associates				
Fine Lifestyle Brand Limited (of ₹ 10 fully paid)	255,000	25.50	255,000	25.50
Others				
Fine Renewable Energy Limited (of ₹ 10 fully paid)	51,000	5.10	51,000	5.10
Chemolutions Chemicals Limited (of ₹ 10 fully paid)	99,500	9.95	99,500	9.95
		15.05		15.05
Trade Investments Total		487.87		380.23

Notes to the Financial Statements For the Year Ended 31 March, 2015

	As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount
Non-Trade				
In equity shares of Saraswat Co-Operative Bank Limited (of ₹ 10 fully paid)	5,000	0.50	5,000	0.50
		0.50		0.50
Provision for diminution in value of investments		(30.60)		—
		457.77		380.73
Aggregate market value of quoted investments		457.77		380.73

The Company has invested ₹ 56 Lacs in the share capital of M/s. Solentus North America Inc., its wholly owned subsidiary company ("the subsidiary") and given a loan of ₹ 122.89 Lacs to it (included in loans and advances) (See Note 13) upto 31 March, 2015. The subsidiary has negative net worth as at 31 March, 2015 and is dependent upon the Company to enable it to meet its obligations as they become due. Based on the proposed plans for the subsidiary, management believes the loan to be fully recoverable and further believes that there is no diminution other than temporary in its investment in the share capital of the subsidiary.

The provision for diminution in the value of investments represents the provision in respect of investments in Fine Renewable Energy Limited and Fine Lifestyle Brand Limited.

	As at March 31, 2015	As at March 31, 2014
13. LONG-TERM LOANS AND ADVANCES (unsecured, considered good)		
Loans and advances to related parties (See Note No. 17)	378.94	—
Capital advances	72.17	91.03
Security deposits	144.63	43.43
Other loans and advances		
Advance to vendor	26.00	—
MAT credit entitlement	144.49	—
	766.23	134.46
14. INVENTORIES		
Raw material and components (including packing materials) [includes goods in-transit ₹ 1,954.14 Lacs, (previous year ₹ 203.76 Lacs)]	5,376.63	2,238.06
Work-in-progress	1,406.04	786.12
Finished goods	1,716.59	1,396.99
Stock in trade	429.33	435.38
Stores and spares	80.71	27.41
	9,009.30	4,883.96
15. TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	145.31	583.64
Doubtful	170.78	95.69
	316.09	679.33
Less: Provision for doubtful debts	(170.78)	(95.69)
	145.31	583.64
Other debts		
Unsecured, considered good [Net of Bills Discounted ₹ 4,563.25 Lacs (Previous year ₹ 4,360.35 Lacs)]	12,247.60	8,565.61
	12,392.91	9,149.25

Notes to the Financial Statements For the Year Ended 31 March, 2015

	As at March 31, 2015	As at March 31, 2014
16. CASH AND CASH EQUIVALENTS		
Balances with banks		
In current account	207.40	353.42
Unpaid dividend/interest account	21.87	15.06
Cash on hand	6.28	3.65
	235.55	372.13
Other bank balances		
Margin money	986.46	1,064.48
	1,222.01	1,436.61
17. SHORT-TERM LOANS AND ADVANCES		
Loans and advances to related parties (Unsecured, considered good) (See a below)	874.18	2,384.44
Loans to others		
Unsecured, considered good	230.40	380.48
Considered doubtful	160.00	—
	390.40	380.48
Less: Provision for doubtful debts	(160.00)	—
	230.40	380.48
Other loans and advances (unsecured, considered good)		
Prepaid expenses	369.70	345.79
Advance to Material Suppliers (Refer Note No. 31 (c) (iv))	1,195.37	3,137.14
Loans to employees	10.40	10.65
Gratuity (See Note 24(ii))	30.95	65.56
Balance with statutory/government authorities	650.50	527.83
Deposits	8.06	90.86
Others	172.97	—
	2,437.95	4,177.83
	3,542.53	6,942.76

Notes to the Financial Statements For the Year Ended 31 March, 2015

	As at March 31, 2015		As at March 31, 2014	
	Balance	Maximum outstanding during the year	Balance	Maximum outstanding during the year
Loans and advances to related parties include loans to subsidiaries and associates as follows				
Subsidiaries				
CFCL Mauritius Private Limited (Purpose : General corporate purposes)	990.97	2,511.87	2,322.80	2,322.80
CFS Europe S.p.A. (Purpose : General corporate purposes)	37.49	40.14	24.78	24.78
CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios Ltda. (Purpose : General corporate purposes)	101.77	114.77	—	—
Solentus North America Inc. (Purpose : General corporate purposes)	122.89	122.89	—	—
Associate				
Fine Lifestyle Brands Limited (Purpose : General corporate purposes)	—	36.86	36.86	36.86
	1,253.12	2,826.53	2,384.44	2,384.44

The above amounts include ₹ 378.94 Lacs being long term in nature included in Note 13.

In addition to the above, the Company has given the following loans to companies in which the directors are interested

	As at March 31, 2015		As at March 31, 2014	
	Balance	Maximum outstanding during the year	Balance	Maximum outstanding during the year
Chemolutions Chemicals Ltd. (Purpose : General corporate purposes)	390.40	390.40	380.48	380.48
Fine Renewable Energy Ltd. (Purpose : General corporate purposes)	—	28.55	28.55	28.55
	390.40	418.95	409.03	409.03

	As at March 31, 2015	As at March 31, 2014
18. OTHER CURRENT ASSETS		
Claim receivable	859.92	810.27

On 16th June, 2013 a fire occurred at the company's factory at Tarapur as a result of which there was a loss of inventory and fixed assets. The Company is fully insured against this loss and a claim with the insurance has been lodged which is in progress. The Company has received a partial payment of ₹ 1,000 Lacs against the said claim in January 2014. The Company is confident of recovery of the entire loss. However, a suitable provision on a prudential basis has been made in the books for any part of the claim that may not be recovered.

Notes to the Financial Statements For the Year Ended 31 March, 2015

	Year Ended March 31, 2015	Year Ended March 31, 2014
19. REVENUE FROM OPERATIONS		
Sale of products		
Finished goods	41,459.42	35,523.08
Traded goods	2,564.67	2,751.98
Sale of services	0.10	1.34
Other operating revenues		
— Export benefits	238.75	—
— Scrap sales	37.22	12.70
Revenue from operations (gross)	44,300.16	38,289.10
Less: Excise duty	(1,230.23)	(849.83)
	43,069.93	37,439.27
Sales of product comprise		
Food Antioxidants/Ingredients	31,715.95	29,054.23
Industrial Products (Including Traded)	11,077.92	8,371.00
Others	37.22	12.70
	42,831.09	37,437.93
20. OTHER INCOME		
Interest Income	141.78	175.31
Dividend Income	0.03	0.03
Profit on sale of fixed assets (Net)	47.75	—
Miscellaneous receipts	5.08	57.36
	194.64	232.70
21. COST OF MATERIAL CONSUMED		
Opening Stock of Raw Material	2,265.47	5,621.88
Add: Purchases of Raw Material	29,553.61	17,416.23
Less: Closing Stock of Raw Material	(5,457.34)	(2,265.47)
	26,361.74	20,772.64
22. PURCHASE OF STOCK-IN-TRADE		
Purchases of stock-in-trade	2,423.17	2,253.15

Notes to the Financial Statements For the Year Ended 31 March, 2015

	Year Ended March 31, 2015	Year Ended March 31, 2014
23. CHANGES IN INVENTORY OF FINISHED GOODS AND WORK-IN-PROGRESS		
Opening Inventory		
Finished Goods	1,832.37	2,303.69
Work-In-Progress	786.12	942.13
	2,618.49	3,245.82
Closing Inventory		
Finished Goods	2,145.92	1,832.37
Work-In-Progress	1,406.04	786.12
	3,551.96	2,618.49
	(933.47)	627.33
Consumption of raw materials, packing materials and traded goods		
Hydroquinone	12,994.72	11,488.95
Tertiary Butyl Alcohol	2,855.25	2,454.93
Catechol	6,901.24	4,524.45
Toluene	1,053.67	1,111.83
Others	4,980.03	3,445.61
	28,784.91	23,025.77

	Year Ended March 31, 2015		Year Ended March 31, 2014	
	%	Amount	%	Amount
Imported	79.75	22,954.99	80.21	18,468.35
Indigenous	20.25	5,829.92	19.79	4,557.44
	100.00	28,784.91	100.00	23,025.79

	Year Ended March 31, 2015	Year Ended March 31, 2014
24. EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	1,526.66	1,215.73
Contributions to –		
Provident fund	94.96	77.78
Gratuity fund	35.72	11.15
Expense on Employee Stock Option Scheme (ESOP)	21.07	18.64
Staff welfare expenses	92.50	74.85
	1,770.91	1,398.15

Notes to the Financial Statements For the Year Ended 31 March, 2015

(i) ESOP disclosures

The Company has granted options to its eligible employees under “Camlin Fine Sciences Employees Stock Option Scheme, 2008” (ESOP 2008), “Camlin Fine Sciences Employees Stock Option Scheme, 2012”(ESOP 2012) and “Camlin Fine Sciences Employees Stock Option Scheme, 2014” (ESOP 2014). The options granted under these schemes are equity settled. The other details of the schemes are summarised below:

	ESOP 2008				ESOP 2012	ESOP 2014
Grant date	9th August, 2008	13th October, 2008	23rd October, 2009	25th October, 2010	19th November, 2012	
Options granted	19,41,000	1,67,000	3,22,000	6,40,000	14,94,000	16,38,000
Exercise price	₹ 5.00/- per share	₹ 5.00/- per share	₹ 5.00/- per share	₹ 6.20/- per share	₹ 8.00/- per share	₹ 67.00/- per share
Basis of exercise price	At a discount to market price	At a discount to market price	At a discount to market price	At a discount to market price	At a discount to market price	At market price
Vesting period	10% On expiry of 12 months from the date of grant				50% On expiry of 12 months from the date of grant	
	15% On expiry of 24 months from the date of grant				25% On expiry of 24 months from the date of grant	
	20% On expiry of 36 months from the date of grant				25% On expiry of 36 months from the date of grant	
	25% On expiry of 48 months from the date of grant					
	30% On expiry of 60 months from the date of grant					

The company has adopted intrinsic value method in accounting for employee cost on account of ESOP. The intrinsic value of the shares is based on the latest available closing market price, prior to the date of meeting of the board of directors, in which the options were granted, on the stock exchange in which the shares of the company are listed. The difference between the intrinsic value and the exercise price is being amortised as employee compensation cost over the vesting period.

Particulars	ESOP 2008		ESOP 2012		ESOP 2014	
	Number	Wt avg exercise price	Number	Wt avg exercise price	Number	Wt avg exercise price
Options outstanding at the beginning of the year	8,11,900	5.33	12,61,000	8	Nil	N.A.
Granted during the year	0	N.A.	0	N.A.	16,38,000	67
Expired/Forfeited during the year	94,700	5.08	48,850	16	17,000	67
Exercised during the year	6,25,400	5.24	8,54,400	16	Nil	N.A.
Outstanding at the end of the year	91,800	6.16	3,57,750	8	16,21,000	67
Exercisable at the end of the year	3,000	5.00	51,600	8	Nil	67
Weighted average Range of exercise price of Options outstanding at the end of the year	₹ 5/- to ₹ 6.2/-		₹ 8/-		₹ 67/-	
Weighted average remaining contractual life of the option outstanding at the end of the year	1.14 years		0.74 years		3.25 years	
Weighted average fair value of the options granted during the year	N.A.		N.A.		17.70	
Option pricing model used	Black Scholes option pricing model					
Assumptions used in arriving at fair value of option granted during the year						
Risk free interest rate	N.A.		N.A.		8.29%	
Expected life					1 to 3 years	
Expected volatility					69.72%	
Expected dividend yield					10.81%	
Price of share at the time of grant					67	

The total expense charged to the statement of profit and loss in respect of the options granted aggregated ₹ 21.07 Lacs. The total intrinsic value of the liability at 31st March, 2015 in respect of options vested aggregates ₹ 12.36 Lacs.

Had the fair value method of accounting for options been followed the net profit for the year would have been lower by ₹ 45.78 Lacs and the basic and diluted earnings per share would have been lower by ₹ 0.05 and ₹ 0.05 respectively.

Notes to the Financial Statements For the Year Ended 31 March, 2015

(ii) Gratuity

The following tables summarise the net benefit expense recognised in the Statement of Profit & Loss, the details of the defined benefit obligation and the funded status of the Company's gratuity plan.

