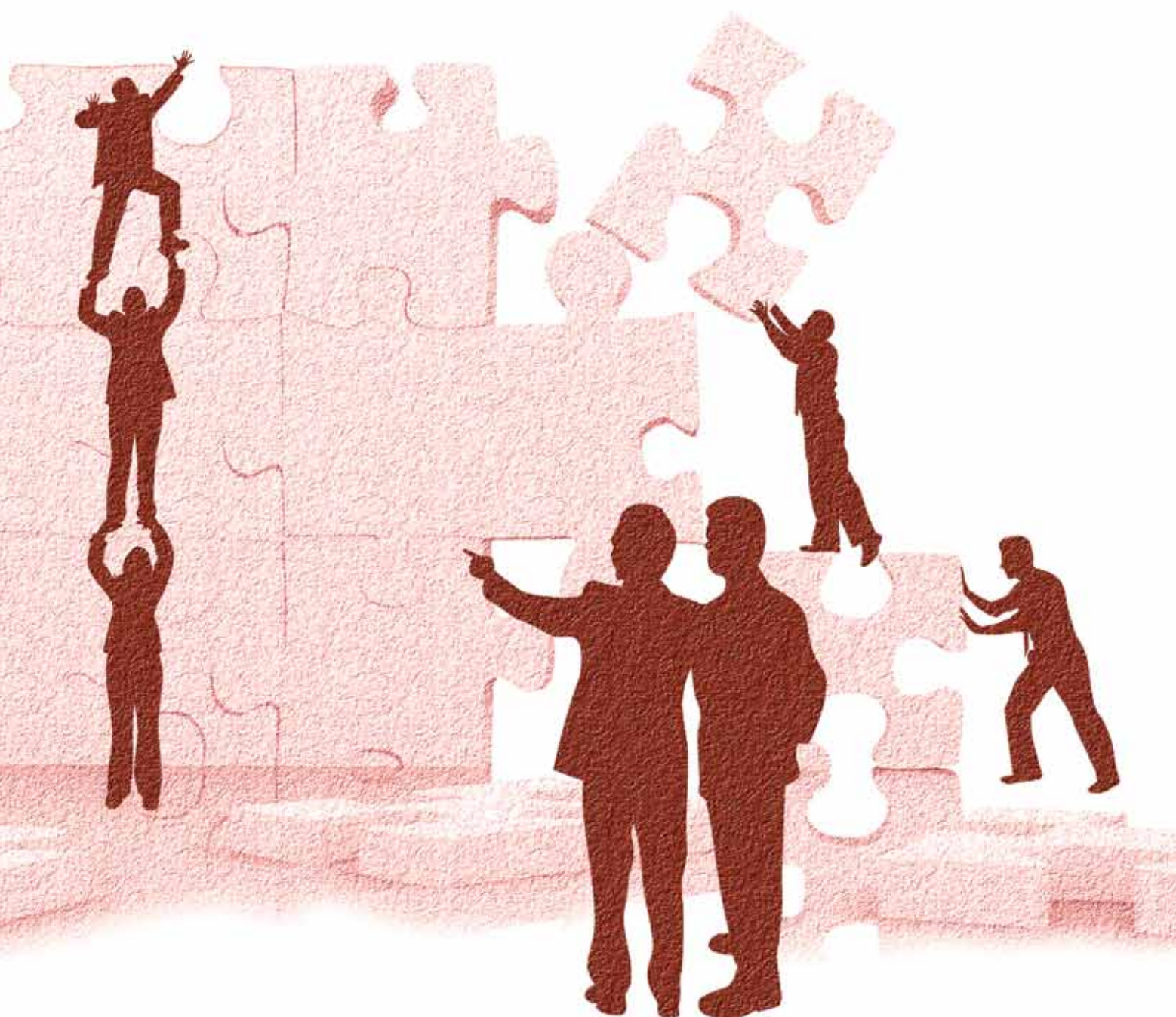


DOING THE RIGHT THINGS

AksharChem (India) Limited | Annual Report, 2014-15





DISCLAIMER

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



ACROSS THE PAGES

Corporate identity	03
The story in our numbers	04
Financial Highlights, 2014-15	06
Chairpersons' review	08
Corporate strengths	10
Management team	12
Corporate information	13
Notice	14
Directors' report	18
Management discussion and analysis	44
Corporate governance report	48
Accounts	63



