

DAI-ICHI

53rd ANNUAL REPORT
2012-2013

A TRIBUTE TO THE CHAIRMAN

A Visionary, With Ethical Values,
Generosity of Spirit and Great Humility.



MR. DHUNJISHAW M. NETERWALA
(11.10.1919 - 31.05.2013)

Our Founder and Chairman with deep respect for
the values he ingrained
and the reputation he built for the Company.

— Directors, Shareholders and Employees of the Company.

Rest in Peace.

BOARD OF DIRECTORS:

Mr. D. M. Neterwala	*Chairman (passed away on 31.5.2013)*
Mrs. S. F. Vakil	*Vice-Chairperson & Managing Director (upto 23.6.2013)*
	Chairperson & Managing Director (w.e.f. 24.6.2013)
Mr. J. H. C. Jehangir	
Mr. A. H. Jehangir	
Dr. K. R. Bharucha	
Mr. K. D. Patel	
Dr. A. M. Naik	
Mr. J. S. Bilimoria	*(passed away on 3.5.2013)*
Mr. K. M. Elavia	
Mrs. Kavita Thadeshwar	*Company Secretary*

Bankers:

Bank of India
HDFC Bank Ltd.
Central Bank of India

Auditors:

Deloitte Haskins & Sells.
Chartered Accountants, Mumbai

Solicitors:

Bharucha & Partners

Registered Office:

Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai – 400 020.
Tel: 2201 7130/2201 5895

Works:

1. 105th Milestone, Mumbai-Pune Marg, P.O. Kasarwadi, Pune – 411 034.
2. Kurkumbh Industrial Area, Plot No. D-13, Village Kurkumbh, Tal. Daund, Dist. Pune.

Registrars and Transfer Agents:

Sharex Dynamic (India) Private Ltd.
Unit 1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072
Tel: 2851 5606/2851 5644

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Annual General Meeting

Date & Time:
Wednesday, 31st July, 2013 at 11.30 a.m.

Venue:
M. C. Ghia Hall,
Bhogilal Hargovindas Building,
4th Floor, 18/20 Kaikhushru Marg,
Mumbai 400 001

Book Closure Dates
24th July, 2013 to 31st July, 2013

Dividend Payment Date
14th August, 2013

NOTICE

NOTICE is hereby given that the Fifty-Third Annual General Meeting of the Members of **DAI-ICHI KARKARIA LIMITED** will be held on Wednesday, the 31st day of July 2013 at 11.30 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20 Kaikhushru Dubash Marg, Mumbai 400 001 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2013 and the Balance Sheet as at that date together with the Directors' Report and Auditors' Report thereon.
2. To declare a dividend for the year ended 31st March, 2013.
3. To appoint a Director in place of Mr. K. D. Patel, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. K. M. Elavia, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Messrs. Deloitte Haskins & Sells, Chartered Accountants, Registration No. 117366W as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as agreed upon by the Board of Directors and the Auditors.

Special Business

6. Re-appointment of Mrs. S. F. Vakil as Chairperson and Managing Director:

   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 Sections 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the said Act or any statutory modification or re-enactment(s) thereof and subject to such permissions, consents and approvals from various authorities as may be required and subject to such conditions, if any, that may be imposed by any authority while granting their permissions, consents and approvals and which the Board of Directors is hereby authorized to accept, the Company hereby accords its consent and approval to the re-appointment of Mrs. S. F. Vakil as the Chairperson and Managing Director of the Company for a period from 1st June, 2013 to 31st March, 2016, on the terms and conditions set out below in the explanatory statement annexed hereto which shall be deemed to form part hereof."

By Order of the Board
For Dai-ichi Karkaria Ltd.

Kavita Thadeshwar
Company Secretary

Registered Office:
Liberty Building,
Sir Vithaldas Thackersey Marg,
Mumbai - 400 020.

Place : Mumbai
Date : 24th June, 2013

NOTES:

(1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

(2) An Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 relating to Special Business to be transacted at the Annual General Meeting is annexed.

(3) The Register of Members and Share Transfer Books of the Company will remain closed from 24th July, 2013 to 31st July, 2013 (both days inclusive) in connection with the Annual General Meeting.

