

ORIENTAL CARBON & CHEMICALS LIMITED



34th
ANNUAL REPORT
2013-2014

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ORIENTAL CARBON & CHEMICALS LIMITED

DIRECTORS

Mr. J.P. Goenka

Chairman

Mr. Arvind Goenka

Managing Director

Mr. S.J. Khaitan

Mr. O.P. Dubey

Mr. B.B. Tandon

Mr. S.K. Roy

(Nominee of Life Insurance

Corporation of India) ceased to be a Director w.e.f. 26.07.2013

Mr. K. Raghuraman

Mr. H.S. Shashikumar

(Nominee of Life Insurance Corporation of India)

COMPANY SECRETARY

Mr. Pranab Kumar Maity

STATUTORY AUDITORS

Singhi & Co.

SOLICITORS

Khaitan & Co.

Khaitan & Partners

BANKERS

State Bank of India

Export Import Bank of India

Corporate Identities Number (CIN)-L24297WB1978PLC031539

REGISTERED OFFICE

31, Netaji Subhas Road,

Kolkata - 700 001

PLANTS

1. Plot 3 & 4, Dharuhera Industrial Estate,
P.O. Dharuhera,
Distt. Rewari - 122 106, Haryana
2. Survey No.141, Paiki of Mouje,
SEZ Mundra, Taluka Mundra,
Distt. Kutch-370 421, Gujarat.

WEBSITE

<http://www.occlindia.com>

Investor Relations Email: investerfeedback@occlindia.com

ORIENTAL CARBON & CHEMICALS LIMITED

Financial Summary for Last 10 Years

(Rs. in Lacs)

Particulars	2013-14***	2012-13**	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Production (Mt)										
Insoluble Sulphur	18,733	17,918	17,392	14,421	11,712	10,703	9,391	8,883	7,066	5,021
Sulphuric Acid	28,000	32,941	32,106	32,492	28,899	24,932	32,785	30,656	32,698	31,428
Gross Sales	27,283	23,548	22,508	16,495	12,944	12,898	9,667	6,912	5,828	4,899
Net Sales	26,170	22,544	21,782	15,900	12,571	12,183	8,964	6,446	5,391	4,506
PBIDT	7,164	6,243	5,993	5,132	4,138	1,653	1,016	1,163	1,000	633
Interest	1,105	1,278	831	269	242	393	328	241	175	89
PBDT	6,059	4,965	5,162	4,863	3,896	1,260	688	922	825	544
Profit Before Tax	5,015	4,004	4,450	4,361	3,427	813	249	484	471	283
Profit After Tax	4,044	2,738	3,146	3,738	2,946	763	160	412	384	241
Dividend %*	70	50	50	40	40	15	5	10	10	7.5
Fob Value of Export	17,639	14,269	14,006	9,515	7,657	6,430	4,616	3,554	2,898	2,021
Gross Fixed Assets	27,354	25,977	24,505	17,515	12,172	10,105	9,485	9,277	9,231	8,634
Net Fixed Assets	19,570	19,080	18,464	11,806	7,326	5,721	5,453	5,630	5,847	5,599
Net Current Assets	4,542	3,739	4,077	4,348	4,453	3,960	3,821	3,467	3,191	2,436
Share Capital	1,031	1,031	1,031	1,031	1,031	1,031	1,007	918	918	917
Reserves & Surplus**	19,244	16,043	13,905	11,360	8,101	5,637	4,927	4,707	4,525	4,245
Net Worth	20,275	17,074	14,936	12,391	9,132	6,668	5,934	5,625	5,443	5,162
Deferred Tax Provision	1,844	1,630	641	652	689	639	698	701	545	615
PBIDT Margin % (Over net Sales)	27.38	27.69	27.51	32.28	32.92	13.57	11.33	16.82	17.16	12.93
PBT Margin % (Over Net Sales)	19.16	17.76	20.43	27.43	27.26	6.67	2.78	7.01	8.08	5.78
Debt Equity Ratio	0.31	0.45	0.54	0.33	0.20	0.33	0.42	0.46	0.53	0.41
Earning Per Share for the year (Rs./Share)	39.28	26.60	30.55	36.30	28.61	7.67	1.76	4.50	4.19	2.62
Book Value of Shares (Rs./ Share)	187.99	156.98	136.30	111.66	80.09	66.26	61.96	63.13	61.16	58.05

* Includes Proposed Final Dividend 50% for the Financial Year 2013-14

** Excluding Revaluation Reserve

*** Figures for 2013-14 and 2012-13 are as per revised schedule VI

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NOTICE

NOTICE is hereby given that the Thirty-fourth Annual General Meeting of the Shareholders of the Company will be held at "Williamson Magor Hall" (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700001 on Wednesday, the 30th July, 2014 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement of the Company for the year ended March 31, 2014 including the Audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare final dividend and to confirm the payment of interim dividend on Equity Shares for the year 2013-14.
3. To appoint a director in place of Mr. H S Shashikumar (holding DIN 06674954), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the fourth consecutive Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 224 and other applicable provisions, if any, of the Companies Act, 1956), M/s. Singhi & Co. (Firm Regn. No. 302049E), Chartered Accountants, be and are hereby re-appointed as Statutory Auditors of the Company to hold office for three consecutive years for a term upto the conclusion of 37th Annual General Meeting of the Company in the calendar year 2017 (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board of Directors be and are hereby authorised to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass, with or without modification(s), the following resolution **as an Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. S J Khaitan (holding DIN 00023370), Director of the Company who retires by rotation at this Annual General Meeting in terms of the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019."
6. To consider and if thought fit to pass, with or without modification(s), the following resolution **as an Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. B B Tandon (holding DIN 00740511), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019."
7. To consider and if thought fit to pass, with or without modification(s), the following resolution **as an Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. O P Dubey (holding DIN 00228441), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be

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and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019.”

8. To consider and if thought fit to pass, with or without modification(s), the following resolution **as an Ordinary Resolution:**

“**RESOLVED** that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K Raghuraman (holding DIN 00320507), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019.”

9. To consider and if thought fit to pass, with or without modification(s), the following resolution **as an Ordinary Resolution:**

“**RESOLVED** that pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditor) Rules, 2014 (including statutory modification(s) or re-enactment thereof for the time being in force), the Cost Auditor appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company in respect of Sulphuric Acid for the financial year ending March 31, 2015, be paid a remuneration of Rs. 1,15,000/- plus applicable service tax and reimbursement of actual out of pocket expenses.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“**RESOLVED** that consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force), to the Board of Directors of the Company to mortgage and/or charge any or all immovable and movable assets of the Company, wherever situate, present and future in favour of State Bank of India, Overseas Branch, Jawahar Vyapar Bhawan, 1, Tolstoy Marg, New Delhi – 110 001 for fund based and non-fund based working capital facilities amounting Rs.77,57 Lacs (Total of all advance limit) and continuation of the existing Term Loans with present aggregate outstanding of Rs.73,92 Lacs and in favour of Export Import Bank of India, PHD House, Sector 31 A , Chandigarh for a Term Loan with present outstanding of USD 14.12 Lacs. The Working Capital Limits from State Bank of India are as detailed below:

Fund Based Limit	Amount (Rs in lacs)
Cash Credit (Stocks)*	60,00.00
*(including sub-limit for EPC & FBP/FBD of Rs 40,00 lacs)	
Non Fund Based Limit	
Letter of Credit	10,00.00
Bank Guarantee	4,00.00
Forward Contract	3,57.00
Total Fund Based & Non Fund Based	77,57.00

on such terms and conditions as set out in their respective Sanction Letters with liberty to the Directors of the Company to create in future any further or other charge on the said assets.

RESOLVED FURTHER that the mortgage/charges created and/or all agreements/documents executed and acts done in terms of the above resolution by and with the authority of the Board of Directors are hereby confirmed and ratified.”

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

“**RESOLVED** that in supersession of the Ordinary Resolution adopted at the 10th Annual General Meeting held on 9th August, 1989 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of paid up Share Capital and free reserves of the Company provided that total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from Company’s Bankers in the ordinary course of business, shall not

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exceed Rs. 100 crores (Rupees one hundred crores) over and above the aggregate of paid up Share Capital and free reserves of the Company.”

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED that pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to hold an office or place of profit as a Senior Manager of the Company to Mr. Shreyans Goenka, a relative of Mr. J P Goenka, Chairman and Mr. Arvind Goenka, Managing Director of the Company with effect from 01.06.2014 at a remuneration set out in letter dated 28.05.2014 (which is laid on the table and initialled by the Chairman for sake of identification) issued by the Company to Mr. Shreyans Goenka.”
13. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED that pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to hold an office or place of profit as a Vice President of the Company to Mr. Akshat Goenka, a relative of Mr. J P Goenka, Chairman and Mr. Arvind Goenka, Managing Director of the Company with effect from 01.06.2014 at a remuneration set out in letter dated 28.05.2014 (which is laid on the table and initialled by the Chairman for sake of identification) issued by the Company to Mr. Akshat Goenka.”
14. 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 76 and any other applicable provision of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (including statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors to invite and accept deposits from the public (including members and employees of the Company).
RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”
15. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED FURTHER that pursuant to Section 188 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contracts or arrangements with the undernoted related parties, during the financial year 2014-15 and thereafter, up to the aggregate amount, as mentioned below, on such terms and conditions as the Board may think proper and beneficial for the Company.