At AksharChem we have always focused on **doing the right things.**

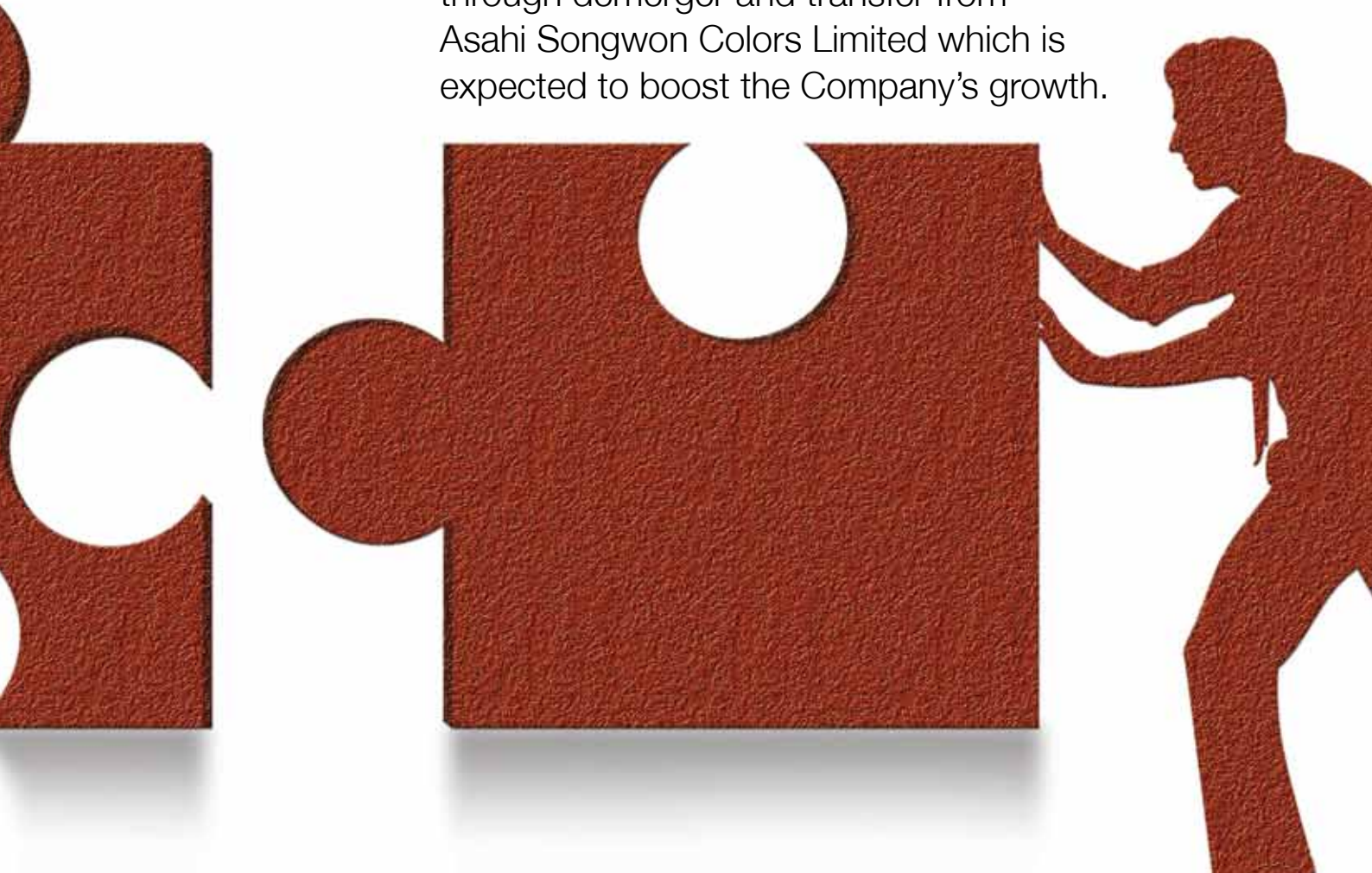
The harder the situation gets the better we perform.

