



DIC India Limited

Color and Comfort by Chemistry



ANNUAL REPORT 2014

BOARD OF DIRECTORS

As on 31st December 2014



Dr P K Dutt
Chairman



Yasuo Ikeda
Chief Executive Officer



D Banerjee



Y Masuda



S Bose



B N Ghosh



U Sengupta



P Koek

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Corporate Information

as on 31st December 2014

CIN - L24223WB1947PLC015202

Board of Directors

Dr Prabir Kumar Dutt	Yasuo Ikeda	
<i>Chairman</i>	<i>Chief Executive Officer</i>	
Yoshiaki Masuda	Dipak Kumar Banerjee	Subir Bose
Bhaskar Nath Ghosh	Utpal Sengupta	Paul Koek
<hr/>		
Timir Baran Chatterjee		
<i>Senior Executive Vice President</i>		
<i>(Corporate Affairs and Legal) & Company Secretary</i>		
<hr/>		
Sandip Chatterjee		
<i>Chief Finance Officer</i>		

Board Committees

Audit

Committee

Dipak Kumar Banerjee – *Chairman*
Subir Bose
Bhaskar Nath Ghosh
Paul Koek
Utpal Sengupta

Investor Grievance & Stakeholders' Relationship Committee

Utpal Sengupta – *Chairman*
Dr Prabir Kumar Dutt
Paul Koek

CSR Committee

Utpal Sengupta – *Chairman*
Subir Bose
Yasuo Ikeda
Paul Koek

Nomination &

Remuneration Committee

Dipak Kumar Banerjee – *Chairman*
Subir Bose
Yoshiaki Masuda
Paul Koek

Bankers

Bank of Baroda
State Bank of India
Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited

Auditors

Lovelock & Lewes
(Rgn No. 301056E)
Plot No. Y-14, Block EP, Sector V, Salt Lake,
Electronics Complex, Bidhan Nagar, Kolkata - 700 091
Phone : (033) 2357 9260 / 7600

Registrar and Share Transfer Agent

C B Management Services (P) Limited
P-22, Bondal Road, Kolkata - 700 019
CIN - U74140WB1994PTC062959
Phone : (033) 4011 6700 / 2280 6692 / 2282 3643 / 2287 0263
E-mail : rta@cbmsl.com | Website : www.cbmsl.com

Registered Office

Transport Depot Road, Kolkata - 700 088
Phone : (033) 2449 6591-95 Fax : (033) 2449 7033 / 2448 9039
E-mail : investors@dic.co.in Website : www.dicindia.co

Ten Years Record

TEN YEARS FINANCIAL STATISTICS

(Rs. in Million)

	2014 Dec-31	2013 Dec-31	2012 Dec-31	2011 Dec-31	2010 Dec-31	2009 Dec-31	2008 Dec-31	2007 Dec-31	2006 Dec-31	2005 Dec-31
Sales (Net)	7,187	7,087	7,124	6,748	5,534	4,593	4,719	4,039	3,395	2,786
Profit before Tax	(181)	120 #	315 #	382 #	649	320	231	167	145	147
Tax	(83)	(5)	100	117	141	97	81	58	45	46
Profit after Tax	(309) \$	125 #	215 #	265 #	507	223	151	109	100	101
Dividend	—	43 *	43 *	43 *	54 *	43 *	38 *	38 *	28 *	28 *
Retained Profit	(309)	82	172	222	454	180	113	71	72	73
Earnings per Share (Rs.)										
— Basic	(33.65)	13.66 #	23.42 #	28.82 #	55.28	24.29	16.56	15.86	14.51	14.72
— Diluted	(33.65)	13.66 #	23.42 #	28.82 #	55.28	24.29	16.56	15.69	—	—
Dividend per Share (%)	—	40 @	40 @	40 @	50	40	35	35	35	35
Net Worth per										
Equity Share (Rs.)	283.77	317.44	308.46	289.69	265.53	216.04	196.47	170.52	157.54	147.12
PBT to Sales (%)	(2.52) ‡	1.69	4.42	5.66	11.72	6.97	4.90	4.14	4.27	5.28
PAT on Shareholders										
Funds (%)	(11.86)	4.30	7.59	9.95	20.82	11.25	8.37	9.30	9.22	9.97
Debt Equity Ratio	0.14:1	0.08:1	0.12:1	0.09:1	0.05:1	0.22:1	0.28:1	0.12:1	0.64:1	0.44:1
Sources of Funds										
Share Capital	92	92	92	92	92	92	92	69	69	69
Share Application	—	—	—	—	—	—	—	516	—	—
Reserves & Surplus	2513	2822	2740	2567	2345	1891	1712	1105	1016	944
Borrowings	352	233	340	227	115	427	497	209	693	444
	2957	3147	3172	2886	2552	2410	2300	1899	1778	1457
Application of Funds										
Net Fixed Assets	890	976	1,018	897	772	756	745	682	535	451
Investments	—	—	—	—	—	108	108	108	108	108
Net Current Assets	2067	2,171	2,153	1,989	1,780	1546	1448	1109	1135	898
	2957	3147	3172	2886	2552	2410	2300	1899	1178	1457