A. For making payments to different related parties:

Sl. No.	Name of the Related Party	Nature of Transaction (Payment for)	Value of Transaction Annual (approx) (Rs. in lacs)
1.	Duncan International (India) Ltd.	- Clerical and managerial assistance with support staff at Kolkata office @ Rs. 5 lacs per month - Reimbursement of Expenses on actual basis upto Rs. 3.00 lacs per annum	63.00
2.	Cosmopolitan Investments Ltd.	Leave and license fees for office accommodation and related backup facilities at Kolkata (Registered Office) including maintenance/central AC	64.80
3.	Angel Investments Ltd.	Transit Flat usage charges (Mumbai Flat)	9.00
Total			136.80

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B. For Receipts from different related parties:

Sl. No.	Name of the Related Party	Nature of Transaction (Receipts on account of reimbursement of expenditure)	Value of Transaction Annual (approx) (Rs. in lacs)
1.	Duncan International (India) Ltd.	Reimbursement on account of expenses on telephone, electricity, vehicle, security etc. at Delhi	4.00
2.	Cosmopolitan Investments Ltd.	Reimbursement on account of expenses on telephone, electricity, vehicle, security etc. at Delhi	4.00
3.	New India Investment Corporation Ltd.	Transit Flat usage charges (Gurgaon)	1.08
4.	Schrader Duncan Limited	Leave and License fees for Office accommodation and reimbursement on account of related facilities at Delhi	24.00
Total			33.08

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office :
31, Netaji Subhas Road
Kolkata – 700 001

Dated: 29th May, 2014

By order of the Board

Pranab Kumar Maity
Sr. Manager Legal &
Company Secretary

Notes:

- A member entitled to attend and vote at the Meeting may appoint a proxy to attend and, on poll, to vote instead of himself/herself. A proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited with the Company not less than forty-eight hours before the meeting.**
- Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting are annexed hereto.
- The Register of Members and the Share Transfer Books of the Company will remain closed from 26th July, 2014 to 30th July, 2014 (both days inclusive).
- The Final Dividend, if sanctioned at the meeting, will be paid on and from 8th August, 2014 to those members whose names appear on the Company’s register of members on 26th July, 2014. In respect of the shares held in electronic form, dividend will be payable on the basis of ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Ltd. for this purpose.
- Dividend for the financial year ended 31st March, 2007, which remains unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund of Central Government (IEPF) later this year pursuant to the provisions of Section 205A of the Companies Act, 1956. Members who have not encashed their dividend warrants for the financial year ended 31st March, 2007 are requested to lodge their claims with the Company.
Members are advised that in terms of the provisions of Section 205C of the Companies Act, 1956, once unclaimed dividend is transferred to Investor Education Protection Fund (IEPF), no claim shall lie in respect thereof.
- Mr. H S Shashikumar does not hold, by himself or for any other person on beneficial basis, any shares of the Company.
- Details under Clause 49 of the Listing Agreement with 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 declaration for their appointment/re-appointment.
- Voting through electronic means:
 - In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2013, the Company is pleased to provide members facility to exercise their right to vote at

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34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

Instructions for e-voting are as under:

(A) In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares In Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric PAN* issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB	27/06/2014	
Dividend Bank Details#	Enter the Dividend Bank details as recored in your demat account or in the company records for the said demat account or folio.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code, click on Forgot Password and enter the details as prompted by the system.

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- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (B) In case of members receiving the physical copy, Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (C) The e-voting period commences on 23rd July, 2014 (9.00 am) and ends on 25th July, 2014 (6.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on 27th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. You can update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- III. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date of 27th June, 2014.
- IV. Mr. Sahadeb Rath, a Practising Company Secretary (Membership No. ACS 13298) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witness not in the employment of the Company and make a Scrutinizer's report of the votes in favour or against, if any, forthwith to the Chairman of the Company.
- VI. The Results shall be declared on and after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.occlindia.com and on the website of CDSL within 2 (two) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
9. All documents referred to the accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company during 10.00 am to 12.00 pm on all working days except Saturdays, up to and including the date of Annual General Meeting of the Company.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013.

Item No. 5

Mr. S J Khaitan is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in May, 1998. Mr. Khaitan is a member of Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board of Directors of the Company.

Mr. Khaitan aged about 55 years is an eminent Lawyer practising at New Delhi with 30 years experience in Litigation, Arbitration, Corporate matters, Intellectual matters, Infrastructure, Capital Market and Finance, Taxation etc. Mr. Khaitan is a member of Executive Committee of Confederation of Indian Bar, ICC India, Indian Council of Arbitration, International Centre for Alternative Dispute Resolution and Society of Indian Law Firms. He has also served as Office Bearer in Supreme Court Advocates on Record Association.

Mr. Khaitan holds directorships and/or membership/chairmanship of the committee of the Board of Directors of the following Companies in India:

- Director in Hindusthan Urban Infrastructure Ltd, Indo Rama Synthetics (India) Ltd., Jindal Stainless Ltd., Lumax Industries Ltd., Monnet Power Company Ltd., Skipper Electricals (India) Ltd., Gopi Nursery Pvt. Ltd., Suman Khaitan Advisory Services Pvt. Ltd., The Associated Chamber of Commerce and Industries of India and PHD Chamber of Commerce and Industry.
- Member of Remuneration Committee and Investor/Shareholders Grievance Committee of Hindusthan Urban Infrastructure Ltd., a member of Audit Committee and Remuneration Committee of Indo Rama Synthetics (India) Ltd., Chairman of Audit Committee, Shareholders'/Investors' Grievance Committee and Remuneration Committee and member of Compensation Committee formed for ESOP, Share Transfer Committee, Sub-Committee of Directors of Jindal Stainless Ltd., member of

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Remuneration Committee of Lumax Industries Ltd. and member of Committee on Corporate Governance of Monnet power Company Ltd.

Mr. Khaitan does not hold, by himself or for any other person on beneficial basis, any shares of the Company.

Mr. Khaitan retires by rotation at the ensuing Annual General Meeting under erstwhile provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Khaitan, being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019. A notice has been received from a member proposing Mr. Khaitan as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Khaitan fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director and is independent of the management. Copy of the draft letter for appointment of Mr. Khaitan as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company on any working day excluding Saturdays during the hours of 10.00 A.M. and 12 P.M. and will be available at the meeting.

The Board considers that the continued association of Mr. Khaitan would be of immense benefit to the Company and it is desirable to continue to avail of his services as an Independent Director and commends the Resolution for approval of Shareholders of the Company.

Except, Mr. S J Khaitan, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchanges.

Item No. 6

Mr. B B Tandon is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company in July, 2007. Mr. Tandon is a member of Audit Committee and Remuneration Committee of the Board of Directors of the Company.

Mr. B B Tandon aged about 74 years, is a post graduate in Economics and graduate in Law. He retired as Chief Election Commissioner of India. He was the member of IAS from 1965 to 2001. Mr. Tandon held various top level posts in the Government of India and State Government of Himachal Pradesh. In his capacity as Additional Secretary, Department of Company Affairs, he was also member of Securities & Exchange Board of India (SEBI) as "special invitee". At the level of State Government, Mr. Tandon held the key post of Principal Secretary (Power) and Principal Secretary (Industries). He also served as Managing Director of State various public Sector Undertakings like H P Mineral & Industrial Development Corporation and H P Agro Industries Corporation. During the period 2001-06, Mr. Tandon held the constitutional posts of the Election Commissioner and later the Chief Election Commissioner of India.

Mr. Tandon holds directorships and/or membership/chairmanship of the committee of the Board of Directors of the following Companies in India:

- Director in Ambuja Foundation, Adani Power Ltd., Birla Corporation Ltd., Jaiprakash Power Venture Ltd., Dhampur Sugar Mills Ltd., Bhushan Steel Ltd., Filatex India Ltd., VLS Finance Ltd., Exicom Tele-System Ltd., Jaypee Infratech Ltd., ACB (India) Ltd., Schrader Duncan Ltd., Ambience Pvt. Ltd and Jinbhuvish Power Generation Pvt. Ltd.
- Member of Audit Committee of Schrader Duncan Ltd., Chairman of Audit Committee and Remuneration Committee and member of Finance Committee and Shareholders/Investors Grievance & Transfer Committee of Adani Power Ltd., Chairman of Audit Committee and Committee of Directors of Jaiprakash Power Ventures Ltd., Chairman of Audit Committee of Bhushan Steel Ltd., member of Audit Committee and Remuneration Committee of Birla Corporation Ltd., member of Remuneration Committee of Dhampur Sugar Mills Ltd., member of Remuneration Committee of Exicom Tele-Systems Ltd., member of Audit Committee and Remuneration Committee of Filatex India Ltd., member of Audit Committee and Shareholders/Investors Grievances Committee of VLS Finance Ltd., member of Finance Committee and Yamuna Expressway Appraisal Committee of Jaypee Infratech Ltd.

Mr. Tandon does not hold, by himself or for any other person on beneficial basis, any shares of the Company.

Mr. Tandon's period of office is liable to determination by retirement of directors by rotation under erstwhile provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Tandon, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019. A notice has been received from a member proposing Mr. Tandon as a candidate for the office of Director of the Company.

ORIENTAL CARBON & CHEMICALS LIMITED

In the opinion of the Board, Mr. Tandon fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director and is independent of the management. Copy of the draft letter for appointment of Mr. Tandon as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company on any working day excluding Saturdays during the hours of 10.00 A.M. and 12 P.M. and will be available at the meeting.

The Board considers that the continued association of Mr. Tandon would be of immense benefit to the Company and it is desirable to continue to avail of his services as an Independent Director and commends the Resolution for approval of Shareholders of the Company.

Except, Mr. B B Tandon, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchanges.

Item No. 7

Mr. O P Dubey is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company in October, 2001. Mr. Dubey is the Chairman of Audit Committee and Remuneration Committee of the Board of Directors of the Company.

Mr. O P Dubey aged about 73 years, a master in sociology and a graduate in Law, served LIC of India for a period of 36 years. He was a member of Governing Board and later Chair Professor at National Insurance Academy, Pune from November 2001 to November 2004. During his tenure with LIC of India, he was deeply involved in the areas of General Management, Marketing, Insurance, legal Aspects and Human Resources Development. Earlier he was on the Boards of U.P. State Financial Corporation, NEDFI Guwahati, Assam and Associated Cement Companies Limited (ACC). Before retiring from LIC of India in 2001, he was Zonal Manager in charge of Eastern Zone, Kolkata in the rank of Executive Director.

Mr. Dubey is a Director in Schrader Duncan Limited and is also the Chairman of Audit Committee and member of Remuneration Committee and Shareholders/Investors Grievances & Transfer Committee of the said Company.

Mr. Dubey does not hold, by himself or for any other person on beneficial basis, any shares of the Company.

Mr. Dubey's period of office is liable to determination by retirement of directors by rotation under erstwhile provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Dubey, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019. A notice has been received from a member proposing Mr. Dubey as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Dubey fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director and is independent of the management. Copy of the draft letter for appointment of Mr. Dubey as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company on any working day excluding Saturdays during the hours of 10.00 A.M. and 12 P.M. and will be available at the meeting.

The Board considers that the continued association of Mr. Dubey would be of immense benefit to the Company and it is desirable to continue to avail of his services as an Independent Director and commends the Resolution for approval of Shareholders of the Company.

Except, Mr. O P Dubey, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchanges.

Item No. 8

Mr. K Raghuraman is a Non-executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2009.