	Year Ended March 31, 2015	Year Ended March 31, 2014
(a) Expense recognised in the statement of profit and loss		
Current Service Cost	12.69	7.50
Interest	(4.71)	11.85
Expected Return on plan assets	—	(14.05)
Actuarial (Gain)/Loss	27.74	5.85
Total expense	35.72	11.15
Actual return on plan assets		
(b) Net asset recognised in the Balance Sheet		
Present Value of Defined Benefit Obligation at end of the year	225.75	163.06
Fair Value of plan assets at the end of the year	256.70	228.62
Funded status [Surplus/(Deficit)]	30.95	65.56
Net Asset/(Liability) at the end of the year	30.95	65.56
(c) Change in obligation during the year		
Present Value of Defined Benefit Obligation at the beginning of the year	163.06	148.20
Current Service Cost	12.69	7.50
Interest Cost	15.18	11.86
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	22.10	7.18
Actuarial (Gains)/Losses on Obligations - Due to Experience	12.72	—
Benefit payments	—	(11.68)
Present Value of Defined Benefit Obligation at the end of the year	225.75	163.06
(d) Change in Fair Value of Assets during the year ended		
Fair Value of plan assets at the beginning of the year	228.63	161.56
Expected return on plan assets	19.89	14.06
Contributions by employer	1.10	63.36
Actual benefits paid	—	(11.68)
Actuarial Gain/(Loss) on Plan Assets - Due to Experience	7.08	1.33
Fair Value of plan assets at the end of the year	256.70	228.63

The Company expects to contribute ₹ 35 Lacs to gratuity in the next year (Previous year ₹ 1.10 Lacs).

Notes to the Financial Statements For the Year Ended 31 March, 2015

(ii) Gratuity (contd.)

The amount of defined benefit obligation, plan assets, the deficit thereof and the experience adjustments on plan asset and plan liabilities for the current and previous four years are as follows

	2015	2014	2013	2012	2011
Defined Benefit Obligation	225.75	163.06	148.20	118.06	102.90
Plan assets	256.70	228.63	161.56	142.15	118.05
Deficit/(Surplus)	(30.95)	(65.57)	(13.36)	(24.09)	(15.15)
Experience adjustments					
On plan assets	7.08	1.33	1.29	(9.44)	10.11
On plan liabilities	12.72	(11.68)	(12.18)	(9.09)	(6.42)

The gratuity fund is entirely invested in a group gratuity policy with the Life Insurance Corporation of India. The information on the allocation of the fund into major asset classes and the expected return on each major class is not readily available.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining the gratuity obligations are as follows

	Year Ended March 31, 2015	Year Ended March 31, 2014
Discount rate	8.00%	9.31%
Expected rate of return on plan assets	8.00%	8.70%
Expected rate of salary increase	5.00%	5.00%
Attrition rate	2.00%	2.00%

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

(iii) Leave Encashment

The accumulated balance of leave encashment (unfunded) provided in the books as at 31 March, 2015 ₹ 173.11 Lacs (previous year ₹ 119.36 Lacs), determined on actuarial basis using projected unit credit method.

	Year Ended March 31, 2015	Year Ended March 31, 2014
25. FINANCE COST		
Interest	1,641.86	1,726.83
Bank Charges	373.91	418.38
Exchange Difference to the extent considered as an adjustment to borrowing cost	99.34	94.32
	2,115.11	2,239.53
26. RESEARCH & DEVELOPMENT EXPENSES		
Salaries and incentives	79.25	114.15
Travelling & Conveyance	19.74	23.28
Professional fees	67.48	80.83
Laboratory Expenses	48.93	38.13
Other Expenses	32.49	15.98
	247.89	272.37

Notes to the Financial Statements For the Year Ended 31 March, 2015

	Year Ended March 31, 2015		Year Ended March 31, 2014	
27. OTHER EXPENSES				
Consumption of stores and spares		58.52		126.35
Power and Fuel		1,205.97		1,039.75
Rent (See Note 32(b))		264.22		297.86
Rates and Taxes		5.59		2.70
Insurance		256.70		194.47
Repairs				
— Building		22.22		6.50
— Machinery		70.47		85.81
— Others		376.01		247.80
Sub Contracting Charges		860.30		658.57
Labour Charges		424.54		441.17
Advertisement and Sales Promotion		586.13		461.47
Transport & Forwarding Charges		483.83		457.09
Commission/Discount/Service Charges on Sales		390.31		144.33
Travelling & Conveyance		461.61		406.05
Directors' Meeting Fees		21.89		4.62
Auditors' Remuneration		30.36		25.91
Corporate Social Responsibility Contribution		51.76		—
Legal & Professional fees		303.21		223.18
Bad Debts Written Off	78.11		228.03	
Bad Advances Written Off	65.41		708.32	
Provision for Doubtful Debts	75.10		70.82	
Provision for Doubtful Advances	160.00		—	
Provision for diminution in investments (See Note 12)	30.60		—	
Less: Provision for Doubtful Advances Written Back	—		(208.32)	
Less: Provision for Doubtful Debts Written Back	—		(9.58)	
	409.22	409.22	789.27	789.27
Loss on Sale/Discarding of Assets		—		95.34
Exchange fluctuation		130.30		126.72
Miscellaneous Expenses		692.73		421.26
		7,105.89		6,256.22
Auditor remuneration				
As Auditors				
Audit Fees Standalone Financials		17.04		12.70
Tax Audit Fees		3.12		2.60
In Other Capacity				
— Taxation Matters		3.00		2.50
— Certification		0.95		1.30
— Other Services		5.67		6.50
— Reimbursement of Expenses		0.58		0.31
		30.36		25.91

Notes to the Financial Statements For the Year Ended 31 March, 2015

28. Commission to Directors

The members at their 20th Annual General Meeting have approved the payment of remuneration by way of commission to its Non-Executive Directors, of an amount not exceeding 1% of the Net Profits, for a period of 5 years from the FY 2012-13. During the FY 2014-15, the company has made a provision of ₹ 35.20 Lacs towards commission payable to Non-executive Directors.

29. EARNINGS PER SHARE

	2014-15	2013-14
Profit as per Statement of Profit and Loss available for equity shareholders	2,581.76	1,896.88
Weighted average number of equity shares used in computing basic earnings per share	9,53,16,423	9,40,61,162
Dilutive effect of stock options	4,00,278	3,77,400
Weighted average number of equity shares used in computing diluted earnings per share	9,57,16,701	9,44,38,562
Basic earnings per share (₹) of face value of ₹ 1/- each	2.71	2.02
Diluted earnings per share (₹) of face value of ₹ 1/- each	2.70	2.01

As indicated in Note 2, the face value of equity shares has been split from ₹ 2/- per share in the previous year to ₹ 1/-. The basic and diluted earnings per share for the previous year have been adjusted for the value of the split as per AS 20 Earnings per Share issued by the Institute of Chartered Accountants of India.

30. FOREIGN CURRENCY TRANSACTIONS

The unhedged exposure of foreign currency transactions as on 31 March, 2015 is as follows:

	Currency	2014-15	2013-14
Trade Receivable	US \$	117.30	149.38
	Euro	19.06	28.05
Trade Payable	US \$	56.99	39.32
	Euro	49.12	19.79
Term Loan	US \$	16.91	22.27
Advance Receivable	Euro	12.68	28.12
	US \$	6.34	—
		278.40	286.93

31. RELATED PARTY TRANSACTIONS

The related parties with whom the Company had transactions during the year are summarized below:

(a)	Name of the related party	Nature of relationship
	CFCL Mauritius Pvt. Ltd.	Subsidiary
	CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios Ltda. (CFS do Brasil)	Subsidiary
	Solentus North America Inc.	Subsidiary
	CFS Europe S.p.A.	Subsidiary
	Dulcette Technologies LLC	Subsidiary
	Fine Lifestyle Brands Ltd.	Associate
	Fine Lifestyle Solutions Ltd.	Significant influence by Managing Director
	Fine Renewable Energy Ltd.	Significant influence by Managing Director
	Focussed Event Management Pvt. Ltd.	Significant influence by Managing Director
	Vibha Agencies Pvt. Ltd.	Owned by Managing Director

Notes to the Financial Statements For the Year Ended 31 March, 2015

Key managerial personnel and their relatives

Mr. D. D. Dandekar	Chairman
Mr. A. S. Dandekar	Managing Director
Mr .D. R. Puranik	Executive Director & CFO
Mrs. L. A. Dandekar	Executive Director
Mr. S. D. Dandekar	Management Consultant/Relative of Managing Director
Mrs. R. S. Dandekar	Management Consultant/Relative of Managing Director
Mr R. D. Sawale	Company Secretary

(b) The transactions with related parties are summarised below (figures in brackets represent previous year amounts):

	Subsidiaries	Associate	Key managerial personnel and their relatives
i. Purchases/Expenses			
Goods	15,288.14 (7,658.91)	Nil (Nil)	Nil (Nil)
Services	Nil (Nil)	Nil (Nil)	11.40 (9.30)
Salaries	Nil (Nil)	Nil (Nil)	Nil (12.31)
ii. Sales			
Goods	2,817.19 (1,821.16)	Nil (Nil)	Nil (Nil)
iii. Finance			
Inter Corporate Loans Given	378.94 (Nil)	Nil (Nil)	Nil (Nil)
Advance Given	855.65 (2,649.07)	Nil (Nil)	Nil (Nil)
Interest Received	10.07 (Nil)	Nil (5.60)	Nil (Nil)
iv. Other Transactions			
Reimbursement received from parties	Nil (Nil)	Nil (3.30)	Nil (Nil)
Reimbursement given to parties	132.01 (Nil)	Nil (Nil)	Nil (Nil)
v. Outstanding			
Payable	2,549.59 (1,002.62)	Nil (Nil)	Nil (Nil)
Receivable	1,859.34 (1,306.08)	Nil (68.41)	Nil (Nil)
Inter Corporate Loans Given	1,197.78 (2,347.58)	Nil (36.86)	Nil (Nil)
Advances	855.65 (2,649.07)	Nil (Nil)	Nil (Nil)
vi. Managerial Remuneration	Nil (Nil)	Nil (Nil)	334.01 (235.59)

Notes to the Financial Statements For the Year Ended 31 March, 2015

(c) Significant transactions with related parties

	Subsidiaries	
	2014-15	2013-14
i. Purchases/Expenses		
Goods		
CFS Europe S.p.A.	15,288.14	7,658.91
ii. Sales		
Goods		
CFS Europe S.p.A.	1,335.71	1,793.03
CFS do Brasil	1,456.13	—
Solentus North America Inc.	25.35	28.13
iii. Finance		
Inter Corporate Loans Given		
CFCL Mauritius Pvt. Ltd.	172.12	—
CFS do Brasil	94.47	—
Solentus North America Inc.	112.35	—
iv. Advance Given		
CFS Europe S.p.A.	855.65	2,649.07
v. Outstanding		
CFCL Mauritius Pvt. Ltd.	990.96	2,322.80
CFS Europe S.p.A.	—	24.78
CFS do Brasil	94.47	—
Solentus North America Inc.	112.35	—
vi. Trade Payable		
CFS Europe S.p.A.	2,501.09	1,002.61
CFS do Brasil	48.50	—
vii. Receivable		
CFS Europe S.p.A.	754.95	1,172.00
Dulcette Technologies LLC	—	105.95
CFS do Brasil	1,093.85	—
Solentus North America Inc.	10.54	—
	Associate Companies	
viii. Finance		
Interest Received		
Fine Lifestyle Brands Ltd.	—	4.29
ix. Outstanding		
Fine Lifestyle Brands Ltd.	—	36.86
	Key Management Personnel	
x. Managerial Remuneration		
Mr. A. S. Dandekar	176.88	165.68
Mr. D. D. Dandekar	33.00	18.00
Mrs. L. A. Dandekar	62.85	—
Mr. D. R. Puranik	61.28	49.91

Notes to the Financial Statements For the Year Ended 31 March, 2015

32. LEASES (NATURE OF DESCRIPTION)

a. General description of finance lease arrangement

The Company has taken furniture and fixtures on finance lease. The said lease arrangement is for a period of five years.

	March 31, 2015	March 31, 2014
Total Minimum Lease Payments at the year end	32.24	54.80
Less: Amount representing finance charges	1.70	7.94
Present Value of Minimum Lease payments (Rate of Interest 12.00% p.a.)	30.54	46.86
Minimum Lease Payments		
Not later than one year for finance lease : Present value ₹ Nil Lacs as on 31.03.2015 (₹ 30.54 as on 31.03.2014)	Nil	32.24
Later than one year but not later than five years [for finance lease : Present value ₹ Nil Lacs as on 31.03.2015 (₹ Nil as on 31.03.2014)]	—	—
Later than five years [for finance lease : Present value ₹ Nil as on 31.03.2015 (₹ Nil as on 31.03.2014)]	—	—

b. General description of operating lease

The significant leasing arrangements are in respect of residential flats, warehouses etc. taken on lease. The arrangements range between 11 months to five years and are generally renewable by mutual consent or mutually agreeable terms. Under these arrangements refundable interest-free deposits have been given.

	March 31, 2015	March 31, 2014
For the period up to one year	181.33	155.96
For the period one year to five years	620.01	179.70
Five years and above	—	—
	801.34	335.66

33. SEGMENT INFORMATION

The Company operates primarily in the segment of Fine Chemicals and hence has only one reportable segment.