We believe that small changes reap big rewards. This is our DNA. This is our motto.

During a challenging economic scenario, we responded with:

- Strengthening product quality.
- Widening product portfolio.
- Spreading to new regions.
- Delighting customers.

In 2014-15, the Company added a new CPC green product division to its bucket through demerger and transfer from Asahi Songwon Colors Limited which is expected to boost the Company's growth.



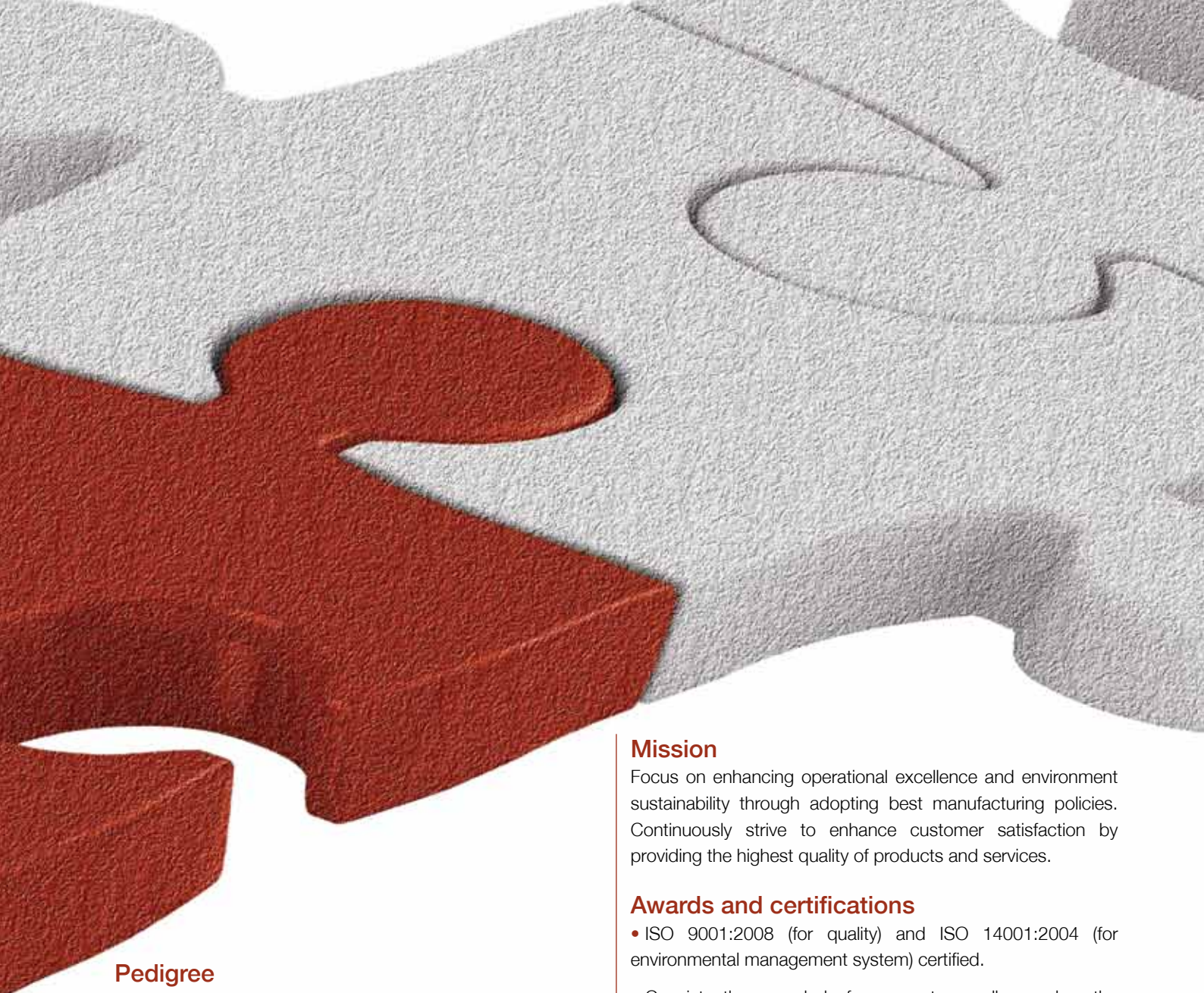


AKSHARCHEM

One of India's leading dye and pigments manufacturers with over 9240 metric tonnes of production capacity.

Recipient of multiple awards for excellence in dye exports from various government organisations and dye manufacturing associations.

A quality conscious, customer centric and environment-friendly company.



Pedigree

- Promoted in 1989, by Mrs. Paru M. Jaykrishna, AksharChem is headquartered in the chemical belt of Mehsana (Gujarat).
- Leading manufacturer and exporter of Vinyl Sulphone in India with marketing presence in far East and Europe.
- Shares listed on the Bombay Stock Exchange (BSE) and Ahmedabad Stock Exchange.

Vision

Emerge as a global leader in supply of Vinyl Sulphone and CPC Green with complete commitment and dedication on standards, quality, productivity and customer satisfaction.

Product portfolio

Product	Application	Capacity