Mr. K Raghuraman aged about 66 years, is Chartered Accountant. He joined Central Bank of India in 1973 and contributed immensely to the organization in systems and procedures. In 1999, he held the position of General Manager and Head of General Administration, Banking operations, Card Business, Treasury, Forex Dealing, Risk Management etc. He was also Chairman of 'India Cooperation Committee of Master card International' & the Honorary Secretary of "Banks' Sports Board" of the Indian Banks' Association (IBA) as well as the Member of various industry level Committee of IBA. He was later appointed as Executive

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Director of Punjab National Bank. Mr. Raghuraman has a varied banking experience and exposure in handling various banking matters, issues of corporate governance and policy initiatives. He retired as Executive Director from Punjab National Bank in September, 2008.

Mr. Raghuraman holds directorships and/or membership/chairmanship of the committee of the Board of Directors of the following Companies in India:

- Director in Andhra Bank, Birla Ericsson Optical Ltd., Nagarjuna Agrichem Ltd., Rama Phosphates Ltd., Nelco Ltd., Canbank Factors Ltd., Ladderup Finance Ltd., Centbank Financial Services Ltd., Lanco Budhil Hydro Power Pvt. Ltd. and Ladderup Corporate Advisory Pvt. Ltd.
- Member of Share Transfer Committee, Investors' Grievance Committee, Risk Management Committee, Large Value Fraud Committee and Audit Committee of Andhra Bank, member of Audit Committee of Birla Ericsson optical Ltd., Chairman of Audit Committee of Rama Phosphates Ltd., member of Audit Committee of Nelco Ltd., Chairman of Audit Committee of Lanco Budhil Hydro Power Pvt. Ltd., Chairman of Audit Committee and member of Committee of Directors of Canbank Factors Ltd., member of Audit Committee of Centbank Financial Services Ltd. and member of Audit Committee and Remuneration Committee of Nagarjuna Agrichem Ltd.

Mr. Raghuraman does not hold, by himself or for any other person on beneficial basis, any shares of the Company.

Mr. Raghuraman's period of office is liable to determination by retirement of directors by rotation under erstwhile provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Raghuraman, being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term up to the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019. A notice has been received from a member proposing Mr. Raghuraman as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Raghuraman fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director and is independent of the management. Copy of the draft letter for appointment of Mr. Raghuraman as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company on any working day excluding Saturdays during the hours of 10.00 A.M. and 12 P.M. and will be available at the meeting.

The Board considers that the continued association of Mr. Raghuraman would be of immense benefit to the Company and it is desirable to continue to avail of his services as an Independent Director and commends the Resolution for approval of Shareholders of the Company.

Except, Mr. K Raghuraman, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with Stock Exchanges.

Item No. 9

The Board, in compliance of the Central Government Order in this regard and on recommendation of the Audit Committee, has approved the appointment of the Cost Auditor to conduct the audit of cost records relating to the manufacture of Sulphuric Acid for the financial year ending March 31, 2015 at a remuneration of Rs. 1,15,000/ plus applicable service tax and reimbursement of actual out of pocket expenses.

In accordance with the provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2015.

None of the Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

Item No. 10

Fund based and non-fund based working capital limits aggregating Rs 7757 lakhs have been sanctioned by State Bank of India to fund the Company's working capital requirements. Term loans with present outstanding of Rs 7392 lacs from State Bank of India and USD 14.12 lacs from Export Import Bank of India, have been availed for partial funding of the new Plant at Mundra SEZ.

As per the Banks' terms of sanction, such credit facilities are to be secured, inter alia, by way of creation of mortgage and/or charge on the Company's movable and immovable assets, both present and future.

ORIENTAL CARBON & CHEMICALS LIMITED

Though approval under Section 293(1)(a) of the Companies Act 1956 from the Members of the Company has already been taken in the earlier Annual General Meetings, pursuant to Section 180(1)(a) of the Companies Act, 2013, approval for the same is required by way of Special Resolution from the Members of the Company.

Since mortgaging and/or charging of its assets by the Company in favour of the Bank may be considered as disposal of its undertaking, it is desirable to obtain necessary consent of the shareholders of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013 at the ensuing Annual General Meeting.

The resolution set out at item 10 of the annexed Notice is intended for this purpose. Your Directors recommend that the resolution be passed.

None of the Directors of the Company is concerned with or interested in the resolution.

The documents mentioned in the resolution will be available for inspection of members at the Registered Office of the Company on all working days during the hours of 10.00 A.M. and 12 P.M. and will also except on Saturday be available at the meeting.

Item No. 11

The Members of the Company, at their 10th Annual General Meeting held on 9th August, 1989 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowing by the Company at any time or from time to time monies togetherwith the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) upto a limit of Rs. 50 crores in excess of aggregate of the paid up Share Capital of the Company and its free reserves.

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow monies in excess of the Company's paid up Share Capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Members of the Company accorded by way of a Special Resolution.

It is, therefore, necessary for the Members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 11 of the Notice, to enable the Board of Directors to borrow monies in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of the Members is being sought to borrow monies upto Rs.100 Crores (Rupees one hundred crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 11.

Item Nos. 12 & 13

Mr. Shreyans Goenka, aged about 24 years has graduated in Economics & Psychology in May 2012 from the University of Pennsylvania, USA, an Ivy league institution. While studying in the US, he has worked as Research Assistant with Paul Rozin, University of Pennsylvania for a period of three years where his area of work has been market research. After graduating, he worked with HwC Ventures LLC, New York for one year and with a Hospitality company in India for 9 months.

He has been appointed as the Senior Manager of the Company with effect from 1st June 2014 subject to approval of Shareholders, on the terms and conditions as embodied in the letter dated 28.05.2014 issued by the Company to him, the silent points of which are set out below:

(A) Basic Salary :

1 st June 2014 to 31 st March 2015	: Rs.34,600/- per month
1 st April 2015 to 31 st March 2016	: Rs.39,600/- per month
1 st April 2016 to 31 st March 2017	: Rs.45,400/- per month

(B) Perquisites : Perquisites and allowances as applicable to his cadre of employees of the Company include the following:

a) House Rent Allowance	
1 st June 2014 to 31 st March 2017	: Rs.27000/- per month
b) Other Allowance	
1 st June 2014 to 31 st March 2015	: Rs.41,250/- per month
1 st April 2015 to 31 st March 2016	: Rs.49,500/- per month
1 st April 2016 to 31 st March 2017	: Rs.59,400/- per month
c) Leave Travel Allowance	
1 st June 2014 to 31 st March 2017	: Rs.84,000/- per annum
d) Reimbursement of medical expenses	
1 st June 2014 to 31 st March 2017	: Rs.15000/- per annum

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Mr. Akshat Goenka aged about 26 years is a Graduate in Economics and International Relations from University of Pennsylvania, USA, an Ivy league institution. He was appointed in the Company as Executive (Projects) with effect from 4th January 2010 and promoted as Senior Manager with effect from 1st April 2012. He played a key role in setting up of new plant at Mundra SEZ.

He has been re-appointed as the Vice President of the Company with effect from 1st June 2014 subject to approval of shareholders, on the terms and conditions as embodied in the letter dated 28.05.2014 issued by the Company to him, the silent points of which are set out below:

(A) Basic Salary:

1 st June 2014 to 31 st March 2015	: Rs. 93,900/- per month
1 st April 2015 to 31 st March 2016	: Rs.1,08,700/- per month
1 st April 2016 to 31 st March 2017	: Rs.1,25,000/- per month

(B) Perquisites: Perquisites and allowances as applicable to his cadre of employees of the Company include the following:

a) House Rent Allowance	
1 st June 2014 to 31 st March 2017	: Rs.53000/- per month
b) Other Allowance	
1 st June 2014 to 31 st March 2015	: Rs.98,250/- per month
1 st April 2015 to 31 st March 2016	: Rs.1,18,000/- per month
1 st April 2016 to 31 st March 2017	: Rs.1,41,000/- per month
c) Leave Travel Allowance	
1 st June 2014 to 31 st March 2017	: Rs.2,00,000/- per annum
d) Reimbursement of medical expenses	
1 st June 2014 to 31 st March 2017	: Rs.15000/- per annum

C) Performance linked Bonus

1 st June 2014 to 31 st March 2015	: Rs.10,00,000/- per annum
1 st April 2015 to 31 st March 2016	: Rs.12,50,000/- per annum
1 st April 2016 to 31 st March 2017	: Rs.15,00,000/- per annum

The amount of Bonus shall be decided based on performance parameters viz. meeting financial forecasts, tactical initiatives and strategic achievements.

The Company will provide him with a car and a telephone, however, provision of car and telephone for use on Company's business will not be considered as perquisites.

Mr. Akshat Goenka and Mr. Shreyans Goenka will be governed by the rules and regulations of the Company.

As Mr. Akshat Goenka and Mr. Shreyans Goenka are relatives of Mr. J P Goenka, Chairman and Mr. Arvind Goenka, Managing Director of the Company within the meaning of the Companies Act, 2013, their appointments are subject to your approval. The Board recommends that the Special Resolution set out at Item Nos. 12 and 13 be passed, where the related members shall not vote.

The letters referred to above will be available for inspection by the members at the Registered office of the Company on all working days, excluding Saturdays, between the hours of 10.00 AM and 12 P.M. and will also be available at the meeting.

Mr. Akshat Goenka and Mr. Shreyans Goenka are grandsons of Mr. J P Goenka, Chairman and sons of Mr. Arvind Goenka, Managing Director of the Company. Hence Mr. J P Goenka and Mr. Arvind Goenka are deemed to be concerned and/or interested in the appointment of and payment of remuneration to them.

The particulars of the transactions pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rule, 2014 are as under:

1. Name of the related parties: Mr. Akshat Goenka and Mr. Shreyans Goenka.
2. Name of the directors or key managerial personnel who are related: Mr. J P Goenka and Mr. Arvind Goenka.
3. Nature of the relationship: Relative of Mr. J P Goenka and Mr. Arvind Goenka.
4. Monetary value: As mentioned above.
5. Nature, material terms and particulars of the arrangement: As mentioned above.
6. Any other information relevant or important for members to make decision on the proposed transaction: None.

None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 12 & 13.

The Board commends Special Resolution set out at Item Nos. 12 & 13 of the Notice for approval by the Shareholders.