Geographical segment disclosure

For year ended March 2015 Domestic sale is ₹ 10,013.29 Lacs and Export sale is ₹ 34,010.80 Lacs respectively.

34. CONTINGENCIES AND COMMITMENTS

	March 31, 2015	March 31, 2014
Contingent liabilities		
(a) In respect of bills of exchange/cheque discounted with the bankers	4,563.25	4,943.51
(b) In respect of bank guarantees issued to VAT, Excise and Custom Authorities	435.68	257.75
(c) In respect of corporate guarantees issued against the borrowings of:		
(i) CFS Europe S.p.A. - Subsidiary Company Loan balance outstanding in respect of the above guarantee is ₹ 2,794.50 Lacs (Previous Year ₹ 2,994.05 Lacs)	4,755.67	5,392.00
(a) In respect of corporate guarantees issued against the contractor's payment obligations and supply of material		
(i) CFS Europe S.p.A. - Subsidiary Company Contractors payment obligations outstanding in respect of the above guarantee is ₹ 1,083.38 Lacs (Previous Year ₹ 1,826.51 Lacs)	2,838.12	3,671.06

Notes to the Financial Statements For the Year Ended 31 March, 2015

Commitments

Value of contracts (net of advance) remaining to be executed on capital account not provided for ₹ 122.87 Lacs. (Previous year ₹ 29.91 Lacs).

The information in respect of commitment has been given only in respect of capital commitment in order to avoid providing excess details that may not assist user of financial statements.

35. VALUE OF IMPORTS ON CIF BASIS

(₹ in Lacs)

	March 31, 2015	March 31, 2014
Raw Material	22,195.97	13,313.23
Purchase of Traded Goods	2,423.17	2,253.15
TOTAL	24,619.14	15,566.38

36. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lacs)

	March 31, 2015	March 31, 2014
Professional & Legal Fees	140.12	94.61
Commission and Sales Promotion	772.32	491.73
Others	80.66	79.64
TOTAL	993.31	662.98

37. EARNINGS IN FOREIGN EXCHANGE

(₹ in Lacs)

	March 31, 2015	March 31, 2014
Exports at F.O.B. Value (Including Trading)	33,060.68	29,431.87

38. PRIOR YEAR COMPARATIVES

Prior year figures have been reclassified, where necessary to confirm to current year's classification.

As per our report of even date.
For B. K. Khare & Co.
Chartered Accountants
 Firm Registration No. 105102W

Himanshu Chapsey
Partner
 Membership No. 105731

Mumbai
 Dated: 12 May, 2015

For and on behalf of the Board of Directors of
 Camlin Fine Sciences Limited

D. D. Dandekar *Chairman*
A. S. Dandekar *Managing Director*
D. R. Puranik *Executive Director & Chief Financial Officer*
L. A. Dandekar *Executive Director*
P. M. Sapre *Director*
S. M. Kulkarni *Director*

B. A. Patel *Director*
A. E. Faizullahoy *Director*
A. R. Pradhan *Director*
N. A. Paglietti *Director*
N. V. Momaya *Director*
A. S. Deshmukh *Director*
R. D. Sawale *Company Secretary*

Mumbai
 Dated: 12 May, 2015

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lacs)

Sl. No.	Name of the subsidiary	CFCL Mauritius Pvt. Ltd.	CFS Europe S.p.A.	CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios Ltda.	Solentus North America Inc.
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31/03/2015	31/03/2015	31/03/2015	31/03/2015
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	In Rupees 1 Euro = 67.51 ₹	In Rupees 1 Euro = 67.51 ₹	In Rupees 1 Brazilian Real = 19.46 ₹	In Rupees 1 Canadian \$ = 49.22 ₹
3.	Share capital	59.73	1,350.21	331.58	56.01
4.	Reserves & Surplus	(23.38)	4,180.13	(349.15)	(195.92)
5.	Total Assets	161.74	14,297.15	1,171.11	6.27
6.	Total Liabilities	957.36	8,865.41	1,188.68	146.18
7.	Investments	831.97	98.60	—	—
8.	Turnover	—	29,728.68	1,159.75	117.73
9.	Profit Before Taxation	(9.08)	2,395.94	(322.06)	(172.37)
10.	Provision for Taxation	—	(806.87)	(9.19)	—
11.	Profit After Taxation	(9.08)	3,202.81	(312.87)	(172.37)
12.	Proposed Dividend	—	—	—	—
13.	% of Shareholding	100%	100%	100%	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Fine Lifestyle Brands Limited
1. Latest audited Balance Sheet Date	31/03/2015
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	255,000
Amount of Investment in Associates/Joint Venture	2,550,000
Extend of Holding %	49.04%
3. Description of how there is significant influence	49.04% Stake in total Equity Capital
4. Reason why the associate/joint venture is not consolidated	N.A.
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	(19.55)
6. Profit/Loss for the year	
i. Considered in Consolidation	(1.41)
ii. Not Considered in Consolidation	—

- Names of associates or joint ventures which are yet to commence operations – Nil.
- Names of associates or joint ventures which have been liquidated or sold during the year – Dulcette Technologies LLC

As per our report of even date.
For B. K. Khare & Co.
 Chartered Accountants
 Firm Registration No. 105102W

Himanshu Chapsey
 Partner
 Membership No. 105731

Mumbai
 Dated: 12 May, 2015

For and on behalf of the Board of Directors of
 Camlin Fine Sciences Limited

D. D. Dandekar	<i>Chairman</i>	B. A. Patel	<i>Director</i>
A. S. Dandekar	<i>Managing Director</i>	A. E. Faizullahbhoj	<i>Director</i>
D. R. Puranik	<i>Executive Director & Chief Financial Officer</i>	A. R. Pradhan	<i>Director</i>
L. A. Dandekar	<i>Executive Director</i>	N. A. Paglietti	<i>Director</i>
P. M. Sapre	<i>Director</i>	N. V. Momaya	<i>Director</i>
S. M. Kulkarni	<i>Director</i>	A. S. Deshmukh	<i>Director</i>
		R. D. Sawale	<i>Company Secretary</i>

Mumbai
 Dated: 12 May, 2015

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF CAMLIN FINE SCIENCES LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Camlin Fine Sciences Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising the consolidated balance sheet as at March 31, 2015, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate 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 (as amended). The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

9. (a) We did not audit the financial statements of 4 subsidiaries whose financial statements (before consolidation adjustments) reflect total assets (net) of ₹ 4,472.15 Lacs as at March 31, 2015, total revenues of ₹ 31,646.40 Lacs and net cash flows amounting to ₹ 595.51 Lacs for the year then ended. The consolidated financial statements also include the Group's share of net loss of ₹ 3.20 Lacs for the year ended March 31, 2015, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

10. 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, based on the comments in our report of the Holding company and in the auditors' report of the associate company (hereinafter referred to as "associate") incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the consolidated financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

- c. The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the aforesaid companies, is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group and its associate company.
 - ii. The Group and its associate did not have any long term contracts including derivative contracts.
 - iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Group and its associate company.

For **B. K. KHARE & COMPANY**
Chartered Accountants
Firm Registration No. 105102W

Himanshu Chapsey
Partner
Membership No. 105731

Place : Mumbai
Date : 12th May, 2015

ANNEXURE TO THE AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 10 OF OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CAMLIN FINE SCIENCES LIMITED FOR THE YEAR ENDED MARCH 31, 2015

1. (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. The Holding Company's associate in India does not have any fixed assets and hence the provisions of Clause 3(i) of the Order are not applicable to it.

(b) The fixed assets are physically verified by the Management of the Holding Company according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
2. (a) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, we report that the inventory of the aforesaid companies has been physically verified by the respective managements during the year. Confirmations have been received in respect of inventories lying with third parties. Based on the comments in the aforesaid audit reports, the frequency of verification is reasonable.

(b) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, we report that the procedures of physical verification of inventory followed by the managements of the aforesaid companies were reasonable and adequate in relation to the size of the companies and the nature of their businesses.

(c) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, we report that the aforesaid companies are maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
3. (a) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, and according to the information and explanations given to us, the aforesaid companies have granted unsecured loans (as considered in the consolidated financial statements) to 4 parties covered in the register maintained under Section 189 of the Act. At March 31, 2015 loans were outstanding from 2 of these parties aggregating ₹ 231.20 lacs [See also comments in (b) below].

(b) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, and according to the information and explanations given to us, the Holding Company has written off ₹ 65.41 Lacs of loans given to two companies listed under Section 189 of the Act. In respect of a loan to a company aggregating to ₹ 390.40 Lacs outstanding towards principal and interest, the company is not regular in repaying the principal amounts as well as interest.

(c) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, and according to the information and explanations given to us, in respect of the aforesaid loans in the cases where the overdue amount is more than ₹ 1 lakh, in respect of the loan aggregating ₹ 390.40 Lacs (a provision of ₹ 160 Lacs has been made in respect of the loan upto March 31, 2015), the Company is in discussions with the borrower for recovery of the principal amounts and interest. The loan given by the associate incorporated in India does not exceed ₹ 1 lakh and hence the provisions of Clause 3(iii)(c) are not applicable in respect of such loan.
4. Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, and according to the information and explanations given to us, the aforesaid companies have an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Based on the auditors' reports referred to above and according to the information and explanations given to us, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in the aforesaid internal control system.
5. Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, and as indicated in note 4(c) to the consolidated financial statements, the aforesaid companies have, in respect of the deposits accepted by it, complied with the provisions of Section 73-76

of the Act read with the Rules framed thereunder. According to the information and explanations given to us, the aforesaid companies have not accepted deposits during the year ended March 31, 2015. According to the information and explanations given to us and to the best of our knowledge and belief, no order has been passed by the Company Law Board or the Reserve Bank of India or any court or other tribunal which is to be complied with by the aforesaid companies.

6. We have broadly reviewed the books of account maintained by the Holding Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete. Based on the auditors' report of the associate incorporated in India, we report that the maintenance of cost records has not been prescribed by the in respect of such company.
7. (a) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, the aforesaid companies are regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Wealth tax and service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities. Based on the comments in the auditors' reports of the aforesaid companies, no undisputed amounts payable in respect of such statutory dues are in arrears, as on March 31, 2015 for a period of more than six months from the date they became payable.
- (b) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, and according to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of excise, duty of customs, value added tax, and cess which have not been deposited on account of any dispute.
- (c) Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, there are no amounts required to be deposited with the Investor Education and Protection Fund upto March 31, 2015.
8. The Group has no accumulated losses as at the end of the financial year. The Group has not incurred any cash losses in the current and the immediately preceding financial year.
9. Based on the comments in the auditors' reports of the Holding Company, the Holding Company has not defaulted in repayment of dues to any financial institution or bank during the year. The Holding Company has not issued any debentures. The associate incorporate in India has not taken any loans.
10. Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, and according to the information and explanations given to us, the terms and conditions of the guarantee given by the Holding Company for loans taken by a subsidiary company from banks or financial institutions are not prejudicial to the interest of the Holding Company.
11. In our opinion, and according to the information and explanations given to us, the term loans taken by the Holding Company have been applied for the purposes for which they were obtained. The associate incorporate in India has not taken any term loans.
12. Based on the comments in our report of the Holding Company and in the auditors' report of the associate incorporated in India, during the course of our audit, 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 have we been informed of such case by the management

For **B. K. KHARE & COMPANY**
Chartered Accountants
 Firm Registration No. 105102W

Himanshu Chapsey
Partner
 Membership No. 105731

Place : Mumbai
 Date : 12th May, 2015

Consolidated Balance Sheet As at 31st March, 2015

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	958.88	944.08
Reserve & Surplus	3	12,527.63	8,386.36
		13,486.51	9,330.44
Share Application money pending allotment			
Non-current liabilities			
Long-term Borrowings	4	2,806.33	2,852.46
Deferred tax liability, net	5	374.34	394.40
Long-term provisions	6	147.00	97.97
		3,327.67	3,344.83
Current liabilities			
Short-term Borrowings	7	12,095.37	10,401.47
Trade payables	8	10,655.48	10,000.83
Other current liabilities	9	1,949.54	2,772.99
Short-term provisions	10	1,453.02	1,412.57
		26,153.41	24,587.86
TOTAL		42,967.59	37,263.13
II. ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	11	9,321.87	7,920.58
Intangible assets	11	1,320.65	394.54
Capital work-in-progress		282.07	2,207.82
		10,924.59	10,522.94
Non-current Investments	12	109.05	120.97
Deferred tax Assets	13	1,643.71	797.95
Long-term loans and advances	14	420.76	146.22
Current assets			
Inventories	15	13,638.07	10,920.39
Trade receivables	16	11,341.90	10,132.47
Cash and Bank Balances	17	1,926.34	1,580.26
Short-term loans and advances	18	2,103.25	2,231.66
Other current assets	19	859.92	810.27
		29,869.48	25,675.05
TOTAL		42,967.59	37,263.13
Significant Accounting Policies	1		

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

As per our report of even date.
For B. K. Khare & Co.
Chartered Accountants
 Firm Registration No. 105102W