Intermediate dye, para base ester of aniline (also known as vinyl sulphone)	Used as a raw material for manufacturing reactive dyes having application in the textiles industry	7800 metric tonnes per annum
Copper Phthalocyanine Green (CPC Green)	Used in the manufacture of printing inks, paints, rubber, plastics and leather industry	1440 metric tonnes per annum

Mission

Focus on enhancing operational excellence and environment sustainability through adopting best manufacturing policies. Continuously strive to enhance customer satisfaction by providing the highest quality of products and services.

Awards and certifications

- ISO 9001:2008 (for quality) and ISO 14001:2004 (for environmental management system) certified.
- Consistently awarded for export excellence by the Government of India, Government of Gujarat, Gujarat Chambers of Commerce and Industry, Gujarat Dye-stuff Manufacturers Association, Federation of Indian Export Organisation and Chemexcil.

Clientele

- Everlight Chemical Corporation, Taiwan • Kyung-in Synthetic Corporation, South Korea • Oh Young, South Korea • Sumitomo Corporation, Japan • Eastwell Co. Ltd., South Korea • Sun Chemicals, USA and Europe • DIC Corporation, Japan • BASF, Germany/Asia • SIEGWERK, Europe • LANSKO, USA

THE STORY IN OUR NUMBERS



Revenue
growth (%)

23.99

CAGR
FY11-15

EBITDA growth (%)

37.46

CAGR FY11-15

PAT growth (%)

25.88

CAGR FY11-15

Promoters'
holding
(%)

70.00

March 31, 2015

Team size

106

March 31, 2015

Market
capitalisation
(Rs. lacs)

11,539.76

March 31, 2015

Net
Assets
(Rs. lacs)