Notes:

* Includes Tax on Dividend

@ Proposed

After considering Extra-ordinary items

\$ After considering Exceptional item

‡ Profit before Tax and Exceptional item



DIC INDIA LIMITED

CIN : L24223WB1947PLC015202.

Regd. Office : Transport Depot Road, Kolkata - 700 088

Website : www.dicindia ltd.co

Email id : investors@dic.co.in

Phone : 033 24496591

Notice

NOTICE is hereby given that the Sixty Seventh Annual General Meeting of the Members of DIC India Limited, will be held at the Williamson Magor Hall in the premises of The Bengal Chamber of Commerce & Industry, Royal Exchange, No. 6, Netaji Subhas Road, Kolkata - 700 001 on Monday, 23rd March 2015 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and consider the Statement of Profit & Loss for the financial year ended 31st December 2014, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Paul Koek (DIN:00081930), who retires by rotation and being eligible, seeks re-appointment.
3. Appointment of Statutory Auditors and to fix their remuneration.

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

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s Lovelock & Lewes, Chartered Accountants (ICAI Firm Registration No.301056E), the retiring Auditors of the Company, be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Sixty Eighth AGM of the Company, to examine and audit the accounts of the Company on such remuneration plus travelling and out-of-pocket expenses, as may be mutually agreed upon between the Auditors and the Audit Committee of the Board or such other officer of the Company as may be approved by the Board/Committee.”

SPECIAL BUSINESS

4. Appointment of **Mr. Dipak Kumar Banerjee** as an Independent Director of the Company for a term of three years.

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

‘RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Mr. Dipak Kumar Banerjee** (DIN: 00028123), Director of the Company whose period of office was liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term up to three consecutive years.

5. Appointment of **Mr. Subir Bose** as an Independent Director of the Company for a term of three years.

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Mr. Subir Bose** (DIN: 00048451), Director of the Company whose period of office was liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term up to three consecutive years.

6. Appointment of **Mr. Bhaskar Nath Ghosh** as an Independent Director of the Company for a term of three years.

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Mr. Bhaskar Nath Ghosh** (DIN: 00225086), Director of the Company whose period of office was liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term up to three consecutive years.

7. Appointment of **Dr. Reena Sen** as an Independent Director of the Company for a term of three years.

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, **Dr. Reena Sen** (DIN 07082198), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 4th February 2015 in terms of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term of three consecutive years.

8. Appointment of **Mr. Kazunari Sakai** as a Director of the Company.

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Kazunari Sakai** (DIN: 05136308), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 4th February 2015 in terms of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and who is eligible for appointment and, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose term shall be subject to retirement by rotation.

9. Appointment of **Mr. Naoyoshi Furuta** as a Director of the Company.

To consider and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Naoyoshi Furuta** (DIN: 01689951), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 4th February 2015 in terms of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and who is eligible for appointment and, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, whose term shall be subject to retirement by rotation.

10. To alter the **Articles of Association** of the Company and in this regard to consider and if thought fit to pass with or without modifications the following resolution as **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 14 and any applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modifications and re-enactments thereof for the time being in force), the Articles of Association of the Company be amended as follows:

- i. The following definitions in Article 1 to be deleted and substituted by the following:

“**The Act**” means the Companies Act, 2013 and Rules thereunder or any statutory modification thereof for the time being in force and where applicable shall include references to the previous Act.”

“**Beneficial Owner**” means and include beneficial owner as defined in clause (a) sub-section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.

“**Special Resolution**” and “**Ordinary Resolution**” have the meanings assigned thereto respectively by the provisions of the Act.

“**Resolution with Special Notice**” has the meaning assigned thereto by the provisions of the Act.