Himanshu Chapsey
Partner
 Membership No. 105731

Mumbai
 Dated: 12 May, 2015

For and on behalf of the Board of Directors of
 Camlin Fine Sciences Limited

D. D. Dandekar	<i>Chairman</i>	B. A. Patel	<i>Director</i>
A. S. Dandekar	<i>Managing Director</i>	A. E. Faizullahbhoj	<i>Director</i>
D. R. Puranik	<i>Executive Director & Chief Financial Officer</i>	A. R. Pradhan	<i>Director</i>
L. A. Dandekar	<i>Executive Director</i>	N. A. Paglietti	<i>Director</i>
P. M. Sapre	<i>Director</i>	N. V. Momaya	<i>Director</i>
S. M. Kulkarni	<i>Director</i>	A. S. Deshmukh	<i>Director</i>
		R. D. Sawale	<i>Company Secretary</i>

Mumbai
 Dated: 12 May, 2015

Consolidated Statement of Profit and Loss For the Year ended 31st March, 2015

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

Particulars	Note No.	Year ended March 31, 2015	Year ended March 31, 2014
INCOME			
Revenue from operations (Gross)		57,057.68	51,716.91
Less: Excise Duty		(1,230.23)	(849.83)
Revenue from operations (Net)	20	55,827.45	50,867.08
Other Income	21	837.63	966.38
Total Revenue		56,665.08	51,833.46
EXPENDITURE			
Cost of materials consumed	22	26,037.68	26,036.91
Purchase of stock in trade	23	190.79	499.50
Changes in Inventories of finished goods/WIP/stock in trade	24	821.17	1,037.12
Employee benefits expense	25	4,058.29	3,437.34
Finance cost	26	2,382.46	2,465.90
Depreciation and amortisation expense	11	1,624.62	1,178.60
Research and development expenses	27	247.89	272.37
Other expenses	28	16,054.35	13,419.34
		51,417.25	48,347.08
Profit before tax		5,247.83	3,486.38
Exceptional Item (Refer Note No. 29)		35.52	—
		5,283.35	3,486.38
Less: Tax expense			
— Current tax		1,053.51	1,066.09
— MAT credit entitlements		(144.49)	—
— Deferred tax		(1,129.81)	(453.48)
Profit for the year		5,504.14	2,873.77
Add: Share of profit/(loss) of associate for the year		(1.41)	(2.47)
Profit for the year		5,502.73	2,871.30
Earnings per equity share of face value of ₹ 1/- each	31		
Basic		5.77	3.06
Diluted		5.75	3.04
Significant Accounting Policies	1		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date.
For B. K. Khare & Co.
Chartered Accountants
 Firm Registration No. 105102W

Himanshu Chapsey
Partner
 Membership No. 105731

Mumbai
 Dated: 12 May, 2015

For and on behalf of the Board of Directors of
 Camlin Fine Sciences Limited

D. D. Dandekar	<i>Chairman</i>	B. A. Patel	<i>Director</i>
A. S. Dandekar	<i>Managing Director</i>	A. E. Faizullahoy	<i>Director</i>
D. R. Puranik	<i>Executive Director & Chief Financial Officer</i>	A. R. Pradhan	<i>Director</i>
L. A. Dandekar	<i>Executive Director</i>	N. A. Paglietti	<i>Director</i>
P. M. Sapre	<i>Director</i>	N. V. Momaya	<i>Director</i>
S. M. Kulkarni	<i>Director</i>	A. S. Deshmukh	<i>Director</i>
		R. D. Sawale	<i>Company Secretary</i>

Mumbai
 Dated: 12 May, 2015

Consolidated Cash Flow Statement For the year ended 31st March, 2015

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before taxation non-recurring items	5,247.83	3,486.38
Adjustments for:		
Depreciation on Fixed Assets	1,624.62	1,178.60
Deferred employee compensation expenses amortised	(11.82)	10.82
Foreign Exchange loss/(gain) (Unrealised)	(263.16)	298.80
(Profit)/Loss on Sale of Fixed Assets	(47.62)	96.23
Provision for Doubtful Advances	160.00	—
Provision for Doubtful Debts (Net)	876.93	61.24
Provision for Doubtful Investment	10.51	—
Provision for leave encashment	137.24	91.87
Interest Expenses	2,382.46	2,465.90
Interest Received/Dividend Received	(142.89)	(175.52)
Operation Profit before Working Capital changes	9,974.09	7,514.32
Adjustments for:		
(Increase)/Decrease in inventories	(2,717.67)	3,979.51
(Increase)/Decrease in trade receivables	(1,902.29)	(1,679.32)
(Increase)/Decrease in short term loans and advances	(58.32)	(92.13)
(Increase)/Decrease in long term loans and advances	(130.05)	(46.12)
(Increase)/Decrease in other receivables	(49.65)	(810.27)
Increase/(Decrease) in trade payable	733.75	(5,705.88)
Increase/(Decrease) in other payable	(136.11)	481.32
Cash used in Operations	5,713.76	3,641.43
Direct taxes paid	(1,088.24)	(967.20)
Net cash used from operating activities	4,625.51	2,674.23
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(2,824.86)	(3,627.91)
Sale of Fixed Assets	54.73	234.50
(Purchase)/Sale of Investments	—	2.47
Profit/(Loss) on Sale of Investments	—	—
Interest received	141.78	175.31
Dividend received	0.03	0.05
Net cash used in Investing Activities	(2,628.32)	(3,215.58)

Consolidated Cash Flow Statement For the year ended 31st March, 2015 (Contd.)

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings (Net of repayments)	1,010.76	2,269.40
Proceeds from Share Capital	134.04	35.70
Movement in Loans and advances	26.73	—
Maturity of/(Investment in) Margin Fixed Deposit	110.21	(172.73)
Interest Paid	(2,436.82)	(2,432.18)
Dividend Paid	(335.97)	(281.76)
Tax on Dividend	(56.65)	(47.85)
Net cash generated from Financing Activities	(1,547.70)	(629.42)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	449.49	(1,170.77)
Opening Cash and Cash Equivalents	449.97	1,620.74
Closing Cash and Cash Equivalents	899.45	449.97
Significant Accounting Policies	1	
The accompanying notes are an integral part of these financial statements.		

As per our report of even date.
For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Himanshu Chapsey
Partner
Membership No. 105731

Mumbai
Dated: 12 May, 2015

For and on behalf of the Board of Directors of
Camlin Fine Sciences Limited

D. D. Dandekar *Chairman*
A. S. Dandekar *Managing Director*
D. R. Puranik *Executive Director &
Chief Financial Officer*
L. A. Dandekar *Executive Director*
P. M. Sapre *Director*
S. M. Kulkarni *Director*

Mumbai
Dated: 12 May, 2015

B. A. Patel *Director*
A. E. Faizullahoy *Director*
A. R. Pradhan *Director*
N. A. Paglietti *Director*
N. V. Momaya *Director*
A. S. Deshmukh *Director*
R. D. Sawale *Company Secretary*

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

(Unless otherwise stated all amounts are in Indian Rupees Lacs)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Company have been prepared in accordance with the historical cost convention and on accrual basis in accordance with generally acceptable accounting principles in India. These financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other relevant provisions of the Companies Act, 2013.

(b) Principles of Consolidation

The Consolidated Financial Statements (CFS) comprises the Financial Statements of Camlin Fine Sciences Limited ("the Company") and its subsidiaries (the Company and its subsidiaries are hereinafter collectively referred to as "the Group".) and its investment in its associate as at 31 March, 2015. The Consolidated Financial Statements have been prepared in accordance and AS 23 with Accounting Standard ("AS") 21 "Consolidated Financial Statements" "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

i. The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealised profits/losses on intra-group transactions and are presented to the extent possible, in the same manner as the Company's separate financial statements. The cash flow statement has been prepared using uniform policies for the transactions. The financial statements of all entities used for consolidation are drawn up to the same reporting date as that of the Company i.e. 31 March, 2015.

The excess of the Company's investment in a subsidiary over the subsidiary's net assets is recognized in the financial statements as goodwill. The excess of the subsidiary's net assets over its investment is recognized in the financial statement as capital reserve.

ii. Investments in associate companies are accounted under the equity method as per the AS 23. Under the equity method, the investment in associates is carried in the balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associate. The statement of profit and loss rejects the Group's share of the results of operations of the associates.

The excess of the Group's cost of investment over its share of net assets in the associate on the date of acquisition of investment is disclosed as goodwill. The excess of the Group's share of net assets in the associate over the cost of its investment is disclosed as capital reserve. Goodwill/Capital Reserve is included/adjusted in the carrying amount of the investment.

iii. The entities included in these consolidated financial statements are summarized below in the presentation of these consolidated financial statements are:

Name of the Entities	Country of Incorporation	2015 %	2014 %
Subsidiaries			
Dulcette Technologies LLC (Sold During the Year)	USA	N.A.	61%
CFCL Mauritius Pvt. Ltd.	Mauritius	100%	100%
CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios Ltda.	Brazil	100%	100%
Solentus North America Inc.	Canada	100%	100%
CFS Europe S.p.A., (Erstwhile Borregaard Italia S.p.A)	Italy	100% held by CFCL Mauritius Pvt. Ltd.	100% held by CFCL Mauritius Pvt. Ltd.
Associate			
Fine Lifestyle Brands Limited	India	49.04%	49.04%

The Company accounts for minority Interest in the net assets of the consolidated subsidiaries at the aggregate of

1. Amount of equity attributable at the date on which investment in subsidiaries is made, and
 2. The minorities share of movements in the equity since the date the parent- subsidiary relationship comes into existence.
- iv. The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of date of disposal is recognised in the statement of profit and loss as profit or loss on disposal of investment in subsidiary. Similarly deemed divestiture gain or loss on de-subsidiarisation of subsidiaries is also recognized in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

(c) Use of Estimates

The preparation of financial statements in accordance with Indian GAAP requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements, which in management's opinion are prudent and reasonable. Actual results may differ from these estimates. Any revision to accounting is recognized prospectively in current and future periods.

(d) Presentation and Disclosure of Financial Statements

The Financial Statements are prepared and presented in the form set out in Schedule III of the Act, so far as they are applicable thereto. All assets and liabilities have been classified as current/noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

(e) Summary of significant accounting policies

i. Fixed Assets

Tangible Fixed Assets

Fixed assets are recorded at cost of acquisition or construction and they are stated at historical cost (net of CENVAT and VAT). All direct expenses attributable to acquisition of fixed assets are capitalised. Cost includes all incidental expenses related to acquisition and installation. Borrowing costs relating to acquisition of fixed assets, which take a substantial period of time to get ready for their intended use are also included to the extent they relate to the period till such assets are ready to be put to use. When an asset is scrapped or otherwise disposed of, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any is reflected in the Statement of Profit and Loss.

Intangible assets

Intangible assets are initially measured at cost and amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

ERP Software Cost

ERP software costs of Enterprise Resource Planning (ERP) system includes design software cost, which provides significant future economic benefits over an extended period. The cost comprises licence fee, cost of system integration and initial customisation. The costs are capitalised in the year in which the relevant system is ready for the intended use. The upgradation/enhancements are also capitalised and assimilated with the initial capitalisation cost.

ii. Impairment of Assets

The carrying amount of cash generating units/assets is reviewed at Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated at the higher of net selling price and value in use. Impairment loss is recognised wherever carrying amount exceeds the recoverable amount.

iii. Depreciation

Depreciation is provided as per straight-line method over the estimated useful lives of the assets prescribed under schedule II to the Companies Act, 2013, in order to reflect the actual usages of the assets.

Leasehold land is depreciated over its period of lease.

Capitalised ERP hardware/software, technical knowhow and development expenditure of projects/products incurred is amortised over the estimated period of benefits, not exceeding five years.

iv. Investments

Long-term investments are stated at cost. Provision, if any, is made for diminution other than temporary in the value of investments.

Current investments are stated at cost or fair value whichever is lower.

v. Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

- Raw materials and packing materials are valued at cost or net realizable value whichever is lower. Cost is determined on the basis of weighted average method. Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realisable value whichever is lower. Excise duty is included in the value of finished goods inventory.
- Stores and spares are carried at cost.
- vi. Foreign Currency Transactions
- Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at year-end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.
- In respect of forward exchange contracts the difference between the forward rate and the exchange rate at the inception of the contract is recognised as income or expense over the period of the contract.
- The Company classifies all its foreign operations as either "integral foreign operations" or "non-integral foreign operations."
- The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.
- The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date and their statement of profit and loss are translated at exchange rates prevailing at the dates of transaction or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss. When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.
- vii. Research And Development
- Revenue expenditure on Research and Development (R&D) is included under the natural heads of expenditure. Capital expenditure on R&D is capitalised as fixed assets. Development cost including legal expenses and/or in relation to patent/trade marks relating to the new and improved product and/or process development is recognised as an intangible asset to the extent that it is expected that such asset will generate future economical benefits.
- viii. Employee Stock Options
- Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.
- ix. Employee Benefits
- Short-term Employee benefits
- All short-term employee benefits such as salaries, wages, bonus, special awards and medical benefits which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognised on an undiscounted basis and charged to the statement of profit and loss.
- Defined Contribution Plan
- The Company has a statutory scheme of Provident Fund a defined contribution scheme and contribution of the Company is charged to the Statement of Profit and Loss as incurred. The Company has a scheme of superannuation with the LIC of India and contribution of the Company is charged to the statement of profit and loss as incurred.
- Defined Benefit Plan
- The Company's liability towards gratuity to its employees is provided on the basis of an actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in full in the statement of profit and loss in the year in which they occur.
- x. Revenue
- Revenue from the sale of products is recognised when the title and the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding collectability of the amount due, associated costs or the possible return of goods.