(4) Subject to provisions of Section 206A of the Companies Act, 1956, dividend as recommended by the Directors if declared at the meeting, will be payable to those Members whose names appear on the Register of Members as on 31st July, 2013. In respect of the shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Ltd and Central Depository Services (I) Ltd. for this purpose as on 24th July, 2013. Date of payment will be 14th August, 2013.

(5) The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. Members are therefore requested to update their NECS/Bank details with the Depositories/Share Registrar of the Company.

(6) Pursuant to the provisions of sub-section (5) of Section 205A of the Companies Act, 1956, dividend for the financial year ended 31st March, 2006 and thereafter which remains unclaimed for a period of seven years will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956. The Shareholders who have not claimed or encashed their dividend warrants for the financial year 2006 and subsequent years are therefore requested to approach the Company in writing with their folio numbers to facilitate payment.

(7) Members whose shareholding is in physical mode are requested to immediately notify any change in their addresses to M/s. Sharex Dynamic (India) Pvt. Ltd. at Unit - 1, Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai-400 072 and members whose shareholding is in electronic mode are requested to direct change of their address notification to their respective Depository Participants.

(8) The Shareholders desiring any information as regards Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.

(9) Members/proxies are requested to bring duly filled Attendance slips and their copies of annual report along with them as copies of the Report will not be distributed at the meeting.

(10) The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. Companies are now permitted to send various notices/documents such as General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report, ECS credits etc to its shareholders through electronic mode to the registered e-mail addresses of shareholders. We therefore request you to register your email-id for implementation of the initiative.

(11) In terms of clause 49 of the listing agreement, the information relating to directors retiring by rotation and seeking re-appointment is as under:

Mr. K. D. Patel

Mr. K. D. Patel, retires by rotation and being eligible offers himself for re-appointment.

Brief resume and nature of expertise:

Mr. K. D. Patel, age 66 years, is a Director of the Company since 2001. Mr. Patel is a Bachelor of Commerce from the University of Bombay and in 1972 became a Member of the Institute of Chartered Accountants in England and Wales.

His professional career started with Turquands Barton Mayhew a U.K. firm of Chartered Accountants in their Milan, Italy office.

He joined Polaroid Italia Spa. in 1974 followed by various international assignments for Polaroid over a 21 year career including Director of Finance for the Asia Pacific Region based in Tokyo and Country Director for India.

Mr. Patel is resident in Pune and is a Trustee of the Dastur Schools Trust, Pune. He is on the Board of Directors of the following companies:

Sr. No.	Name of the Company	Designation
1.	ARI Consolidated Investments Limited	Director
2.	Champion Dai-ichi Technologies India Ltd	Director
3.	INARCO Limited	Director
4.	Indian Oxides & Chemicals Limited	Director
5.	Phil Corporation Limited	Director
6.	Tasty Bite Eatables Ltd.	Director
7.	Uni Klinger Limited	Director
8.	Zinnia Properties Pvt. Limited	Director

He is a member of the following Board Committees:

Sr. No.	Name of the Company	Committee	Designation
1.	Phil Corporation Limited	Audit Committee	Chairman
		Shareholders Grievance Committee	Chairman
		Remuneration Committee	Chairman
2.	Tasty Bite Eatables Ltd.	Audit Committee	Member
		Shareholders Grievance Committee	Member
3.	Uni Klinger Limited	Audit Committee	Chairman

None of the other Directors are concerned/interested in the above resolution. The Directors recommend the Resolution for members' approval.

Mr. K. M. Elavia:

Mr. K. M. Elavia, Director retires by rotation and being eligible offers himself for re-appointment.

Brief resume and nature of expertise:

Mr. K. M. Elavia, age 67 years, is a Bachelor of Commerce and a fellow member of the Institute of Chartered Accountants of India.

Mr. Elavia possesses more than 4 decades of post qualification experience. He has been a partner of M/s. Kalyaniwalla & Mistry, Chartered Accountants from the year 1974 to 2009.