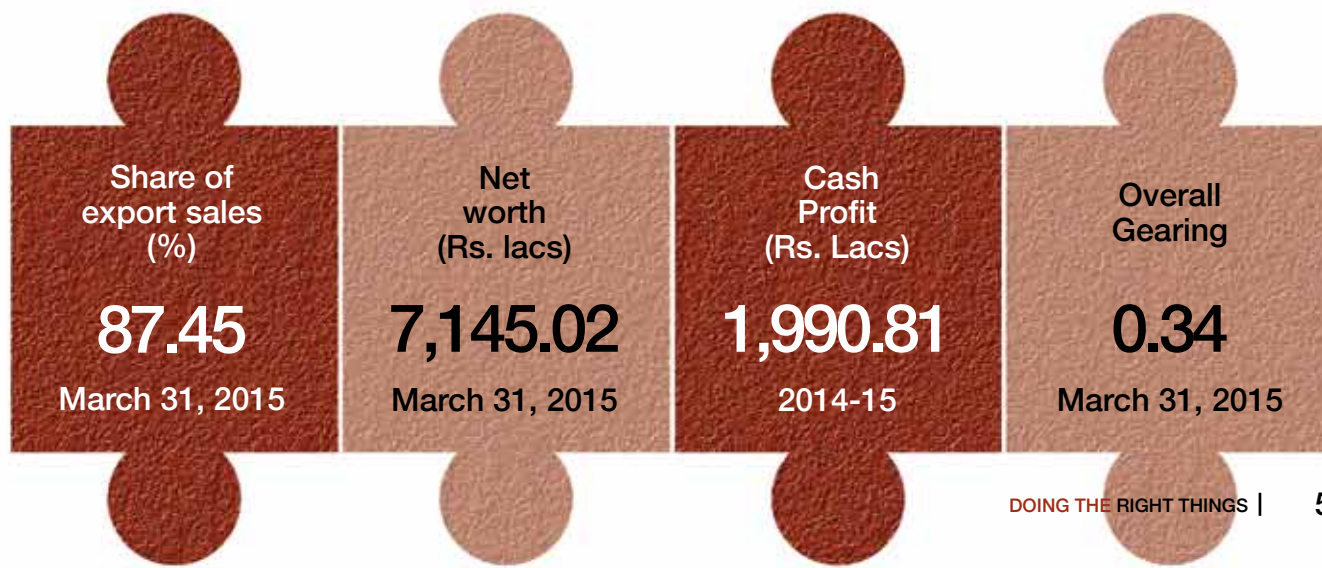
10,256.68

March 31, 2015

A RETROSPECT OF THE YEAR 2014-15



- Added new product line (CPC Green division) which was demerged and transferred from Asahi Songwon Colors Limited. This shall enable the Company to have excess to new customer base, enter new regions, gain market share and a targeted boost in sales.
- Received Star Export House certificate from the Office of the Joint Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India, Ahmedabad.
- The Company's CMD, Mrs. Paru M. Jaykrishna, was adjudged:
 - Best Woman Entrepreneur at SME Business Excellence Awards 2014 organized by Dun & Bradstreet in association with Federal Bank Limited and Times Group.
 - Runners' up in the Best Woman Entrepreneur Exporter category at ECGC-D&B Indian Exporters' Excellence Awards 2015 organized by Dun & Bradstreet in association with Export Credit Guarantee Corporation of India Ltd (ECGC).
- Awarded 1st rank for self-manufactured direct export of dye intermediates during FY2014 by The Gujarat Dyestuffs Manufacturers Association (GDMA).
- Received trophy for self-manufactured domestic sale of dye intermediates during FY2014 by The GDMA.

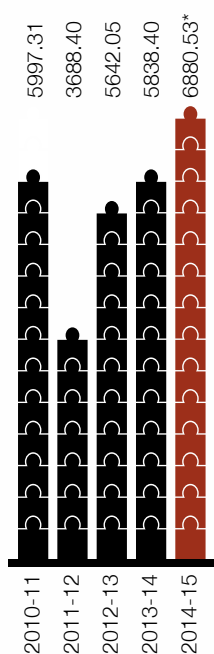


DOING THE RIGHT THINGS OVER THE YEARS



Production

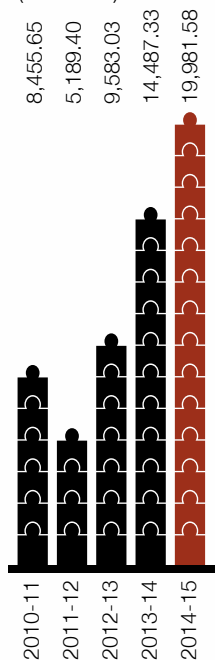
(In metric tonnes)