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Item No. 14

As the members are aware, the Company has accepted deposits from public till 31st March, 2014 in terms of the relevant provisions of the Companies Act, 1956. Pursuant to the Companies Act, 2013 being effective from 01st April, 2014 the Board of Directors shall not invite and accept deposits from public (including members and employees of the Company), except with the consent of the Company accorded by way of a special resolution, in terms of Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

It is, therefore, necessary for the members to pass a Special Resolution under Section 76 and other applicable provisions of the Companies Act, 2013, as set out at Item No. 14 of the Notice, to enable the Board of Directors to invite and accept deposits from public (including members and employees of the Company).

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 14 of the Notice.

The Board commends the Special Resolution set out at Item No. 14 of the Notice for approval by the shareholders.

Item No. 15

In order to save on Capital Expenditure arising out of outright purchase of office premises for its Registered office at Kolkata and record storage, the Company has been using rented premises located in a prime commercial hub (i.e. Dalhousie Square Area) with requisite infrastructure and common services such as lifts, water supply, electrical back-up, emergency and medical services as also the services of support staff and managerial assistance to handle its office accounts, shares and secretarial matters etc. The cost of all such services payable is in equated monthly installments or otherwise.

The companies which are rendering such services and the extent of payables to each of such companies per annum is as under:

Duncan International (India) Ltd	(Clerical and Managerial assistance with support staff)	63.00 lacs
Cosmopolitan Investments Ltd	Leave and License fees for office accommodation at Kolkata	64.80 lacs

The Company has a satisfactory experience in regard to all such services/facilities availed so far and is convinced of the quality, efficiency and the cost competitiveness thereof.

Further, considering the high cost of hotels at Mumbai, the Company has, for its travelling executives, opted, as far as possible, to avail transit flat facilities which, being conveniently located, afford lesser commuting time and are cost effective. This property belongs to and is maintained by Angel Investments Limited.

The payment to be made being linked to the actual usage of the facilities, the overall outgo on this account for the period 01/04/2014 to 31/03/2015 cannot be quantified in advance. However, on a rough reckoning, the expenses for such usages are estimated to be Rs. 9.00 lacs per annum.

Further, there are certain recoveries/reimbursements received from the Related Parties namely Duncan International (India) Ltd., Cosmopolitan Investments Ltd., New India Investment Corporation Ltd and Schrader Duncan Ltd. in respect of expenses incurred on their behalf as shown in the tabulation under para 3(iv) herein.

Duncan International (India) Ltd., Cosmopolitan Investments Ltd., Angel Investments Ltd., New India Investment Corporation Ltd., and Schrader Duncan Limited are "related party" within the meaning of Section 2(76) of the Companies Act, 2013, and thus the transaction requires the approval of the members by special resolution under Section 188 of the Companies Act, 2013, where the related members shall not vote.

The particulars of the transactions pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rule, 2014 are as under:

1. Name of the related parties: Duncan International (India) Ltd., Cosmopolitan Investments Ltd., Angel Investments Ltd., New India Investment Corporation Ltd., and Schrader Duncan Limited.
2. Name of the directors or key managerial personnel who are related: Mr. J P Goenka, Chairman and Mr. Arvind Goenka, Managing Director.
3. Nature of relationship:
 - (i) Duncan International (India) Ltd. is a Company in which Mr. J P Goenka is a common board member and holds along with his relatives more than 2% of its paid up share capital.
 - (ii) New India Investment Corporation Ltd, Angel Investments Ltd., Cosmopolitan Investments Ltd., are public companies in which Mr. Arvind Goenka along with his relatives holds more than 2% of its paid up share capital.

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(iii) Scharder Duncan Limited is subsidiary company of Oriental Carbon and Chemicals Limited and Mr. J P Goenka, Mr. Arvind Goenka, Mr. B B Tandon and Mr. O P Dubey are common Board Member.

(iv) Nature, material terms, monetary value and particulars of the arrangement:

A. For making payments to different related parties:

Sl. No.	Name of the Related Party	Nature of Transaction (Payment for)	Value of Transaction Annual (approx) (Rs. in lacs)
1.	Duncan International (India) Ltd.	- Clerical and managerial assistance with support staff at Kolkata @ Rs. 5 lacs per month - Reimbursement of Expenses on actual basis upto Rs. 3 lacs per annum	63.00
2.	Cosmopolitan Investments Ltd.	Leave and license fees for office accommodation and related backup facilities at Kolkata including maintenance/central AC	64.80
3.	Angel Investments Ltd.	Transit Flat usage charges (Mumbai)	9.00
Total			136.80

B. For Receipts from different related parties:

Sl. No.	Name of the Related Party	Nature of Transaction (Receipts on account of reimbursement of expenditure)	Value of Transaction Annual (approx) (Rs. in lacs)
1.	Duncan International (India) Ltd.	Reimbursement on account of expenses on telephone, electricity, vehicle, security etc. at Delhi	4.00
2.	Cosmopolitan Investments Ltd.	Reimbursement on account of expenses on telephone, electricity, vehicle, security etc. at Delhi	4.00
3.	New India Investment Corporation Ltd.	Transit Flat usage charges (Gurgaon)	1.08
4.	Schrader Duncan Limited	Leave and License fees for Office accommodation and reimbursement on account of related facilities at Delhi	24.00
Total			33.08

No other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 15.

The Board commends the Special Resolution set out at Item No. 15 of the Notice for approval by the shareholders.

Registered Office :
31, Netaji Subhas Road
Kolkata – 700 001

Dated: 29th May, 2014

By order of the Board

Pranab Kumar Maity
Sr. Manager Legal &
Company Secretary

ORIENTAL CARBON & CHEMICALS LIMITED

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors hereby present their thirty fourth Reports together with the Audited Accounts of the Company for the accounting year ended March 31, 2014.

1. FINANCIAL RESULTS

	For the Year ended 31.3.2014	(Rs. in Lacs) For the Year ended 31.3.2013
Profit/(Loss) Before Taxation	50,15.50	40,03.51
Provision for Taxation *	(9,71.59)	(12,65.06)
Profit/(Loss) after Taxation	40,43.91	27,38.45
Amount Available for Appropriation	1,44,48.18	1,14,04.98
Appropriation:		
Interim/Proposed Dividend on Equity Shares	7,20.72	5,14.80
Tax on Dividend	1,22.49	85.91
Transferred to General Reserve	5,00.00	4,00.00
Balance Carried to Balance Sheet	1,31,04.97	1,04,04.27

* Including Rs. (2,14.26) Lacs Deferred Tax (Previous year Rs.9,89.09 Lacs)

2. DIVIDENDS

Your Directors are pleased to recommend Final Dividend of 50% on 10296062 Equity Shares (Rs.5 per share of Rs.10 each). The Dividend will absorb Rs.6,02.29 Lacs (Inclusive of Dividend Tax of Rs.87.49 Lacs). With this, the total dividend for the year including interim dividend of 20% comes to 70%.

3. OPERATIONS

Insoluble Sulphur

During the year total sales of Insoluble Sulphur was 19224 MT and Production of Insoluble Sulphur was 18733 MT which is 13% and 5% higher respectively than the previous year. Export sales volume registered 14% growth as compared to last year mainly due to demand increase in some areas and entry into new markets. Domestic sales also increased 12% over previous year. Per MT sales realisation also improved due to better exchange rate.

Sulphuric Acid & Oleum

Production of Sulphuric Acid (Eqvt.) was 31860 MT which is 17% lower than previous year and Oleum production was at 3589 MT 28% lesser than last year. On the same line sales of Sulphuric Acid was at 27233 MT 17% lower than last year. Sales of Oleum was at 3483 MT which is 28% lower than the last year. During the year two months shutdown was taken for annual maintenance, modernization of plant and capacity increase resulting in lower production and sales.

After the modifications, total steam requirement of both the Insoluble Sulphur Plants at Dharuhera is now being met from surplus steam generated by the Sulphuric Acid Plant resulting in reduction in Boiler Steam generation.

FUTURE PROSPECTS

Insoluble Sulphur

With approvals now available for full capacities of the plants, sales during the next year is expected to be good and the Company is planning for further expansion of its Insoluble Sulphur Capacities.

The Market has moved decisively to High Grade (Highly Stable and Highly Dispersible) Insoluble Sulphur and your Company is striving to shift all its production to these High Performance Insoluble Grades. The future prospects are discussed in greater detail in the Management Discussion and Analysis annexed to this report.

Sulphuric Acid & Oleum

The market prospects of Sulphuric Acid and Oleum remain the same as these are commodity products with price being directed by one dominant manufacturer in the area for whom Sulphuric Acid is a byproduct. However with increase in Surplus Steam for supply to Insoluble Sulphur Plant, the unit remains viable.

ORIENTAL CARBON & CHEMICALS LIMITED

4. RESEARCH & DEVELOPMENT

A full in-house Research & Development team works on continuous basis to improve the quality of product and its properties. New Grades are also being developed to meet customers varied requirements. Research in the areas of reducing utilities cost and process parameters improvement is also being done. Help of accredited independent laboratories is also taken as and when required for studying and evolving critical parameters. Research & Development is fundamental to the Company's efforts to maintain the technical and quality edge for the product.

During the year your Company's Research and Development unit has got approval from Department of Scientific and Industrial Research, Ministry of Science and Technology Government of India. The focus on R&D has increased during the year. The R&D lab is being augmented by acquiring State of the Art analytical and process equipments to help in faster and detailed analysis. Further, pilot plants are also being set up to validate the research findings.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this Report.

6. POLLUTION CONTROL

Your Company's Plant has all the requisite Pollution Control Equipments and meets all the desired and statutory norms in this regard. The Insoluble Sulphur Units of the Company enjoys ISO 14001-2004 Certification.

7. COST AUDIT

In compliance with the Central Government's order, your Board has appointed Messrs. J K Kabra & Co., Cost Accountants, to carry out the Cost Audit of the Company in respect of Sulphuric Acid for the financial year 2013-14. The Cost Audit Report for the year ended 31st March, 2013 has been submitted to Ministry of Corporate Affairs.

8. PUBLIC DEPOSITS

Fixed deposits from public outstanding with your Company at the end of the financial year stood at Rs.4,98,82,000/-. Of this, deposit amounting to Rs.10,000/- which had fallen due for payment on 7th May, 2003 has since been claimed by the depositors on 5th May, 2010. However, the same could not be paid as the depositor has failed to produce the Original Deposit Receipts in respect thereof. Deposits aggregating to Rs.20,36,000/- due for repayment on or before 31st March, 2014 were not claimed by the depositors by the said date. Out of these, deposits totaling Rs.3,70,000/- have since been claimed and settled. This apart, deposits amounting to Rs.12,95,000/- though fallen due for payment, could not be settled as there is a dispute between the concerned joint depositors and the matter is sub-judice.

9. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors, based on representation received from operating Management, state that:

- i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures in the financial statement;
- ii) the accounting policies have been selected and applied consistently and judgments and estimates have been reasonably and prudently made when required so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) Annual accounts for the financial year have been prepared on a going concern basis.

10. AUDIT & INVESTORS/SHAREHOLDERS GRIEVANCE COMMITTEE

Your Company has a well structured Internal Audit System commensurate with its size and operations. An Audit Committee consisting of three independent non-executive Directors is in place with terms of reference as per the provisions of the Companies Act, 1956 and Listing Agreement with the Stock Exchanges.

The Company also has a Committee of Directors for reviewing shareholders/investors complaints.

ORIENTAL CARBON & CHEMICALS LIMITED

11. DIRECTORS

The Board of Directors at their meeting held on 11th November, 2013 appointed Mr. H S Shashikumar as a Nominee Director of the Company in place of Mr. S K Roy, who has resigned from the Board w.e.f. 26th July, 2013. Mr. Shashikumar holds office up to the date of forthcoming Annual General Meeting of the Company and is eligible for re-appointment.

The Board has placed on record its deep appreciation for the valuable contribution made by Mr. S.K Roy during his tenure of directorship in the company.

Impending notification of Section 149 of the Companies Act, 2013, your Directors are seeking appointment Mr. S J Khaitan, Mr. B B Tandon, Mr. O P Dubey and Mr. K Raghuraman as Independent Directors for five consecutive years for a term upto 29th July, 2019. Details of the proposal for appointment and brief profile of Mr. Tandon, Mr. Khaitan, Mr. Dubey and Mr. Raghuraman are mentioned in Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 34th Annual General Meeting

12. SUBSIDIARY

The Company has only one subsidiary, namely Schrader Duncan Limited (SDL). A statement containing brief financial details of the subsidiary is included in the Annual Report.

As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statements presented by the Company in this Report include the financial results of the subsidiary company duly audited by the statutory auditors. The said statements have been prepared in accordance with the relevant accounting standards as prescribed under Section 211(3C) of the Companies Act, 1956.

In terms of General Circular No. 2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs, Government of India, granting general exemption to attach the Subsidiaries' Annual Accounts, as required under section 212(8) of the Act, the Report and Audited Accounts of the subsidiary company viz. Schrader Duncan Limited are not annexed to this Report. However, the financial information of the subsidiary company is disclosed in this Report along with the Consolidated Financial Statements in compliance with the said circular. The Company will make available the Annual Accounts of subsidiary company and the related detailed information to any shareholder of the Company who may be interested in obtaining the same at any point of time. The annual accounts of the subsidiary company shall also be kept open for inspection by any shareholder at the Registered Office of the Company and that of the subsidiary company.

13. AUDITORS AND AUDIT REPORT

Messrs Singhi & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment. As regards the comments in the Auditors' Report, the relevant notes in the Accounts are self explanatory and may be treated as information/ explanation submitted by the Board as contemplated under Section 217(3) of the Companies Act, 1956.

14. CORPORATE GOVERNANCE

- a) As per the amended Listing Agreement with the Stock Exchanges, a Management Discussion & Analysis, a Report on Corporate Governance together with the Auditors' certificate regarding the Compliance of conditions of Corporate Governance forms part of the Annual Report.
- b) The Board of Directors of the Company has laid down a comprehensive Code of Conduct for all its Board members and senior management personnel which have also been posted on the website of the Company. A certificate by the Managing Director regarding compliance of the code of conduct of the Company is also included in the Annual report.

15. PARTICULARS OF EMPLOYEES

In compliance with the Provision of Section 217(2) (A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, a statement giving the required information relating to the employee is annexed to this report.

16. ACKNOWLEDGMENTS

The Board places on record its appreciation of the support and assistance of various Banks, Government Agencies, Suppliers, valued Customers and the shareholders in particular and looks forward to their continued support. Relations between your Company and its employees remain cordial and the Directors wish to express their appreciation for the co-operation and dedication of all employees of the Company.

By Order of the Board

Place : New Delhi
Date : 29th May, 2014

J.P. Goenka
Chairman

ORIENTAL CARBON & CHEMICALS LIMITED

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(1)(e) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

I. CONSERVATION OF ENERGY

- (a) Energy Conservation Measures taken:
- Sulphuric Acid Plant de-bottlenecked to meet 100% steam requirement of Insoluble Sulphur plants at Dharuhera through utilisation of excess steam generated in Sulphuric Acid Plant by installing High Pressure Waste Heat Boiler.
 - Recycling of condensate for steam generation implemented.
 - Replacement of existing motors with lower rating as per actual requirement and also with high efficiency ones.
 - Replacement of Oil burners with electric heating in some areas.
 - Improvements in power factor.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:
- Replacement of old pumps with improved technology & high efficiency Pump.
 - Use of Energy Efficient Motors
 - Replacement of Normal Lamps with LED Lamps
- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:
- The above measures have helped in the conservation of energy for reducing the cost of production.
 - Surplus steam available for meeting 100% requirement of Insoluble Sulphur Plants at Dharuhera.
- (d) Total energy consumption and energy consumption per unit of production:

FORM-A

Form for disclosure of particulars with respect to conservation of energy.

A. POWER AND FUEL CONSUMPTION		Current year	Previous year
1. Electricity			
(a) Purchased Units	(KWH)	29,096,350	22,316,721
Total Amount	(Rs. in Lacs)	17,52.87	12,09.95
Rate/ Unit	(Rs.)	6.02	5.42
(b) Own generation			
(i) Through Diesel Generator			
Units	(KWH)	1,140,302	42,33,745
Units/Ltr. of Diesel	(KWH)	3.71	3.58
Cost/Unit	(Rs.)	13.66	10.50
2. Coal (specify quantity and where used)			
Quantity	(Tonnes)	—	—
Total cost	(Rs.)	—	—
Average Rate	(Rs.)	—	—
3. Furnace Oil /HSD			
Quantity	(Ltrs)	4,741,448	4,798,869
Total cost	(Rs. in Lacs)	21,06.07	19,40.71
Average Rate	(Rs.)	44.42	40.44
4. Other / Internal Generation			
(Process Steam)			
Quantity	(MT)	73,125	69,646
Total Cost	(Rs. in Lacs)	14,87.37	12,50.08
Rate/ Unit	(Rs.)	2,034.01	17,94.91
B. CONSUMPTION PER UNIT OF PRODUCTION (MT)			
Products	Standards if any		
(a) Sulphuric Acid			
Electricity	(in Units)	N.A.	34
(b) Oleum			
Electricity	(in Units)	N.A.	71
(c) Insoluble Sulphur			
(i) Electricity	(in Units)	N.A.	1545
(ii) HSD	(in Ltrs)	N.A.	83
(iii) Others-Process Steam	(in MT)	N.A.	4

ORIENTAL CARBON & CHEMICALS LIMITED

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of the Annexure to the Rules.

1. Research & Development

- (i) Specific area in which R&D carried out by the Company : Properties of Insoluble Sulphur such as stability and purity have been further improved during the year. Work is continued for maintaining the quality edge.
- (ii) Benefits derived as a result of the above R&D : Loyalty of existing customers coupled with enlistment of new quality-conscious customers, value addition in products, edge over competitors, and better control over qualitative deviations.
- (iii) Future plan of action : Development of New Grades specific to customer requirements and pre-dispersed Insoluble Sulphur. Further improvement in quality of high grade Insoluble Sulphur. The Company has in house R&D unit which has been recognised by Ministry of Science & Technology, Department of Scientific & Industrial Research on 24th June, 2013. The R&D unit is being augmented by through acquisition of state of art analytical and process equipments.
- (iv) Expenditure on R&D (Rs. in Lakhs)
- (a) Capital : -
- (b) Recurring : 28.90
- (c) Total : 28.90
- (d) Total R&D expenditure as a percentage of total turnover. : 0.11%

2. Technology absorption, adaptation and innovation: : Production optimisation through debottlenecking with consequent savings in consumption ratios.

III. FOREIGN EXCHANGE EARNING AND OUTGO

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans : The Company registered a growth of 22.00% by value in exports. Exports Constituted 74.00% of total Insoluble Sulphur sales during the year by value.
- (b) Total foreign exchange used and earned (Rs. in lakhs)
- (i) Earned : 17638.88
- (ii) Used : 657.63

By Order of the Board of Directors

Place : New Delhi

J.P. Goenka

Date : 29th May, 2014

Chairman

ANNEXURE TO DIRECTORS' REPORT

STATEMENT PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956 AND THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

Sl. No.	Name	Designation & Nature of Duties	Remuneration (Rs.)	Qualification & Total Service Experience (Years)	Age (Years)	Date of Commencement of Employment	Last employment held before joining the Company	
							Company	Designation
(A) EMPLOYED THROUGHOUT THE YEAR								
1.	Goenka Arvind	Managing Director	12,173,290	B.Com (29)	52	01.10.2009	Duncan International India Ltd.	Vice President

NOTES :

- Remuneration has been calculated on the basis of Section 198 of the Companies Act, 1956 and includes expenditure incurred by the Company on salary and for provision of benefits to the employees, excluding actuarial valuation of Retirement Benefits.
- The nature of employment is contractual.
- Mr. Arvind Goenka is related to Mr. J.P. Goenka Chairman of the Board.

By Order of the Board

Place : New Delhi

J.P. Goenka

Date : 29th May, 2014

Chairman

ORIENTAL CARBON & CHEMICALS LIMITED

CERTIFICATE OF MANAGING DIRECTOR ON CODE OF CONDUCT

**To,
The Members of Oriental Carbon & Chemicals Ltd.,**

It is hereby certified that :-

- (a) The Board of Directors of the Company has laid down a comprehensive Code of Conduct for its members and senior management personnel.
- (b) The Code of Conduct of the Company has been posted on the website of the Company.
- (c) The affirmation of compliance of code of conduct for the year 2013-2014 has been received from all the Board members and senior management personnel.

For Oriental Carbon & Chemicals Limited,

Place : New Delhi
Date : 29th May, 2014

Arvind Goenka
Managing Director

ORIENTAL CARBON & CHEMICALS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

The core business of your Company is manufacturing and sales of Insoluble Sulphur, a vulcanizing agent used in the rubber industry. Insoluble Sulphur produced by your Company is sold globally. The Company also manufactures Sulphuric Acid and Oleums.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Insoluble Sulphur

Insoluble Sulphur is mainly used in the tyre industry. Your Company is a global supplier of Insoluble Sulphur and major part of the production of your Company is exported (71% in quantity terms for the year 2013-14) it is, therefore, important to discuss the structure of and developments in the industry at global level.