Mr. Elavia does not hold any shares of the Company. He is on the Board of Directors of the following other companies:

Sr. No.	Name of the Company	Designation
1.	Uni VTL Precision Pvt. Ltd.	Chairman
2.	Allcargo Global Logistics Ltd.	Director
3.	Busbar Systems India Pvt. Ltd.	Director
4.	Development Credit Bank Limited	Director
5.	Goa Carbon Ltd.	Director
6.	Godrej & Boyce Mfg. Co. Ltd.	Director
7.	Godrej Industries Ltd.	Director
8.	Grindwell Norton Ltd.	Director
9.	Insilco Ltd.	Director
10.	NRB Bearings Ltd.	Director
11.	Peerless Trust Management Company Ltd.	Director
12.	Raptor Research and Conservation Fund (section 25 company)	Director
13.	SinoGoa International Holdings Ltd. (foreign company)	Director
14.	Uni Abex Alloy Products Ltd.	Director
15.	Uni Deritend Ltd.	Director

He is a member of the following Board Committees:

Sr. No.	Name of the Company	Committee	Designation
1.	Allcargo Global Logistics Ltd.	Audit Committee	Chairman
		Share allotment Committee	Chairman
		Compensation/Remuneration Committee	Member
		Finance Committee	Member

Sr. No.	Name of the Company	Committee	Designation
2.	Development Credit Bank Limited	Audit Committee	Chairman
		Risk Management Committee	Chairman
		Fraud Reporting & Monitoring Committee	Chairman
		Capital Raising Committee	Member
		Nomination & Remuneration Committee	Member
3.	Goa Carbon Ltd.	Audit Committee	Member
		Remuneration Committee	Chairman
		Corporate Governance Committee	Member
4.	Godrej & Boyce Mfg. Co. Ltd.	Audit Committee	Chairman
		Remuneration Committee	Member
5.	Grindwell Norton Ltd.	Audit Committee	Chairman
6.	Insilco Ltd.	Audit Committee	Member
		Remuneration Committee	Member
7.	NRB Bearings Ltd.	Audit Committee	Member
8.	Peerless Trust Management Company Ltd.	Audit Committee	Member
9.	Uni Abex Alloy Products Ltd.	Audit Committee	Chairman
		Remuneration committee	Chairman
10.	Uni Deritend Ltd.	Remuneration Committee	Member

None of the other Directors are concerned/interested in the above resolution. The Directors recommend the resolution for members' approval.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 REGARDING SPECIAL BUSINESS

Item no. 6

Subject to the approval of the shareholders and such other approvals as may be required, the Board of Directors at its meeting held on 28th May, 2013 have re-appointed Mrs. S. F. Vakil as Chairperson and Managing Director of the Company for a period from 1st June, 2013 to 31st March, 2016 on the terms and conditions recommended by the Remuneration Committee of the Board at its meeting held on 28th May, 2013.

As required under clause (iv) of provision to paragraph 1(C) of Section II of Part II of the Schedule XIII to the Companies Act, 1956, the relevant details to be sent alongwith the notice convening the general meeting are as under:

(I) General Information:

1. Nature of Industry: Specialty Chemical Industry
2. Date of commencement of commercial production: In the year 1963
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators:

Particulars for Financial year ended 31st March, 2013	**₹ in lacs**
Gross Sales and other income	9386
Operating Profit (before exceptional items, Interest, Depreciation and Tax)	715
Profit before Tax	565

5. Export Performance and net foreign collaborations:

   The exports for the year ended 31st March, 2013 was ₹ 1,313 lacs. The Company does not have any foreign collaborations.

6. Foreign Investment or Collaborators, if any: In the oil field sector, the Company has tied up with a major U.S. based Company, CTI Technologies, INC and has formed a Joint Venture, through its erstwhile subsidiary, Champion Dai-ichi Technologies India Ltd.

(II) Information about the appointee:

1. **Background Details:**

   Mrs. S. F. Vakil is the Chairperson and Managing Director of the Company and Member of Share Transfer Committee of the Company.

   Mrs. S. F. Vakil holds an M.A. degree in Industrial Psychology from Bombay University and M.B.A. degree from U.S.A. and has over 30 years of experience in business.

   Mrs. S. F. Vakil has played a vital role in the success of the Company. In fact under her able and dynamic leadership the Company initiated and successfully accomplished the all round measures of cost cutting and restructuring of the business of the Company. Mrs. S. F. Vakil is shouldering the responsibilities of the Management and in house research and development. She also supervises marketing, finance and general administration.