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

- Revenue in respect of overdue interest, insurance claim, export benefits, etc is recognised to the extent the Company is reasonably certain of its ultimate realisation.
- xi Expenses
Expenses are accounted for on accrual basis.
Provisions are recognised when a present legal or constructive obligation exists and the payment is probable and can be reliably estimated.
- xii Contingent Liabilities
A Contingent liability is a possible obligation that arises from past events or a present obligation that is not recognised because it is not possible that an outflow of resources will be required to settle the obligation. The Company does not recognise a contingent liability but discloses its existence in the financial statements.
- xiii Income-tax
Tax expense comprises current and deferred tax.
Current tax is measured at the amount computed under the Income Tax Act, 1961, or Book Profit computed under Section 115JB, whichever is higher, and correspondingly set-off available under Section 115JAA is credited to the Statement of Profit and Loss of the financial year. MAT credit is recognised as an asset only when, and to the extent, there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent that there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.
Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted, at the reporting date.
- xiv Earnings Per Share
Basic earnings per equity share is computed by dividing net profit by the weighted average number of equity shares outstanding for the period. Diluted earnings per equity share is computed by dividing net income by the weighted average number of equity shares outstanding adjusted for the effects of all dilutive potential equity shares.
- xv Borrowing Costs
Borrowing costs, that are attributable to the acquisition, construction or production of a qualifying asset, are capitalised as part of the cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.
- xvi Cash and Cash Equivalents
Cash and cash equivalents for the purposes of cash flow statement comprised cash at bank and in hand and short term investments with an original maturity of three months or less.
- xvii Leases
Finance Leases, where substantially all the risks and benefits incidental to ownership of the leased item, are transferred to the Company, are accounted for as finance leases. Assets acquired under finance leases are capitalised at lower of fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalised.
If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease item, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

Particulars	As at	
	March 31, 2015	March 31, 2014
2. SHARE CAPITAL		
Authorised Share Capital		
13,50,00,000 Equity Shares of ₹ 1/- each (Previous Year 6,75,00,000 equity shares of ₹ 2/- each)	1,350.00	1,350.00
Issued, subscribed and fully paid-up Share Capital		
9,58,88,130 Equity Shares of ₹ 1/- each (Previous Year 4,72,04,165 equity shares of ₹ 2/-each)	958.88	944.08
GRAND TOTAL	958.88	944.08
Pursuant to approval of the members at its Annual General Meeting held on 4th August, 2014, one equity share having face value of ₹ 2/- each has been sub-divided into Two equity shares of ₹ 1/- each.		
(a) Terms/Rights attached to equity shares		
The Company has only one class of shares having par value of ₹ 1/-. Each holder of equity shares is entitled to one vote per share.		
The Company declares and pays dividends in Indian Rupees. The dividend proposed by The Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.		
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. However, no such preferential amounts exist currently. The distribution will be in proportion to number of equity shares held by the shareholders.		

(b) Reconciliation of the number of shares

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Balance, beginning of the year	47,204,165	944.08	46,943,940	938.88
Add: Stock options exercised (shares of face value of ₹ 2/- each)	425,350	8.51	—	—
	47,629,515	952.59	46,943,940	938.88
Increase in number of shares due to stock split	47,629,515	—		
Stock options exercised (shares of face value of ₹ 1/- each)	629,100	6.29	260,225	5.20
Shares bought back during the year	—	—	—	—
Balance, end of the year	95,888,130	958.88	47,204,165	944.08

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

2. SHARE CAPITAL (Contd.)

(c) Details of Shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	Number	Percentage	Number	Percentage
Ashish S. Dandekar	1,35,94,200	14.18	65,97,100	13.98
Leena A. Dandekar	75,56,144	7.88	37,78,072	8.00
Abha A. Dandekar	94,33,586	9.84	47,16,793	9.99
Vivek A. Dandekar	94,33,586	9.84	47,16,793	9.99
Camart Agencies Ltd.	53,19,360	5.55	26,59,680	5.63
	4,53,36,876	47.29	2,24,68,438	47.59

The number of shares at March 31, 2015 are shares of face value of ₹ 1/- each and those at March 31, 2014 are shares of face value of ₹ 2/- each.

(d) Shares reserved for issue under options

The Company has 20,70,550 equity shares (of face value of ₹ 1/- each) (Previous Year : 10,36,450 equity shares of face value of ₹ 2/- each) reserved for issue as options (See Note 25(i)).

Particulars	As at March 31, 2015	As at March 31, 2014
3. RESERVES AND SURPLUS		
Capital Reserve		
Balance, beginning and end of the year	134.52	80.60
Add: Transferred from surplus	—	53.92
Balance, end of the year	134.52	134.52
Capital Reserve on Consolidation		
Balance, beginning and end of the year	1,080.63	1080.63
Add: Addition/Adjustment	—	—
Balance, end of the year	1,080.63	1,080.63
Foreign Currency Translation Reserve		
Balance, beginning and end of the year	422.69	158.35
Add: on currency translation during the year (net)	(900.31)	264.34
Balance, end of the year	(477.62)	422.69
Securities Premium		
Balance, beginning of the year	683.85	650.96
Received on exercise of stock options	119.25	32.89
Balance, end of the year	803.10	683.85
Employee Stock Options Outstanding (See Note 25)		
(a) Employee Stock Option Outstanding-		
Balance, beginning of the year	47.62	56.83
Add: Fresh grant of options		
Less: Amount transferred in respect of options lapsed- to Statement of Profit and Loss	(2.37)	(8.04)
Transferred to security premium on account of exercise of option.	(32.89)	(1.17)
Balance, end of the year (a)	12.36	47.62
Less:		
(b) Deferred employee compensation expense		
Balance, beginning of the year	27.28	47.31
Add: Fresh grant of options	—	—
Less: Employee compensation/option lapsed net-to Statement of Profit and Loss	(23.44)	(20.03)
Balance, end of the year (b)	3.84	27.28
Total (a-b)	8.52	20.34

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

Particulars	As at	
	March 31, 2015	March 31, 2014
3. RESERVES AND SURPLUS (CONTD.)		
General Reserve		
Balance, beginning of the year	2,274.88	2,084.88
Transfer from balance in Profit and Loss	130.00	190.00
Balance, end of the year	2,404.88	2,274.88
Balance in Statement of Profit and Loss		
Balance, beginning of the year	3,769.45	1,480.60
Profit for the year	5,502.73	2,871.30
Less:		
Transferred to deferred tax liability	—	(4.22)
Depreciation adjustment [Net of tax (See Note 11 (1))]	(48.73)	—
	9,223.45	4,347.68
Appropriations		
Proposed dividend	(431.50)	(331.83)
Tax on proposed dividend	(88.35)	(56.40)
Transfer to General Reserve	(130.00)	(190.00)
	(649.85)	(578.23)
Balance, end of the year	8,573.61	3,769.45
GRAND TOTAL	12,527.63	8,386.36

Balance in General Reserves includes ₹ 16 Lacs as on 1 April 2011 transferred on account of amalgamation of Sangam Laboratories Limited in the year ended 31 March, 2011 which is not available for distribution of dividend.

Particulars	Non-current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
4. LONG-TERM BORROWINGS				
Secured				
Term loan from banks				
In foreign currency (See a below)	499.57	873.96	558.85	464.29
In Rupees (See b below)	2,306.76	1,978.50	528.31	548.75
Finance lease obligations	—	—	—	30.54
	2,806.33	2,852.46	1,087.16	1,043.58
Unsecured				
Deposits from public (See c below)	—	—	9.30	689.90
GRAND TOTAL	2,806.33	2,852.46	1,096.46	1,733.48

(a) Foreign currency term loans

Foreign currency term loans at 31 March, 2015 comprise two term loans, which are repayable in 21 substantially equal quarterly installments commencing after a moratorium of 24 months from the date of 1st disbursement i.e. 3 March, 2011 and 28 March, 2014 respectively. The loans are secured by:

- (i) First *pari passu* mortgage and charge on the entire immovable properties and moveable fixed assets of the Company, both present and future.
- (ii) Pledge of 100% of the equity shares of CFCL Mauritius Pvt. Ltd ("CFCL Mauritius").
- (iii) Pledge of 100% equity stake of the CFS Europe S.p.A. Italy held by the CFCL Mauritius.

Collateral Security: 2nd *pari passu* charge on the entire current assets of the Company. These loans carry an interest rate 4.50% and 4.50% above LIBOR, respectively. The current interest rate on these ranges from 4.89% to 4.95%.

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

4. LONG-TERM BORROWINGS (CONTD.)

Foreign currency term loans at 31 March, 2015, which are repayable in 21 substantially equal quarterly installments commencing after a moratorium of 24 months from the date of 1st disbursement i.e. 28 March, 2014. The loans are secured by:

- (i) First *pari passu* mortgage and charge on the entire immoveable properties and moveable fixed assets of the Company, both present and future.
- (ii) Unconditional and Irrevocable Corporate Guarantee of CFSL guaranteeing the obligation of CFSE to Exim Bank.
- (iii) Exclusive charge over immovable property of CFSL viz., N-165, MIDC. Boisar, Tarapur.
- (iii) Pledge of shares of CFCL Mauritius Pvt. Ltd. held by CFSL.
- (iv) Pledge of Shares of CFS Europe S.p.A. Italy held by CFCL Mauritius Pvt. Ltd.

(b) Rupee term loans

Rupee term loan from banks comprise term loans from EXIM Bank, State Bank of Patiala and Vehicle loans from HDFC Bank and ICICI Bank.

Term loan from EXIM Bank is repayable in 28 & 21 equal quarterly installments commencing after a moratorium period of one year and two year for the date of first disbursement from 13 May, 2010 and 28 March 2014. The loan is secured by a first *pari passu* charge on all the fixed assets of the Company, both present and future. Collateral Securities: 2nd *pari passu* Charge on the entire Current assets of the Company. In addition to the above the loan disbursed on 28 March 2014 is also secured by way of (1) Pledge of 100% Shares of CFCL Mauritius Private Limited held by CFSL. (2) Pledge of 100% shares of CFS Europe S.p.A. Italy held by CFCL Mauritius Pvt. Ltd. The current interest rate on these ranges from 12.05 % to 13.35%.

Term loan from State Bank of Patiala is repayable in 26 equal quarterly installments commencing from 31 December, 2013. The loan is secured by first *pari passu* charge on all the fixed assets of the Company, both present and future. Collateral Security: 2nd *pari passu* Charge on the entire current assets of the Company. The current interest rate is 12.50%.

Term loan from HDFC Bank is repayable in maximum tenure five years. The loan is secured by hypothecation of vehicles. The current interest rate ranges from 11.50% to 12.50%.

Term loan from ICICI Bank is repayable in maximum tenure five years. The loan is secured by hypothecation of vehicles. The current interest rate ranges from 11.50% to 12.50%.

(c) The fixed deposits of Rs 9.30 outstanding at March 31, 2015 represent deposits taken under the Companies Act, 1956.

The Company has been unable to repay these deposits as

- certain cheques issued for repayment of the deposits have not been presented to the bank for payment and
- certain deposit holders have not submitted to the Company the original deposit receipts for repayment

5. DEFERRED TAX LIABILITY, NET

The components of the deferred tax liability are as follows:

Particulars	As at March 31, 2015	As at March 31, 2014
Liability		
Depreciation	551.62	334.60
Gratuity (Prepaid)	10.52	21.86
Lease Payments	—	116.55
	562.14	473.01
Asset		
Provision for doubtful debts and advances	122.84	32.52
Leave encashment	58.84	40.57
Other disallowances under the Income-Tax Act	6.12	5.52
	187.80	78.61
	374.34	394.40

6. LONG TERM PROVISION

The long term provision comprises entirely provision for leave encashment.

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

7. SHORT-TERM BORROWINGS

The short term borrowings comprise entirely secured cash credit/packing credit from banks in foreign currency repayable on demand. The facilities are secured by primary charge over Company's inventory of raw material, packing material, semi finished goods and book debts and further by way of collateral security in the form of equitable mortgage of factory land and building at Tarapur MIDC, Boisar as second charge). Second *pari passu* charge on all movable and immovable fixed assets of the Company.

8. TRADE PAYABLES

Trade payables comprise entirely amounts payable to creditors. Based on the information available with the Company, no creditors have been identified as 'supplier' within the meaning of Micro, Small & Medium Enterprises Development Act, 2006 as on 31 March, 2015.