During the year total sales of Insoluble Sulphur was 19224 MT, 13% higher than previous year. The increase in sales was due to approvals coming in from various international tyres companies, additions of new customers and increase in production from Mundra Plant. Domestic sales of Insoluble Sulphur grew 12% during the year and export sales 14%. The International Tyre Industry is moving out of recession slowly but steadily. Therefore sales are expected to grow to optimum capacity levels in the current year. This will necessitate that the Company explores further capacity expansion at Mundra where land is available. The prospects of expansion remains good in view of yet unexplored international customers and geography coupled with double digit growth in the Indian market.

Sulphuric Acid and Oleum

Sulphuric Acid is used as sulphonating agent in manufacture of Detergents and in other inorganic chemicals. During the year, Sales of Sulphuric Acid (Eqvt) was 31860 MT, 17% lower from last year sales. This was mainly due to two months annual shutdown taken to de-bottleneck the plant to increase steam production. The demand for Sulphuric Acid is stable and is catered by existing manufacturers and market dominated by Zinc and Copper manufacturers who produce huge amount of Sulphuric Acid as by-product. The Demand and supply of the product is also influenced by SSP fertilizer production as it is a major consumer of Sulphuric Acid. SSP production this year is expected to be low due to various factors such as deficit monsoon and overall Demand.

OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK

Insoluble Sulphur

Domestic market is slated to grow at a good pace with double digit growth expected in Insoluble Sulphur demand due to increase in radilization in commercial tyres, setting up of tyre plants in India by Global tyre Giants and expected increase in demand of commercial vehicles. Globally, the demand for Insoluble Sulphur is expected to improve as the Global Economy is slowly coming out of recession. However, new demands are expected to be mainly in the form of High stability (HS) and High Dispersion (HD) Grades of Insoluble Sulphur and your Company is gearing towards the capability of making 100% product as HS and HD. This is also required to meet the threats from new plants and capacities coming up in China so that quality edge is maintained. Your Company's global competitors are making constant progress in quality and in order to keep pace with them, a renewed focus on R&D is required which is being done by way of enhancing our technical, analytical and testing abilities.

The Company's plant in Mundra is situated at Adani Port and SEZ. The Hon'ble Gujarat High Court vide its order dated 13.01.2014 directed all the Companies in the SEZ to stop operations till environmental clearance is granted by the Ministry of Environment and Forest. The Company moved the Hon'ble Supreme Court in appeal against the Judgment, The Hon'ble Supreme Court, while admitting the SLP filed by the Company, allowed the companies in SEZ to continue the operations till the disposal of appeal with no further construction activities allowed. The Company feels it has a good case.

Sulphuric Acid and Oleum

Sulphuric Acid market is dominated by Zinc and Copper manufacturers and the market price and residual demand is driven by them. No substantial addition in demand is envisaged in the area serviced by your Company viz. north India. Demand for Oleum is also stagnant. However the unit continues to be viable due to the steam generated as by-product which is used in the Company's Insoluble Sulphur Plants. After De-bottlenecking of Sulphuric Acid plant during the year, 100% of the Steam demand is now met by the Sulphuric Acid Plant.

PERFORMANCE OF THE COMPANY

During the year, your Company achieved a Profit before tax of Rs.50,15.50 lacs and of Rs.71,64.05 lacs before provision of Depreciation and Interest. Production of Insoluble Sulphur increased by 5% to 18733 MT including Production from new plant at Mundra 9428 MT. The Sales of the Company (net of excise) increased 16% to Rs. 2,61,69.57 lacs.

ORIENTAL CARBON & CHEMICALS LIMITED

HUMAN RESOURCES

The Company has, under its employment, 390 officers and workmen as on 31st March, 2014.

Increase in value of Human Capital through development of individual and collective skills and knowledge is essential to any company for its continuous growth. This is more so in an industry like Insoluble Sulphur where continuous research and development is required in order to stay abreast of market expectations. Your Company implements in house programs for skill development and updation of competency of its employees on a continuous basis. Programmes for sharing and internalisation of knowledge within the Company are also carried out. Employees are also sent to suitable outside programs to keep them abreast of the latest developments in the industry and economy.

Your Company lays great emphasis on building a motivated work force, which can participate constructively in the growth of the Company. Innovative ideas are regularly received from the officers and staff of the Company, many of which were implemented for improvement in areas of quality, cost savings and increased productivity.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective system of accounting and administrative controls supported by qualified outside Internal Auditors with a proper and adequate system of internal checks and controls to ensure safety and proper recording of all assets of the Company and their proper and authorised utilisation.

The Internal Control systems are designed to ensure the reliability of financial and other records for preparation of financial statements and maintaining accountability of assets. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

The finding of the internal Audit are reviewed by the top Management and by the Audit Committee of the Board and proper follow up action is ensured wherever required.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Information

- i. Fixed Assets: The Gross Capital Assets stood at Rs 2,73,54 lacs as at 31st March 2014 against Rs. 2,59,77 lacs as at 31st March 2013..
- ii. Inventory: The inventory at the end of the current year stood at Rs.37,92 lacs against Rs 36,77 lacs at the end of previous year.
- iii. Sundry Debtors: Sundry debtors at the end of the year stood at Rs.47,12 lacs against Rs. 39,58 lacs at the end of previous year.

Results of Operations

	2013-2014	(Rs. Lacs)
Income from Operations (Net of Excise)	2,61,69.57	2012-2013 2,25,44.07
Other Income	3,49.00	4,87.93
Total Income	2,65,18.57	2,30,32.00
Profit before Interest, Depreciation and Tax	71,64.05	62,42.57
Profit before Tax	50,15.50	40,03.51
Profit after Tax for the current year	40,43.91	27,38.45

Your Company continues to take steps to optimise costs of production which contributed to the profitability of the Company. The cost saving exercise is an ongoing one with emphasis on savings in energy consumption and cost, and reduction of wastes.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ORIENTAL CARBON & CHEMICALS LIMITED

CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The salient features of the philosophy on Company's Corporate Governance hinges upon transparency and ethical practices in professional working environment conducive to optimal performance with focus on achieving shareholder's long term value growth through constant innovation, commitment to quality and customer satisfaction whilst exploring new avenues of growth.

2. Board of Directors

The Board of Directors consists of seven Directors out of which six are non-executive Directors. All the Directors are eminent professionals with experience in Business, Industry, Finance & Law of which four are independent and one Nominee Director. The Company has a non-executive Chairman.

Name of Directors	No. of Board Meetings attended during 2013-14	Whether attended last AGM	Number of other Directorships of Public Ltd. Cos.	Number of other Committee memberships*	Number of other Committee Chairmanships*
Mr. J P Goenka @ <i>Chairman</i>	1	NO	2	-	1
Mr. Arvind Goenka+ <i>Managing Director</i>	4	YES	2	1	-
Mr. S J Khaitan #	3	NO	6	2	2
Mr B B Tandon#	4	YES	11	5	3
Mr O P Dubey#	4	YES	1	1	1
Mr K Raghuraman#	4	YES	7	5	2
Mr. S K Roy #1 <i>(LIC Nominee)</i>	1	NO	1	-	-
Mr H S Sashikumar#2 <i>(LIC Nominee)</i>	1	NO	-	-	-

@ Non-executive Promoter Director

Non-executive Independent Directors

+ Executive Promoter Director

1 Ceased to be a Director with effect from 26.07.2013

2 Appointed as Nominee Director with effect from 11.11.2013.

* In accordance with requirements of amended Clause 49 of the Listing Agreement, Membership/Chairmanships of only Audit Committees and Shareholders'/Investors' Grievance Committee of only public limited companies (except Oriental Carbon & Chemicals Limited) have been considered.

During the financial year ended March 31, 2014, four Board Meetings were held on May 29, 2013, July 26, 2013, November 11, 2013 and February 03, 2014.

3. Audit Committee

The Company has a qualified and independent Audit Committee comprising of three Non-executive Independent Directors. The Managing Director, the Statutory Auditors, Cost Auditors and Internal Auditors are permanent invitees to the Committee meetings. The Terms of Reference of the Committee are in consonance with provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

There were four meetings of the Committee during the year ended March 31, 2014 on May 29, 2013, July 26, 2013, November 11, 2013, and February 03, 2014.

The names of members of Committee and their attendance are as follows:

Name of Members	Chairman/Member	No. of Meetings Attended
Mr. O P Dubey	Chairman	4
Mr B B Tandon	Member	4
Mr S J Khaitan	Member	3

4. Investors/Shareholders Grievance Committee

The Company has a three member Investors'/Shareholders' Grievance Committee of the Board of Directors under the Chairmanship of a Non-Executive Director to specifically look into the redressal of grievances of the investors namely shareholders and Fixed deposit holders. The Committee deals with grievances relating to transfer of shares, non receipt of Balance Sheet or dividend,

ORIENTAL CARBON & CHEMICALS LIMITED

dematerialisation of shares, complaint letters received from Stock Exchanges, SEBI etc. The Board of Directors has delegated power of approving transfer/transmission of shares to the Committee. During the year, the Committee met eight times on 29th May, 2013, 01st July, 2013, 26th July, 2013, 21st November, 2013, 13th December, 2013, 03rd February, 2014, 21st February, 2014 and 07th March, 2014.

The Details of the Members and their attendance is as below:

Name of Directors	Chairman / Member	No. of Meetings Attended
Mr. J. P. Goenka	Chairman	3
Mr. Arvind Goenka	Member	8
Mr. S. J. Khaitan	Member	5

Mr. Pranab Kumar Maity, Company Secretary, is the Compliance officer of the Company.

During the year under review, there was no complaint received from the shareholders. No Share Transfer/Transmissions/issue of Duplicate share certificates were pending as on 31st of March, 2014.