“**The Register**” shall mean the Register of Members, including any foreign register which the Company may maintain pursuant to the Act and includes Register of Beneficial owners.

“**Dividend**” includes interim dividend.
- ii. The following definitions be added in Article 1:

“**Applicable Law**” means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time.

“**Person**” includes any artificial juridical person, corporations or such other entities as are entitled to hold property in their own name.
- iii. The following line be added in Article 1:

“Term(s) and phrase(s), Capitalised words not specifically defined in these Articles shall bear the same meaning as assigned to the same in the Act.”
- iv. References to any section numbers under Companies Act, 1956 be substituted with the words, “the provisions of the Act and the Rules thereto”
- v. Any reference to the word “Calcutta” be substituted with the word “Kolkata”.
- vi. Article 2 be deleted and substituted with the following:

“The regulations contained in the Table marked “F” in Schedule I to the Act shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Act.”

- vii. The following Article 3A be added to the Articles:
“Articles to be contemporary in nature
The intention of these Articles is to be in consonance with the contemporary rules and regulations prevailing in India. If there is an amendment in any Act, rules and regulations allowing what were not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles.”
- viii. Article 5 be substituted with the following:
“The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided under Clause No. 5 of the Memorandum of Association of the Company”.
- ix. The words, “subject to Applicable Laws” and “subject to provisions of the Act be added in Article 7 and the said Article be read as follows:
“Subject to the provisions of these Articles, the shares shall be under the control of the Directors, who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times, as the Directors think fit and to give any person the call of any shares either at par or at a premium and for such time and for such consideration as the Directors think fit, provided that where at any time (subsequent to the first allotment of shares) it is proposed to increase the subscribed capital of the Company by the issue of new shares, then, subject to any directions to the contrary which may be given by the Company in General Meeting, the Directors shall issue such shares in the manner set out **under the Applicable Law**.
Option or right to Call of shares shall not be given to any person or person except with sanction of the Company in General Meeting **subject to provisions of the Act.**”
- x. Article 10 to be deleted and substituted by the following:
“(i) The company may exercise the powers of paying commissions to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares or Debentures of the Company, or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares, Debentures or of the Company conferred by the relevant provisions of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and Rules made there under.
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.”
- xi. The words, “subject to Applicable Law” be added in Article 11 and the said Article would read as follows:
“The Company may, **subject to Applicable Law**, pay a reasonable sum for brokerage and may make any allotment on the terms that the person to whom such allotment is made shall have the right to call for further shares at such time or times and at such price or prices (not less than par) as may be thought fit.”
- xii. Article 14 be deleted and substituted by the following:
“Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.”
- xiii. Article 15A be deleted and substituted by the following:
“Where shares are converted into stock,—
a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so,

however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

- b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
- c) such of these Articles of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/“member” shall include “stock” and “stock-holder” respectively”

xiv. Article 17 be deleted and substituted by the following:

“Every person whose name is entered as a member in the Register of Members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or subdivision/consolidation within such other period as the conditions of issue shall be provided,—

- a) one certificate for all his shares without payment of any charges; or
- b) several certificates, each for one or more of his shares, upon payment of fees as may be prescribed in the Act and the Rules thereto for each certificate after the first or as may be fixed by the Board.
- c) in respect of a Share(s) held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.”

xv. Article 17A be deleted and substituted by the following:

“The Share certificates shall be numbered progressively according to their several denominations, specify the Shares to which it relates and bear the seal of the Company, and except in the manner hereinbefore mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share certificate shall continue to bear the number by which the same was originally distinguished.

Provided however that the provision relating to progressive or distinctive numbering of Shares shall not apply to the Shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form.”

xvi. Article 18 be deleted and substituted by the following:

- (i) “If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board, not exceeding Rs.50 for each certificate or such other amount as may be prescribed by the Applicable Laws.
- (ii) The provisions of the foregoing Articles relating to issue of share certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.”

xvii. Article 19 be deleted.

xviii. Article 24 be deleted and substituted by the following:

“Not less than fourteen days’ notice of any call or any other number of days’ notice as may be prescribed by the Act and the Rules thereto, shall be given specifying the time and place of payment and to whom such call shall be paid.”

xix. Article 25 be deleted and substituted by the following:

- i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate prescribed in the Act and the Rules thereto or at such lower rate, if any, as may be fixed by the Board.
- ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.”