Particulars	As at March 31, 2015	As at March 31, 2014
9. OTHER CURRENT LIABILITIES		
Loans and advances from related parties	—	1.96
Current maturities of foreign currency debt	558.85	464.29
Current maturities of long-term debt	528.31	548.75
Current maturities of finance lease obligations	—	30.54
Current maturities of public deposits [See Note 4(c)]	9.30	689.90
Interest accrued but not due on borrowings	29.52	86.77
Unpaid dividends (See Note below)	18.61	14.59
Unclaimed Interest on public deposit	2.89	—
Share Application money received for allotment of securities and due for refund	0.38	0.35
Deposits	10.18	3.34
TDS Payable	129.61	75.96
Other statutory dues	8.28	9.17
Commission to Director	110.20	71.80
Commission on Sales	145.14	105.67
Other outstanding liabilities	398.27	669.90
GRAND TOTAL	1,949.54	2,772.99
Does not include any amount due and outstanding to be credited to Investor Education and Protection Fund		
10. SHORT-TERM PROVISIONS		
Provisions for		
Employee benefits – leave encashment	539.82	451.61
Taxation	394.96	572.75
Proposed dividend	430.14	331.83
Tax on proposed dividend	88.10	56.38
GRAND TOTAL	1,453.02	1,412.57

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

11. FIXED ASSETS

Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK		
	As at April 1, 2014	Additions during the Year	Other Adjustments**	Disposal/Adjustment	As at March 31, 2015	As at April 1, 2014	Depreciation charge for the year	Adjusted to reserves#	Adjustments on disposals	Other Adjustments**	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
Tangible Assets													
Freehold Land	212.46	—	—	5.27	207.19	—	—	—	—	—	—	207.19	212.46
Leasehold Land	35.14	—	—	—	35.14	1.08	0.33	—	—	—	1.41	33.73	34.06
Lease Hold Improvement	—	45.93	—	—	45.93	—	17.11	—	—	—	17.11	28.82	—
Factory & Other Building	1,652.95	237.17	(134.90)	—	1,755.22	974.52	70.26	—	—	(111.62)	933.16	822.06	678.43
Site Development	37.55	—	—	—	37.55	6.85	1.54	—	—	—	8.39	29.16	30.70
Plant, Equipment & Machinery	24,299.46	1,982.62	(3,267.37)	33.50	22,981.21	17,913.26	883.23	57.27	37.19	(2,616.14)	16,200.43	6,780.78	6,386.20
Furniture & Fixtures													
Owned	186.13	32.96	(4.70)	—	214.39	79.43	24.98	3.82	—	(3.33)	104.90	109.49	106.70
Leased	198.62	—	—	—	198.62	59.09	60.69	—	—	—	119.78	78.84	139.53
Vehicles	254.75	31.80	(4.36)	8.29	273.90	58.22	34.42	—	9.39	(2.40)	80.85	193.05	196.53
ERP Hardware Cost	132.60	22.66	(0.06)	—	155.20	81.32	25.29	11.61	—	(0.14)	118.08	37.12	51.28
R&D Assets													
R&D Assets	115.27	719.91	—	—	835.18	30.58	28.19	1.12	—	—	59.89	775.29	84.69
Building	—	229.03	—	—	229.03	—	2.70	—	—	—	2.70	226.33	—
Total	27,124.92	3,302.08	(3,411.39)	47.06	26,968.56	19,204.35	1,148.74	73.82	46.58	(2,733.63)	17,646.70	9,321.87	7,920.58
Intangible Assets													
ERP Software Cost	121.44	16.13	—	—	137.57	100.46	11.81	—	—	—	112.27	25.30	20.98
Technical Know-How	562.37	—	—	—	562.37	361.39	67.85	—	—	—	429.24	133.13	200.98
Development Expenditure	505.87	1,405.75	(68.71)	—	1,842.91	333.29	396.23	—	—	(48.83)	680.69	1,162.22	172.58
Total	1,189.68	1,421.88	(68.71)	—	2,542.85	795.14	475.89	—	—	(48.83)	1,222.20	1,320.65	394.54
Current Years Total	28,314.61	4,723.96	(3,480.10)	47.06	29,511.41	19,999.49	1,624.62	73.82	46.58	(2,782.46)	18,868.91	10,642.51	8,315.12
Previous Year	25,104.02	771.82	3,010.01	571.25	28,314.61	16,775.63	1,178.60	—	240.52	2,285.73	19,999.45	8,315.18	

** Other adjustments during the year include translation differences of opening balance.

1. The Company has revised depreciation rates on fixed assets effective 1st April 2014 in accordance with requirements of Schedule II of the Act.

The remaining useful life has been revised by adopting standard useful life as per the Act except for certain plant and machineries, where management estimates for remaining useful life, has been taken.

The carrying amount as on April 1, 2014 is depreciated over the revised remaining useful life. As a result of these changes

(a) the depreciation charge for year ended 31st March, 2015 is higher by ₹ 108.45 Lacs respectively.

(b) there is a debit to retained earning of ₹ 48.73 Lacs net (net of deferred tax) for the assets whose remaining life on April 1, 2014 is reduced to NIL in accordance with revised life as considered by management.

2. CFS Europe S.p.A., step down subsidiary of the company, has revised depreciation rates on plant and machinery effective 1st April 2014. As a result of such change, consolidated profit before tax and profit after tax for the year ended 31st March 2015 is higher by ₹ 278.61 Lacs and Rs 252.42 Lacs respectively.

Particulars	As at March 31, 2015		As at March 31, 2014	
	Non-current		Current	
	Number	Amount	Number	Amount
12. NON-CURRENT INVESTMENTS				
Trade, valued at cost unless otherwise stated In equity instruments (unquoted)				
Of Associates				
Fine Lifestyle Brand Limited (of ₹ 10 fully paid)	255,000	5.41	255,000	6.82
Others				
Fine Renewable Energy Limited (of ₹ 10 fully paid)	51,000	5.10	51,000	5.10
Chemolutions Chemicals Limited (of ₹ 10 fully paid)	99,500	9.95	99,500	9.95
Ravenna Servizi Industriali Consortium (of Euro 1 fully paid)	141,783	98.60	141,783	98.60
		113.65		113.65
Trade Investments Total		119.06		120.47

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Non-current		Current	
	Number	Amount	Number	Amount
Non-trade				
In equity shares of Saraswat Co-operative Bank Limited (of ₹ 10 fully paid)	5,000	0.50	5,000	0.50
		0.50		0.50
Provision for diminution in value of investments		(10.51)		—
GRAND TOTAL		109.05		120.97
Aggregate market value of quoted investments		109.05		120.97

The provision for diminution in the value of investments represents the provision in respect of investments in Fine Renewable Energy Limited and Fine Lifestyle Brand Limited.

Particulars	As at March 31, 2015	As at March 31, 2014
13. DEFERRED TAX ASSET, NET		
The components of the deferred tax asset are as follows		
Asset		
Depreciation	0.55	0.68
Tax losses	1,645.21	790.29
Unrealised foreign exchange losses	7.83	3.91
Deductible costs for cash	2.50	3.78
	1,656.10	798.66
Liability		
Unrealised foreign exchange gains	12.38	0.71
	12.38	0.71
GRAND TOTAL	1,643.71	797.95
Deferred tax assets on carry forward tax loss has been recognised on the basis of a binding confirmed profitable sales order.		
14. LONG-TERM LOANS AND ADVANCES (unsecured, considered good)		
Capital advances	72.17	96.88
Security deposits	155.20	49.34
Balance With Statutory/Government Authorities	22.90	—
Other loans and advances		
Advance to vendor	26.00	—
MAT credit entitlement	144.49	—
GRAND TOTAL	420.76	146.22
15. INVENTORIES		
Raw material and components (including packing materials) [includes goods in-transit ₹ 2,247.49 Lacs (Previous year ₹ 375.51 Lacs)]	6,723.77	3,185.79
Work-in-progress	3,406.36	1,914.76
Finished goods	2,630.08	4,936.80
Stock in trade	429.33	435.38
Stores and spares	448.53	447.66
GRAND TOTAL	13,638.07	10,920.39

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

Particulars	As at March 31, 2015	As at March 31, 2014
16. TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	145.31	583.64
Doubtful	972.61	95.69
	1,117.92	679.33
Less: Provision for doubtful debts	(972.61)	(95.69)
	145.31	583.64
Other debts		
Unsecured, considered good [Net of Bills Discounted ₹ 5,592.27 Lacs (Previous year ₹ 7,222.21 Lacs)]	11,196.59	9,548.83
GRAND TOTAL	11,341.90	10,132.47
17. CASH AND CASH EQUIVALENTS		
Balances with banks		
In current account	892.82	445.72
Unpaid dividend/interest account	21.98	15.17
Cash on hand	6.64	4.25
	921.44	465.14
Other bank balances		
Margin money	1,004.90	1,115.12
GRAND TOTAL	1,926.34	1,580.26
18. SHORT-TERM LOANS AND ADVANCES		
Loans and advances to related parties	0.21	36.86
(Unsecured, considered good) (See a below)		
Loans to others		
Unsecured, considered good	230.40	380.48
Considered doubtful	160.00	—
	390.40	380.48
Less: Provision for doubtful debts	(160.00)	—
	230.40	380.48

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

Particulars	As at March 31, 2015	As at March 31, 2014
Other loans and advances		
(Unsecured, considered good)		
Prepaid expenses	411.73	382.36
Advance to Material Suppliers	400.55	504.22
Loans to employees	10.40	10.65
Gratuity	30.95	65.56
Balance with statutory/government authorities	650.50	544.07
Balances with Tax Authorities	184.60	186.62
Deposits	10.03	92.75
Others	173.88	28.09
	1,872.64	1,814.32
GRAND TOTAL	2,103.25	2,231.66

Particulars	As at March 31, 2015		As at March 31, 2014	
	Balance	Maximum outstanding during the year	Balance	Maximum outstanding during the year
Loans and advances to related parties include loans to associates as follows:				
Associate				
Fine Lifestyle Brands Limited (Purpose: General corporate purposes)	—	36.86	36.86	36.86
	—	36.86	36.86	36.86
In addition to the above, the Company has given the following loans to companies in which the directors are interested				
Chemolution Chemicals Ltd. (Purpose : General corporate purposes)	390.40	390.40	380.48	380.48
Fine Renewable Energy Ltd. (Purpose : General corporate purposes)	—	28.55	28.55	28.55
Byrde International Inc. (Purpose : General corporate purposes)	0.21	0.21	—	—
	390.61	419.16	409.03	409.03

Particulars	As at March 31, 2015	As at March 31, 2014
19 OTHER CURRENT ASSETS		
Claim Receivables	859.92	810.27
GRAND TOTAL	859.92	810.27

On 16th June, 2013 a fire occurred at the Company's factory at Tarapur as a result of which there was a loss of inventory and fixed assets. The Company is fully insured against this loss and a claim with the insurance has been lodged which is in progress. The Company has received a partial payment of ₹ 1,000 Lacs against the said claim in January 2014. The Company is confident of recovery of the entire loss. However, a suitable provision on a prudential basis has been made in the books for any part of the claim that may not be recovered.