*Includes Production of CPC Green Division

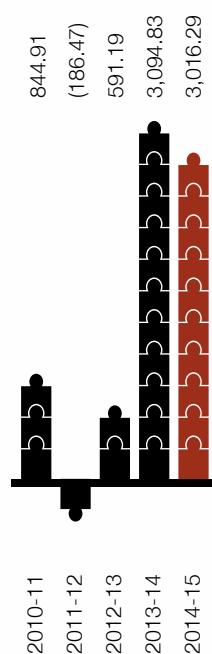
Revenue

(Rs. Lacs)



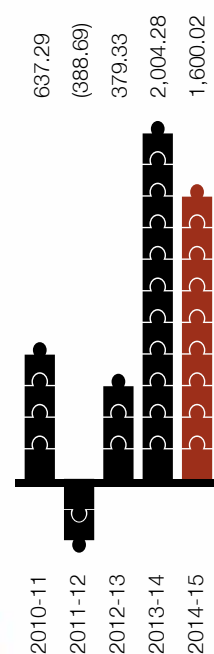
EBITDA

(Rs. Lacs)



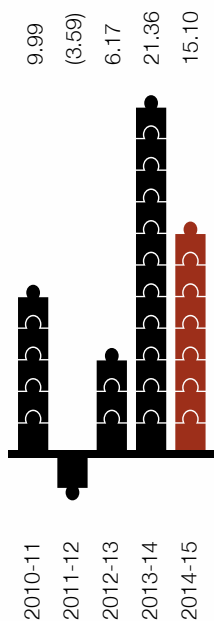
PAT

(Rs. Lacs)



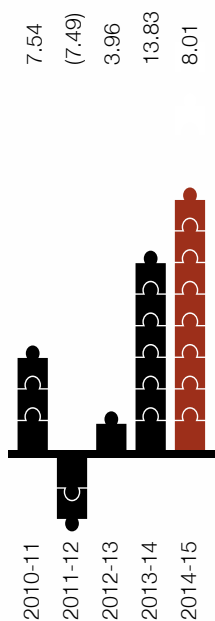
EBITDA

margin (%)

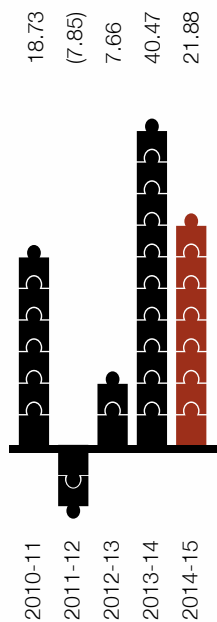


Post-tax profit

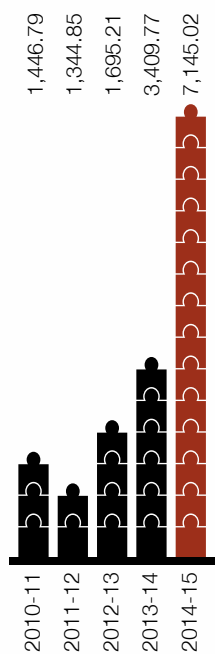
margin (%)



Earnings per share (In Rs.)



Net worth (Rs. Lacs)



FROM THE DESK OF THE CHAIRPERSON

Dear shareholders,

At AksharChem, we believe in being spirited and determined in the most adverse scenarios. Our motto of doing the right things in the gloomiest situations has always helped the Company stay afloat and come out more colourful. In the past three years alone the Company's market capitalisation increased 1,312.07% to Rs. 11,539.76 lacs as on 31st March, 2015 and shareholders' fund grew by 431.29%.