5. Remuneration Committee

A Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/Whole time Directors. The Committee comprises of three Non-Executive Independent Directors. During the year one meeting of the Committee was held on 29th May, 2013. The details of the Members and their attendance is as follows:

Name of Directors	Chairman / Member	No. of Meetings Attended
Mr. O. P. Dubey	Chairman	1
Mr. S. J. Khaitan	Member	1
Mr. B. B. Tandon	Member	1

The Remuneration Policy of the Company is :

- For Managing/Whole time Directors, the total remuneration consists of Salary, perquisites, performance bonus based on performance criteria and/or commission within the limits prescribed under Schedule XIII of the Companies Act, 1956 or such limits as approved by the Central Government and as approved by the shareholders. There is no separate provision of severance fee under the resolution governing the appointment of Executive Directors. The Statutory provision will, however, apply. A six months notice on either side is provided for the termination of contract.
- Non-Executive Directors are entitled to receive, in case of adequacy of profits, commission not exceeding 1% in aggregate of the net profits of the relevant year computed in accordance with the provisions of the Companies Act, 1956. Other than this, they do not draw any remuneration from the Company except the sitting fees, as permitted under the Companies Act 1956, for attending meetings of the Board or Committee thereof.

The aggregate value of salary, perquisites, commission, performance bonus paid to Managing Director is:

Salary: Rs.39,00,000/-, Perquisites: Rs.38,95,290/-, Contribution to PF and other Fund: Rs.10,53,000/-, Performance Bonus : Rs. 33,25,000/-, Total : Rs. 1,21,73,290/-.

Sitting fees paid to Non-Executive Directors for the year 2013-2014 are as follows:

Mr. J P Goenka, Chairman - Rs. 35,000/-, Mr. S J Khaitan - Rs. 1,50,000/-, Mr. B B Tandon - Rs. 1,65,000/-, Mr. O P Dubey - Rs. 1,65,000/-, Mr. K Raghuraman - Rs. 80,000/-, Mr. S K Roy - Rs. 20,000/- (paid to LIC) and Mr. H. S. Shashikumar – Rs. 20,000/- (paid to LIC).

The Commission paid to Non-executive Directors for the year 2013-2014, which is within the limit prescribed in the Companies Act, 1956, is as below

Mr. J P Goenka, Chairman - Rs. 1,05,000/-, Mr. S J Khaitan - Rs. 4,50,000./-, Mr. B B Tandon - Rs. 4,95,000./-, Mr. O P Dubey - Rs. 4,95,000/-, Mr. K Raghuraman - Rs 2,40,000/-, Mr. S K Roy - Rs. 60,000/- (paid to LIC) and Mr. H S Shashikumar – Rs. 60,000/- (paid to LIC).

Number of shares held by Non-executive Directors: No non-executive Directors hold any shares of the Company.

Number of shares held by Executive Director(s): As on 31.03.2014, Mr. Arvind Goenka, Managing Director of the Company, holds 156252 Equity Shares of the Company.

6. Directors

Mr. H S Sahikumar was appointed as a Nominee Director by LIC on the Board of Directors of the Company on 11.11.2013. Mr. Sashikumar retires by rotation in the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The brief resume of Mr. H S Shashikumar is given below:

ORIENTAL CARBON & CHEMICALS LIMITED

Mr. H S Shashikumar aged about 52 years is a Executive Director (Health Insurance) of LIC of India, Central office, Hyderabad. His career in LIC started in 1984 when he joined as a Direct Recruit Officer and has since worked in various assignments in different verticals and across geographies. He has worked as Sr. Divisional Manager of MDO 2 & MDO 3, General Manager, LIC HFIL, Secretary (Mktg.) Central Office, Chief (P&GS), Central Office and Chief (SBU-Estate), Central Office. He is not a Director in any other Company.

The Companies Act, 2013 provides for appointment of Independent Directors. Sub-section (10) of Section 149 of the Companies Act, 2013 (effective April 1, 2014) provides that Independent Directors shall hold office for a terms of up to five consecutive years on the Board of the Company; and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company.

Sub-section (11) states that no Independent Director shall be eligible for more than two consecutive terms of five years. Sub-section (13) states that provisions of retirement by rotation as defined in sub-section (6) and (7) of Section 152 of the Act shall not apply to such Independent Directors.

Our Non-Executive (Independent) Directors were appointed as directors liable to retire by rotation under the provisions of erstwhile Companies Act, 1956. The Board has been advised that Non-Executive (Independent) Directors so appointed at the ensuing AGM of the Company in July, 2014, being eligible and seeking re-appointment, be considered by the shareholders for re-appointment for a term up to five consecutive years. Impending Notification of Section 149 and other applicable provisions of the Companies Act, 2013 your Directors are seeking appointment of Mr. B. B. Tandon, Mr. S. J. Khaitan, Mr. O. P. Dubey and Mr. K. Raghuraman as Independent Directors for a term upto the conclusion of 39th Annual General Meeting of the Company in the calendar year 2019.

The detailed profiles of all these directors are provided in the Notice convening the AGM.

7. General Body Meetings

Location, Dates & Time and Venue of last three Annual General Meetings held:

Year	Date & Time	Venue
2012-2013	26/07/2013 11.00 A.M	Williamson Magor Hall (1 st Floor) The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700 001
2011-2012	27/07/2012 11.00 A.M	'Kala Kunj', 48, Shakespeare Sarani, Kolkata - 700 017
2010-2011	26/07/2011 11.00 A.M	Williamson Magor Hall (1 st Floor) The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700 001

One Special Resolution passed on 27th July, 2012 (Holding of Place of Profit as Senior Manager by Mr. Akshat Goenka-a relative of Mr J P Goenka, Chairman and Mr Arvind Goenka, Managing Director of the Company were passed by the shareholders of the Company). During the year under review, there was no such business which required passing of resolution through postal ballot.

8. Code of Conduct

- The Board of Directors of the Company has laid down a comprehensive Code of Conduct for all its board members and senior management personnel.
- The Code of Conduct of the Company has been posted on the website of the Company.
- The affirmation of compliance of Code of Conduct for the year 2013-14 has been received from all the board members and senior management personnel.

9. Disclosures

During the year under review, besides the transactions mentioned elsewhere in the Annual Report, there were no other related party transactions by the Company with its promoters, directors, or the Management, their subsidiaries or relatives etc. that had a potential conflict with the interest of the Company at large.

There were no Non- Compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority on any matter relating to Capital Markets, during the last three years.

The Company has complied with all the Mandatory Requirements.

10. Means of Communication

Quarterly Results are published in prominent daily newspapers viz., Business Standard (National) and Arthik Lipi (Vernacular). The above financial results and shareholding pattern are also posted on Company's website.

ORIENTAL CARBON & CHEMICALS LIMITED

11. Subsidiary

The Company has only one listed subsidiary company namely Schrader Duncan Limited which is managed with its Board having the rights and obligations to manage the Company in the best interest of their stakeholders.

Management Discussion & Analysis Report forms part of the Annual Report

SHAREHOLDER INFORMATION

a. Annual General Meeting :

Date and Time : 30th July, 2014 at 10.30 A.M.
Venue : “Williamson Magor Hall” (1st Floor), The Bengal Chamber of Commerce & Industry,
6, Netaji Subhas Road, Kolkata-700 001

b. Financial Calendar (tentative and subject to change):

The unaudited / audited financial results of the Company for following quarters ending/year ending will be published on or before the dates mentioned against the respective period:

For the Quarter ending 30th June, 2014 (Unaudited) : 14th August, 2014
For the Quarter ending 30th September, 2014 (Unaudited) : 14th November, 2014
For the Quarter ending 31st December, 2014 (Unaudited) : 14th February, 2015
For the Year ending 31st March, 2015 (Audited) : 30th May, 2015
Annual General Meeting for the year ending 31st March, 2015 : End of July 2015

c. Date of Book Closure : 26th July, 2014 to 30th July, 2014 (both days inclusive)

d. Dividend will be paid on and from : 8th August, 2014

e. List of Stock Exchanges where shares are listed :

BSE Limited, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400023
The Calcutta Stock Exchange Ltd., 7 Lyons Range, Kolkata 700 001

Listing fees in respect of all the above Stock Exchanges have been paid for the year 2013-2014

f. Stock Code

The Calcutta Stock Exchange Limited : 25065
Bombay Stock Exchange Limited : 506579

g. Market Price Data

Monthly High and Low of Company's Equity Shares (Rs. 10/- per Share) for the year ended 31st March, 2014 at the Bombay Stock Exchange Limited, Mumbai ;

Month	Company's Share		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April, 2013	101.00	89.00	19622.68	18144.22
May, 2013	112.60	93.55	20443.62	19451.26
June, 2013	106.00	96.60	19860.19	18467.16
July, 2013	103.80	88.50	20351.06	19126.82
August, 2013	90.00	75.05	19569.20	17448.71
September, 2013	100.70	89.10	20739.69	18166.17
October, 2013	113.10	94.75	21205.44	19264.72
November, 2013	125.00	108.00	21321.53	20137.67
December, 2013	138.00	113.10	21483.74	20568.70
January, 2014	134.50	97.15	21409.66	20343.78
February, 2014	145.80	115.00	21140.51	19963.12
March, 2014	168.10	125.10	22467.21	20920.98

h. Address for Correspondence for Share transfer and related matters :

All application for Transfer of Shares, dematerialisation of shares and other related matters may be sent to M/S LINK INTIME INDIA PRIVATE LIMITED, Registrar & Share Transfer Agent of the Company for both physical shares and electronic connectivity, at the following address :

Link Intime India Private Limited
59 C Chowringhee Road, 3rd Floor, Kolkata - 700 020
Phone - 033-2289 0540
Telefax- 033-2289 0539
E - mail: kolkata @ linkintime.co.in

ORIENTAL CARBON & CHEMICALS LIMITED

i. Share Transfer System

All physical shares lodged with the Company or the Registrar and Share Transfer Agent of the Company, M/s Link Intime India Private Limited for transfer together with valid transfer deed were processed and returned to the shareholders within the stipulated period. In case of bad deliveries, relevant documents were returned immediately.

j. Dematerialisation of shares

94.36% of total Subscribed & Paid-up Equity Shares is held in dematerialised form with NSDL and CDSL as at 31st March, 2014.

Members can hold shares in electronic forms and trade the same in Depository system. However, they may hold the same in physical form also.