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
20. REVENUE FROM OPERATIONS		
Sale of products:		
Finished goods	56,508.09	51,187.07
Traded goods	264.60	515.79
Sale of services	0.10	1.34
Other operating revenues:		
– Export benefits	247.67	—
– Scrap sales	37.22	12.71
Revenue from operations (gross)	57,057.68	51,716.91
Less: Excise Duty	(1,230.23)	(849.83)
GRAND TOTAL	55,827.45	50,867.08
21. OTHER INCOME		
Interest income	142.89	175.52
Dividend income	0.03	0.03
Profit on sale of fixed assets (Net)	47.75	—
Gain on Foreign Exchange Fluctuations	141.99	—
Miscellaneous receipts	504.97	790.83
GRAND TOTAL	837.63	966.38
22. COST OF MATERIAL CONSUMED		
Opening Stock of Raw Material	3,633.44	6,575.85
Add: Purchases of Raw Material	29,576.54	23,094.50
Less: Closing Stock of Raw Material	(7,172.30)	(3,633.44)
GRAND TOTAL	26,037.68	26,036.91
23. PURCHASE OF STOCK-IN-TRADE		
Purchases of Stock in trade	190.79	499.50
GRAND TOTAL		

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
24. CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS		
Opening Inventory:		
Finished Goods	5,372.18	6,559.62
Work-In-Progress	1,914.76	1,764.43
	7,286.94	8,324.05
Closing Inventory:		
Finished Goods	3,059.41	5,372.18
Work-In-Progress	3,406.36	1,914.76
	6,465.77	7,286.93
GRAND TOTAL	821.17	1,037.12
Consumption of raw materials, packing materials and traded goods		
Tertiary Butyl Alcohol	2,855.25	2,454.93
Phenol	9,757.37	7,526.40
Hydrogen peroxide	2,160.07	1,410.60
Toluene	1,053.67	1,111.83
Others	10,402.11	14,032.65
	26,228.47	26,536.41

	Year Ended March 31, 2015		Year Ended March 31, 2014	
	%	Amount	%	Amount
Imported	35.65	9,350.25	31.16	8,267.93
Indigenous	64.35	16,878.22	68.84	18,268.48
	100.00	26,228.47	100.00	26,536.41

25. EMPLOYEE BENEFIT EXPENSES		
Salaries and wages	3,784.15	3,254.92
Contributions to:		
Provident fund	122.00	77.78
Gratuity fund	35.72	11.15
Expense on Employee Stock Option Scheme (ESOPS)	21.07	18.64
Staff welfare expenses	95.35	74.85
GRAND TOTAL	4,058.29	3,437.34

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

(i) ESOP disclosures

The Company has granted options to its eligible employees under “Camlin Fine Sciences Employees Stock Option Scheme, 2008” (ESOP 2008), “Camlin Fine Sciences Employees Stock Option Scheme, 2012”(ESOP 2012) and “Camlin Fine Sciences Employees Stock Option Scheme, 2014” (ESOP 2014). The options granted under these schemes are equity settled. The other details of the schemes are summarised below:

	ESOP 2008				ESOP 2012	ESOP 2014
	9th August, 2008	13th October, 2008	23rd October, 2009	25th October, 2010	19th November, 2012	
Grant date	9th August, 2008	13th October, 2008	23rd October, 2009	25th October, 2010	19th November, 2012	
Options granted	19,41,000	1,67,000	3,22,000	6,40,000	14,94,000	16,38,000
Exercise price	₹ 5.00/- per share	₹ 5.00/- per share	₹ 5.00/- per share	₹ 6.20/- per share	₹ 8.00/- per share	₹ 67.00/- per share
Basis of exercise price	At a discount to market price	At a discount to market price	At a discount to market price	At a discount to market price	At a discount to market price	At market price
Vesting period	10% On expiry of 12 months from the date of grant				50% On expiry of 12 months from the date of grant	
	15% On expiry of 24 months from the date of grant				25% On expiry of 24 months from the date of grant	
	20% On expiry of 36 months from the date of grant				25% On expiry of 36 months from the date of grant	
	25% On expiry of 48 months from the date of grant					
	30% On expiry of 60 months from the date of grant					

The company has adopted intrinsic value method in accounting for employee cost on account of ESOP. The intrinsic value of the shares is based on the latest available closing market price, prior to the date of meeting of the board of directors, in which the options were granted, on the stock exchange in which the shares of the company are listed. The difference between the intrinsic value and the exercise price is being amortised as employee compensation cost over the vesting period.

Particulars	ESOP 2008		ESOP 2012		ESOP 2014	
	Number	Wt avg exercise price	Number	Wt avg exercise price	Number	Wt avg exercise price
Options outstanding at the beginning of the year	8,11,900	5.33	12,61,000	8	Nil	N.A.
Granted during the year	0	N.A.	0	N.A.	16,38,000	67
Expired/Forfeited during the year	94,700	5.08	48,850	16	17,000	67
Exercised during the year	6,25,400	5.24	8,54,400	16	Nil	N.A.
Outstanding at the end of the year	91,800	6.16	3,57,750	8	16,21,000	67
Exercisable at the end of the year	3,000	5.00	51,600	8	Nil	67
Weighted average Range of exercise price of Options outstanding at the end of the year	₹ 5/- to ₹ 6.2/-		₹ 8/-		₹ 67/-	
Weighted average remaining contractual life of the option outstanding at the end of the year	1.14 years		0.74 years		3.25 years	
Weighted average fair value of the options granted during the year	N.A.		N.A.		17.70	
Option pricing model used	Black Scholes option pricing model					
Assumptions used in arriving at fair value of option granted during the year						
Risk free interest rate	N.A.		N.A.		8.29%	
Expected life					1 to 3 years	
Expected volatility					69.72%	
Expected dividend yield					10.81%	
Price of share at the time of grant					67	

The total expense charged to the statement of profit and loss in respect of the options granted aggregated ₹ 21.07 Lacs. The total intrinsic value of the liability at 31st March, 2015 in respect of options vested aggregates ₹ 12.36 Lacs.

Had the fair value method of accounting for options been followed the net profit for the year would have been lower by ₹ 45.78 Lacs and the basic and diluted earnings per share would have been lower by ₹ 0.05 and ₹ 0.05 respectively.

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

(ii) Gratuity

The following tables summarise the net benefit expense recognised in the Statement of Profit & Loss, the details of the defined benefit obligation and the funded status of the Company's gratuity plan.

	Year Ended March 31, 2015	Year Ended March 31, 2014
(a) Expense recognised in the statement of profit and loss		
Current Service Cost	12.69	7.50
Interest	(4.71)	11.85
Expected Return on plan assets	—	(14.05)
Actuarial (Gain)/Loss	27.74	5.85
Total expense	35.72	11.15
Actual return on plan assets		
(b) Net asset recognised in the Balance Sheet		
Present Value of Defined Benefit Obligation at end of the year	225.75	163.06
Fair Value of plan assets at the end of the year	256.70	228.62
Funded status [Surplus/(Deficit)]	30.95	65.56
Net Asset/(Liability) at the end of the year	30.95	65.56
(c) Change in obligation during the year		
Present Value of Defined Benefit Obligation at the beginning of the year	163.06	148.20
Current Service Cost	12.69	7.50
Interest Cost	15.18	11.86
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	22.10	7.18
Actuarial (Gains)/Losses on Obligations - Due to Experience	12.72	—
Benefit payments	—	(11.68)
Present Value of Defined Benefit Obligation at the end of the year	225.75	163.06
(d) Change in Fair Value of Assets during the year ended		
Fair Value of plan assets at the beginning of the year	228.63	161.56
Expected return on plan assets	19.89	14.06
Contributions by employer	1.10	63.36
Actual benefits paid	—	(11.68)
Actuarial Gain/(Loss) on Plan Assets - Due to Experience	7.08	1.33
Fair Value of plan assets at the end of the year	256.70	228.63

The Company expects to contribute ₹ 35 Lacs to gratuity in the next year (Previous year ₹ 1.10 Lacs).

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

The amount of defined benefit obligation, plan assets, the deficit thereof and the experience adjustments on plan asset and plan liabilities for the current and previous four years are as follows

	2015	2014	2013	2012	2011
Defined Benefit Obligation	225.75	163.06	148.20	118.06	102.90
Plan assets	256.70	228.63	161.56	142.15	118.05
Deficit/(Surplus)	(30.95)	(65.57)	(13.36)	(24.09)	(15.15)
Experience adjustments					
On plan assets	7.08	1.33	1.29	(9.44)	10.11
On plan liabilities	12.72	(11.68)	(12.18)	(9.09)	(6.42)

The gratuity fund is entirely invested in a group gratuity policy with the Life Insurance Corporation of India. The information on the allocation of the fund into major asset classes and the expected return on each major class is not readily available.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining the gratuity obligations are as follows

	Year Ended March 31, 2015	Year Ended March 31, 2014
Discount rate	8.00%	9.31%
Expected rate of return on plan assets	8.00%	8.70%
Expected rate of salary increase	5.00%	5.00%
Attrition rate	2.00%	2.00%

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

(iii) Leave Encashment

The accumulated balance of leave encashment (unfunded) provided in the books as at 31 March, 2015 ₹ 541.97 Lacs (previous year ₹ 549.58 Lacs), determined on actuarial basis using projected unit credit method.

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
26. FINANCE COST		
Interest	1,833.31	1,888.84
Bank Charges	449.81	482.74
Exchange Difference to the extent considered as an adjustment to borrowing cost	99.34	94.32
GRAND TOTAL	2,382.46	2,465.90
27. RESEARCH & DEVELOPMENT EXPENSES		
Salaries and Incentives	79.25	114.15
Travelling & Conveyance	19.74	23.28
Professional Fees	67.48	80.83
Laboratory Expenses	48.93	38.13
Other Expenses	32.49	15.98
GRAND TOTAL	247.89	272.37

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
28. OTHER EXPENSES				
Consumption of stores and spares		58.52		126.35
Power and Fuel		5,800.23		5,143.26
Rent (See Note 34)		489.21		507.20
Rates and Taxes		75.72		29.63
Insurance		423.54		318.27
Repairs				
– Building		32.45		19.48
– Machinery		831.82		173.10
– Others		956.16		847.15
Sub Contracting Charges		954.84		779.64
Labour Charges		424.54		441.17
Advertisement and Sales Promotion		614.74		476.25
Transport & Forwarding Charges		990.10		979.79
Commission/Discount/Service Charges on Sales		411.73		322.05
Travelling & Conveyance		503.01		431.78
Directors' Meeting Fees		21.89		4.62
Auditors' Remuneration		71.45		75.40
CSR Contribution		51.76		—
Legal & Professional fees		536.04		368.67
Bad Debt Written Off	523.33		352.56	
Bad Advances Written Off	65.41		708.32	
Provision for Doubtful Debts	75.10		70.82	
Provision for Doubtful Advances	160.00		—	
Provision for diminution in investments (See Note 12)	10.51		—	
Less: Provision for Doubtful Advances Written Back	—		(208.32)	
Less: Provision for Doubtful Debts Written Back	—		(9.58)	
	834.35	834.35	913.79	913.79
Loss on Sale/Discarding of Assets		0.13		96.23
Exchange fluctuation		413.28		218.86
Miscellaneous Expenses		1,558.84		1,146.64
GRAND TOTAL		16,054.35		13,419.34
Auditors Remuneration:				
Audit Fees Standalone Financials		58.13		62.19
Tax Audit Fees		3.12		2.60
In Other Capacity:				
Taxation Matters		3.00		2.50
Certification		0.95		1.30
Other Services		5.67		6.50
Reimbursement of Expenses		0.58		0.31
GRAND TOTAL		71.45		75.40

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

29. EXCEPTIONAL ITEM

During the year ended 31 March, 2015 the Company sold its entire investment in its subsidiary Company, Dulcette Technologies LLC. The exceptional item of ₹ 35.52 Lacs included in the consolidated statement of profit and loss for the year ended 31 March, 2015 represents the gain on disposal of such investments.

30. COMMISSION TO DIRECTORS

The members at their 20th Annual General Meeting have approved the payment of remuneration by way of commission to its Non-Executive Directors, of an amount not exceeding 1% of the Net Profits, for a period of 5 years from the FY 2012-13. During the FY 2014-15, the Company has made a provision of ₹ 35.20 Lacs towards commission payable to Non-Executive Directors.

31. EARNINGS PER SHARE

Particulars	31.03.2015	31.03.2014
Profit as per Statement of Profit and Loss available for equity shareholders	5,502.73	2,871.30
Weighted average number of equity shares used in computing basic earnings per share	9,53,16,423	9,40,61,162
Dilutive effect of stock options	4,00,278	3,77,400
Weighted average number of equity shares used in computing diluted earnings per share	9,57,16,701	9,44,38,562
Basic earnings per share (₹) of face value of ₹ 1/- each	5.77	3.06
Diluted earnings per share (₹) of face value of ₹ 1/- each	5.75	3.04
As indicated in Note 2, the face value of equity shares has been split from ₹ 2/- per share in the previous year to ₹ 1/-. The basic and diluted earnings per share for the previous year have been adjusted for the value of the split as per AS 20 Earnings per Share issued by the Institute of Chartered Accountants of India		

32. FOREIGN CURRENCY TRANSACTIONS

The unhedged exposure of foreign currency transactions as on 31.03.2015 is as follows:

Particulars	Currency	2015	2014
Trade Receivable	USD	99.94	147.03
	EURO	42.47	13.85
Trade Payable	USD	39.14	39.32
	EURO	54.63	2.46
Term Loan	USD	14.16	22.27
	EURO	13.25	13.25
GRAND TOTAL		263.59	238.18

33. RELATED PARTY TRANSACTIONS

The related parties with whom the Company had transactions during the year are summarized below:

Name of the Related Party	Nature of Relationship
Fine Lifestyle Brands Ltd.	Associate
Fine Lifestyle Solutions Ltd.	Significant influence by Managing Director

Key Management Personnel & their relatives

Name of the Person	Nature of Relationship
Mr. D. D. Dandekar	Chairman
Mr. A. S. Dandekar	Managing Director
Mr. D. R. Puranik	Executive Director & CFO
Mrs. L. A. Dandekar	Executive Director
Mr. S. D. Dandekar	Management Consultant/Relative of Managing Director
Mrs. R. S. Dandekar	Management Consultant/Relative of Managing Director
Mr. R. D. Sawale	Company Secretary

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

The transactions with related parties are summarised below (figures in brackets represent previous year amounts):

Sr. No.	Nature of Transactions	Associate Companies	Key Managerial Personnel and their Relatives
1.	Purchases/Expenses:		
	Services	Nil (Nil)	11.40 (9.30)
	Salaries	Nil (Nil)	Nil (Nil)
2.	Finance:		
	Loan Taken	Nil (1.79)	Nil (Nil)
	Interest Received	Nil (4.29)	Nil (Nil)
3.	Other Transactions		
	Reimbursement received from parties	Nil (3.30)	Nil (Nil)
4.	Outstanding:		
	Payable	Nil (1.79)	Nil (Nil)
	Receivable	Nil (68.41)	Nil (Nil)
	Inter Corporate Loans Given	Nil (36.86)	Nil Nil
5.	Managerial Remuneration		334.01 (235.59)

Significant Transactions with Related Parties

Particulars	2014-15	2013-14
Associate Companies:		
Finance		
Interest Received		
Fine Lifestyle Brand Ltd.	Nil	4.29
Outstanding		
Inter Corporate Loans Given		
Fine Lifestyle Brands Limited	Nil	36.86
Key Management Personnel:		
Managerial Remuneration		
Mr. A. S. Dandekar	176.88	165.68
Mr. D. D. Dandekar	33.00	18.00
Mrs. L. A. Dandekar	62.85	Nil
Mr. D. R. Puranik	61.28	49.91

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

34. LEASES

General description of finance lease arrangement

The Company has taken furniture and fixtures on finance lease. The said lease arrangement is for a period of five years.

Particulars	31.03.2015	31.0.3.2014
Total Minimum Lease Payments at the year end	32.24	54.80
Less: Amount representing finance charges	1.70	7.94
Present Value of Minimum Lease payments (Rate of Interest 12.00% p.a.)	30.54	46.86
Minimum Lease Payments		
Not later than one year [for finance lease : Present value ₹ Nil Lacs as on 31.03.2015 (₹ 30.54 as on 31.03.2014)]	Nil	32.24
Later than one year but not later than five years [for finance lease : Present value ₹ Nil Lacs as on 31.03.2015 (₹ Nil as on 31.03.2014)]	—	—
Later than five years [for finance lease: Present value ₹ Nil as on 31.03.2015 (₹ Nil as on 31.03.2014)]	—	—

General description of operating lease

The significant leasing arrangements are in respect of residential flats, warehouses etc. taken on lease. The arrangements range between 11 months to five years and are generally renewable by mutual consent or mutually agreeable terms. Under these arrangements refundable interest-free deposits have been given.

Particulars	31.03.2015	31.0.3.2014
For the period up to one year	181.33	155.96
For the period one year to five years	620.01	179.7
Five years and above	—	—
	801.34	335.66

35. SEGMENT INFORMATION

The Company operates primarily in the segment of Fine Chemicals and hence has only one reportable segment
For year ended March 2015 Domestic sale is ₹ 11,398 Lacs and Export sale is ₹ 45,374.70 Lacs respectively

36. CONTINGENCIES AND COMMITMENTS

Particulars	31.03.2015	31.0.3.2014
Contingent liabilities		
(a) In respect of bills of exchange/cheque discounted with the bankers	5,592.27	7,222.51
(b) In respect of bank guarantees issued to VAT, Excise and Custom Authorities	435.68	257.75

Commitments

Value of contracts (net of advance) remaining to be executed on capital account not provided for ₹ 122.87 Lacs. (Previous year ₹ 29.91 Lacs).

The information in respect of commitment has been given only in respect of capital commitment in order to avoid providing excess details that may not assist user of financial statements.

37. VALUE OF IMPORTS ON CIF BASIS

	March 31, 2015	March 31, 2014
Raw Material	9,327.50	7,907.48

Notes to the Consolidated Financial Statements For the year ended 31st March, 2015 (Contd.)

38. EXPENDITURE IN FOREIGN CURRENCY

	March 31, 2015	March 31, 2014
Professional & Legal Fees	218.25	94.61
Commission and Sales Promotion	649.30	491.73
Others	80.66	79.64
TOTAL	948.20	665.98

39. EARNINGS IN FOREIGN EXCHANGE

	March 31, 2015	March 31, 2014
Exports at F.O.B. Value (Including Trading)	33,596.58	33,006.34

The earnings in foreign exchange represent earnings in foreign exchange by the Company and export earnings of its subsidiaries in a currency other than their local reporting currency but excludes any earnings made from sales made in India by these subsidiaries.

40. Additional information as required under Schedule III to the Companies Act 2013, of enterprises Consolidated as Subsidiary/Associates/Joint Venture

Sr. No	Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
	Parent				
	Camlin Fine Sciences Ltd.	72.54	9,782.95	46.92	2,581.76
	Subsidiary				
	Foreign	34.33	4,629.63	58.04	3,193.72
1	CFCL Mauritius Limited				
2	Dulcette Technologies LLC	—	—	1.53	84.00
3	CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios Ltda.	(0.13)	(17.57)	(5.69)	(312.87)
4	Solentus North America Inc.	(1.04)	(139.91)	(3.13)	(172.37)
	Associate				
	Indian				
1	Fine Lifestyle Brand Limited	—	—	(0.03)	(1.41)
	Exceptional Item			0.65	35.52
	Total Eliminations	(5.70)	(768.59)	1.72	94.38
	Total	100.00	13,486.51	100.00	5,502.73

41. PRIOR YEAR COMPARATIVES

Prior year figures have been reclassified, where necessary to confirm to current year's classification.

As per our report of even date.
For B. K. Khare & Co.
Chartered Accountants
 Firm Registration No. 105102W

Himanshu Chapsey
Partner
 Membership No. 105731

Mumbai
 Dated: 12 May, 2015

For and on behalf of the Board of Directors of
 Camlin Fine Sciences Limited

D. D. Dandekar *Chairman*
A. S. Dandekar *Managing Director*
D. R. Puranik *Executive Director & Chief Financial Officer*
L. A. Dandekar *Executive Director*
P. M. Sapre *Director*
S. M. Kulkarni *Director*

B. A. Patel *Director*
A. E. Faizullabhoj *Director*
A. R. Pradhan *Director*
N. A. Paglietti *Director*
N. V. Momaya *Director*
A. S. Deshmukh *Director*
R. D. Sawale *Company Secretary*

Mumbai
 Dated: 12 May, 2015

CAMLIN FINE SCIENCES LIMITED

CIN: L74100MH1993PLC075361

Registered Office: Plot No. F/11 & F/12, WICEL, Opp. SEEPZ Main Gate, Central Road, Andheri (East), Mumbai 400 093

ATTENDANCE SLIP

Annual General Meeting 2014-2015

To be handed over at the entrance of Meeting Hall

I hereby record my presence at the 22nd ANNUAL GENERAL MEETING of the Company at Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber Bldg., Indian Merchants Chamber Marg, Churchgate, Mumbai-400 020 on Wednesday the 5th August, 2015 at 3.00 p.m.

Name of the Member: _____

Folio/Client ID No. _____

Name of the Proxy/Representative (in Block Letters)

(To be filled in if the Proxy/Representative attends instead of the Member)

Signature of the Member or Proxy/Representative

PROXY FORM

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

CAMLIN FINE SCIENCES LIMITED

CIN: L74100MH1993PLC075361

Regd. Office: Plot No. F / 11 & 12, WICEL, Opp. SEEPZ Main Gate, Central Road, Andheri (East), Mumbai-400 093.

E-mail: secretarial@camlinfs.com • Website: www.camlinfs.com • Tel: 022-6700 1000 • Fax: 022-2832 4404

22nd ANNUAL GENERAL MEETING – 5th AUGUST, 2015

Name of the Member(s)	
Registered Address	
E-mail ID	

Folio No/Client ID																				
DP ID																				

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

Name : _____ Email: _____

Address : _____

Signature: _____

or failing him/her

Name : _____ Email: _____

Address : _____

Signature: _____

or failing him/her

Name : _____ Email: _____

Address : _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Wednesday the 5th August, 2015 at 3.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber Bldg., Indian Merchants Chamber Marg, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Item No	Resolutions	Vote (optional see Note 2)		
		No. of Shares**	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	To consider and adopt, Audited Financial Statement including Consolidated Financial Statement, Reports of Directors and Auditors for the year ended 31st March, 2015. (Ordinary Resolution)			
2	To declare Dividend on equity shares. (Ordinary Resolution)			
3	Appointment of Mr. Dilip D. Dandekar (DIN: 00846901), who retires by rotation and being eligible offers himself for re-appointment. (Ordinary Resolution)			
4	Appointment of Mr. Nirmal V. Momaya (DIN: 01641934), who retires by rotation and being eligible offers himself for re-appointment. (Ordinary Resolution)			
5	Appointment of M/s. B. K. Khare and Co., Chartered Accountants (FR No.: 105102W) as Statutory Auditors of the Company. (Ordinary Resolution)			
6	Re-appointment of Mr. Ashish S. Dandekar (DIN: 01077379) as Managing Director of the Company for the period of 3 (three) years from 1st August, 2015 and revision of remuneration thereof. (Special Resolution)			
7	Payment of Remuneration to Mr. Dilip D. Dandekar (DIN: 00846901), Chairman and Non-Executive Director of the Company for the period of 3 (three) years retrospectively from 1st January, 2014 to 31st December, 2016. (Special Resolution)			

** Each share shall have one vote.

Signed this _____ day of _____ 2015.

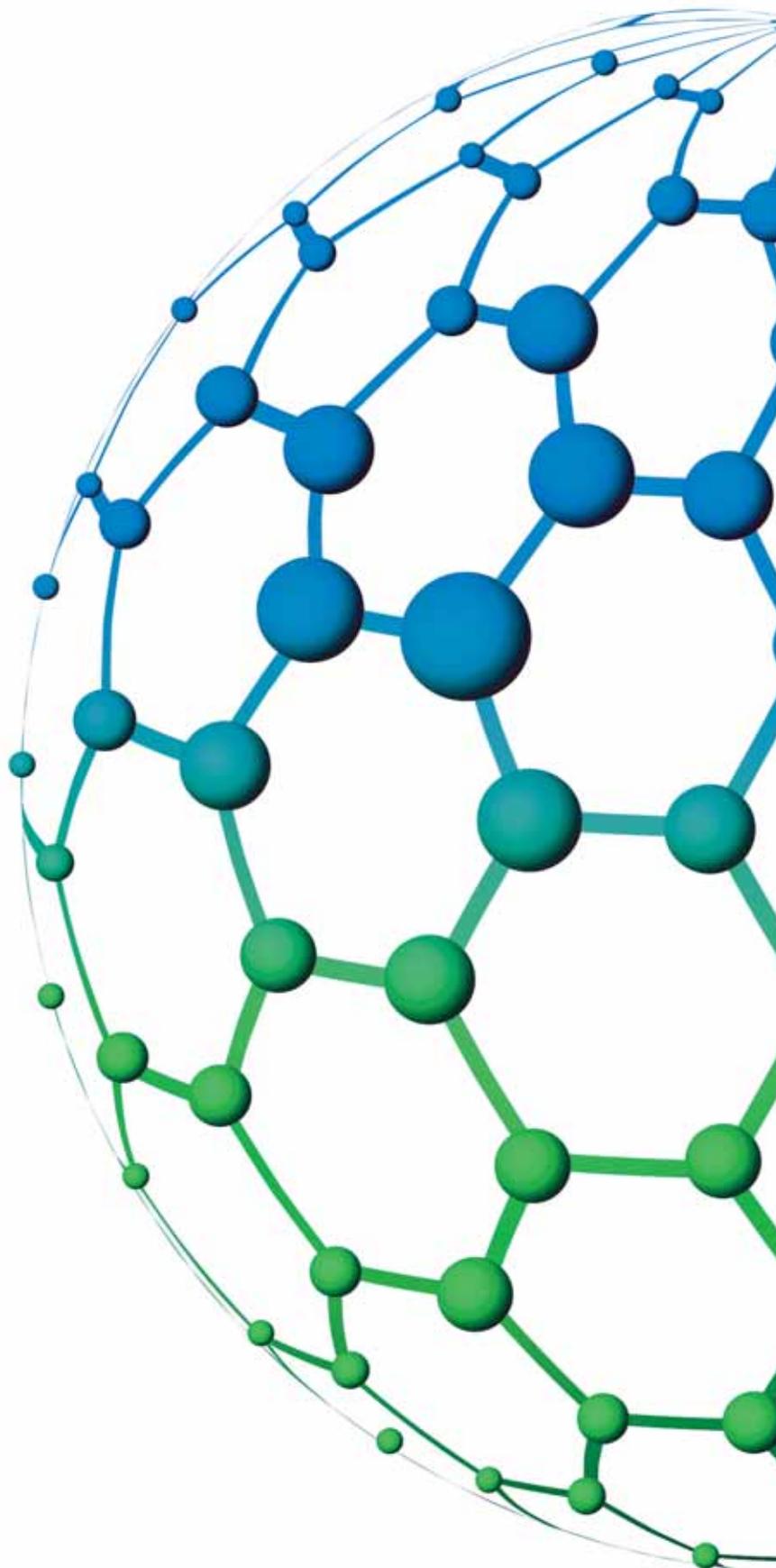
Signature of the member

Signature of the proxy holder(s)

Affix Revenue Stamp

Notes:

1. This form, in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. It is optional to indicate your preference. If you leave the for, against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



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vakils