International Securities Identification Number NSDL & CDSL: INE 321D01016

k. Shareholding pattern (as on 31st March, 2014)

Category	No. of Shares held	% of Shareholding
Promoters (persons acting in concert)	5805243	56.38
Mutual Funds & UTI	6050	0.06
Banks, Financial Institutions & Insurance Companies	677045	6.58
Private Bodies Corporate	706306	6.86
Indian Public	3039411	29.52
NRIs/OCBs	62007	0.60
Total	10296062	100.00

l. Distribution of shareholding as on 31st March, 2014 is given below:

Cetegory	No. of Holders	%	No. of Shares	%
1 to 500	12649	94.26	1145807	11.13
501 to 1000	383	2.85	298392	2.89
1001 to 2000	196	1.46	293151	2.85
2001 to 3000	53	0.40	132571	1.29
3001 to 4000	22	0.16	77864	0.76
4001 to 5000	28	0.21	133617	1.30
5001 to 10000	40	0.30	314569	3.05
10000 and above	48	0.36	7900091	76.73
Total	13419	100.00	10296062	100.00

m. Plants Location

- Plot 3 & 4, Dharuhera Industrial Estate
P.O. Dharuhera, Distt. Rewari - 122 106, Haryana
- Survey No. 141, Paiki of Mouje, SEZ Mundra
Village & Taluka - Mundra,
Dist. Kutch-370421, Gujarat

n. Address for Correspondence

Oriental Carbon & Chemicals Ltd
Duncan House, 31, Netaji Subhas Road, Kolkata - 700 001
Phone No 033-22306831
Fax No 033-22434772
E-mail: pranab@occlindia.com

o. E-mail of Compliance Officer of the Company which is designated exclusively for the purpose of registering complaints by investors

investorfeedback@occlindia.com

p. Website

<http://www.occlindia.com>

ORIENTAL CARBON & CHEMICALS LIMITED

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Oriental Carbon & Chemicals Limited,

We have examined the compliance of the conditions of Corporate Governance by M/s Oriental Carbon & Chemicals Limited, for the year ended 31st March 2014 as stipulated in Clause 49 of the Listing Agreement 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 review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We 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 SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E

B.K. Sipani
Partner
Membership No.088926

Place: New Delhi
Date: 29th May, 2014

ORIENTAL CARBON & CHEMICALS LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Oriental Carbon & Chemicals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Oriental Carbon & Chemicals Limited, ("the Company") which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conduct our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b. In the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on the Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have 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 appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For SINGHI & CO.
Chartered Accountants
Firm Reg. No.302049E

B.K. Sipani
Partner
Membership No. 088926

Place: New Delhi
Date: 29th May, 2014

Annexure referred to in paragraph 1 of our report of even date on the Other Legal and Regulatory Requirements

(Re: Oriental Carbon & Chemicals Limited)

- (i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. Fixed Assets of the Company have been physically verified by the management and in our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - c. There was no substantial disposal of fixed assets during the year.

ORIENTAL CARBON & CHEMICALS LIMITED

- (ii) a. As explained to us inventories were physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, 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. In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted or taken any loan secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is 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. During the course of our audit, we have not noticed any continuing failure to correct major weakness in internal control system.
- (v) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under to the extent applicable, with regard to the deposits accepted from the public. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court, or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained for the company's products pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 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 same.
- (ix) a. According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities *except some delay in payment of advance Income Tax*. There is no undisputed outstanding statutory dues as at the year-end for a period of more than six months from the date they became payable.
- b. According to the records of the Company, there are no dues outstanding of Sales Tax, Income Tax, Service Tax, Custom Duty, Wealth Tax, Excise Duty and Cess on account of any dispute, other than the following:

Name of Statute	Nature of Dues	Period to which Amount relates	Amount * (Rs in Lacs)	Forum where Dispute is pending
The Central Excise Act, 1944	Demand for Excise Duty	1992-93 to 1995-96	20.00	Allahabad High Court
The Income Tax Act, 1961	Demand for Income tax and Interest thereon	Assessment Year 2011-12	22.04	CIT (Appeals)

*Net of amount paid

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash loss in the current and immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks. We have been informed that the Company did not have any debentures outstanding during the year.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, clause 4 (xiii) of the Order is not applicable.
- (xiv) The Company does not deal or trade in shares, securities, debentures and other investments except that it has investments of long-term/current in nature in shares and units of mutual funds and these are held in the name of the Company.
- (xv) According to the information and explanations given to us, the Company has given in earlier year corporate guarantee for loan taken by subsidiary company from a bank. The terms and conditions of which are not prima facie prejudicial to the interest of the Company.
- (xvi) According to the information and explanations given to us, term loan was obtained during the year was applied for the purpose for which loans was obtained.
- (xvii) According to the information and explanation given to us, and on an overall examination of the Balance Sheet of the Company, funds raised on short term basis during the year have not been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) During the year the Company has not issued any debentures. Accordingly clause 4(xix) of the order is not applicable.
- (xx) The Company has not raised any money through public issue during the year. Accordingly clause 4(xx) of the order is not applicable.
- (xxi) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For SINGHI & CO.
Chartered Accountants
Firm Reg. No.302049E

B.K. Sipani
Partner
Membership No. 088926

Place: New Delhi
Date: 29th May, 2014

ORIENTAL CARBON & CHEMICALS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014	(Rs.in lacs) As at 31.03.2013
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds:			
(a) Share Capital	1	10,31.13	10,31.13
(b) Reserves and Surplus	2	1,93,55.44	1,61,63.29
		<u>2,03,86.57</u>	<u>1,71,94.42</u>
(2) Non-Current Liabilities:			
(a) Long-term Borrowings	3	64,01.29	77,19.69
(b) Deferred Tax Liabilities (Net)	4	18,44.48	16,30.22
(c) Other Long-term Liabilities	5	52.04	37.12
(d) Long-term Provisions	6	78.58	66.84
		<u>83,76.39</u>	<u>94,53.87</u>
(3) Current Liabilities :			
(a) Short-term Borrowings	7	18,43.99	21,91.37
(b) Trade Payables	8	13,52.60	12,57.85
(c) Other Current Liabilities	9	29,56.37	28,02.21
(d) Short-term Provisions	6	7,25.01	5,25.56
		<u>68,77.97</u>	<u>67,76.99</u>
TOTAL		<u>3,56,40.93</u>	<u>3,34,25.28</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets:			
(i) Tangible Assets	10	1,92,27.87	1,86,29.56
(ii) Intangible Assets	10	1,15.40	1,41.31
(iii) Capital Work-in-Progress		2,27.18	3,09.31
(b) Non-Current Investments	11	14,69.72	14,69.72
(c) Long-term Loans and Advances	12	31,80.99	23,59.19
		<u>2,42,21.16</u>	<u>2,29,09.09</u>
(2) Current Assets			
(a) Current Investments	13	11,15.86	5,13.80
(b) Inventories	14	37,92.27	36,76.70
(c) Trade Receivables	15	47,12.10	39,57.83
(d) Cash and Bank balances	16	10,21.71	12,83.32
(e) Short-term Loans and Advances	12	3,50.14	5,52.91
(f) Other Current Assets	17	4,27.69	5,31.63
		<u>1,14,19.77</u>	<u>1,05,16.19</u>
TOTAL		<u>3,56,40.93</u>	<u>3,34,25.28</u>
Summary of Significant Accounting Policies	28		
Contingent Liabilities and Commitments	29		
Other notes on Accounts	30		

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

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

For and on behalf of the Board

O.P. DUBEY
Director

J.P. GOENKA
Chairman

Place : New Delhi
Date : 29th May, 2014

B.K. SIPANI
Partner
Membership No. 88926

P.K. MAITY
Company Secretary

ARVIND GOENKA
Managing Director

ORIENTAL CARBON & CHEMICALS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2014

		(Rs.in lacs)	
	Note No.	For the year ended 31.03.2014	For the year ended 31.03.2013
I. REVENUE :			
Revenue from Operations	18	2,72,83.05	2,35,48.52
Less: Excise Duty		<u>11,13.48</u>	<u>10,04.45</u>
Revenue from Operations (Net)		2,61,69.57	2,25,44.07
II OTHER INCOME	19	<u>3,49.00</u>	<u>4,87.93</u>
III TOTAL REVENUE (I + II)		<u>2,65,18.57</u>	<u>2,30,32.00</u>
IV EXPENSES :			
Cost of Materials Consumed	20	66,81.44	74,30.51
Purchase of Traded Goods	21	-	78.64
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	22	1,07.55	(7,50.52)
Employee Benefit Expenses	23	22,91.10	20,77.58
Other Expenses	24	<u>1,02,74.43</u>	<u>79,53.22</u>
V Total		<u>1,93,54.52</u>	<u>1,67,89.43</u>
VI Profit before finance cost, depreciation, amortisation and tax	(III - V)	71,64.05	62,42.57
VII Finance Costs	25	11,05.14	12,77.65
VIII Depreciation and Amortisation	26	<u>10,43.41</u>	<u>9,61.41</u>
IX Profit before tax (VI - VII - VIII)		50,15.50	40,03.51
Tax Expense			
Current Tax	27	7,57.33	2,75.97
Deferred Tax (Net)		<u>2,14.26</u>	<u>9,89.09</u>
Profit for the year		<u>40,43.91</u>	<u>27,38.45</u>
Basic & Diluted Earnings Per Equity Share (of Rs.10/- each) (Rs.)	30.04	39.28	26.60
Summary of Significant Accounting Policies	28		
Other notes on Accounts	30		

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

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

For and on behalf of the Board

O.P. DUBEY
Director

J.P. GOENKA
Chairman

Place : New Delhi
Date : 29th May, 2014

B.K. SIPANI
Partner
Membership No. 88926

P.K. MAITY
Company Secretary

ARVIND GOENKA
Managing Director

ORIENTAL CARBON & CHEMICALS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Current Year	Previous Year	(Rs. in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax	50,15.50	40,03.51	
Adjustments for:			
Depreciation	10,43.41	9,61.41	
Loss on Sale / Discard of Fixed Assets (Net)	62.06	1.48	
Finance Costs	11,05.14	12,77.65	
Interest Income	(1,20.98)	(1,13.98)	
Loans & Debts earlier written off. now recovered	(68.00)	(87.00)	
Profit / Loss on Sale of Current Investment	1.11	(27.86)	
Dividend on Current Investments	(61.33)	(32.95)	
Adjustment to the carrying amount of Long-term Investments	-	(0.02)	
Excess of Carrying Costs over Fair value of Current Investments	-	0.53	
Operating Profit before Working Capital Changes	69,76.91	59,82.77	
Adjustments for :			
Trade and Other Receivables	(7,30.50)	3,55.28	
Inventories	(1,15.57)	(8,89.22)	
Trade and Other Payables	1,32.54	(58.82)	
Cash generated from Operations	62,63.38	53,90.01	
Direct Tax Paid (Net)	(11,10.09)	(7,27.12)	
Net cash from Operating Activities	51,53.29	46,62.89	
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets/Expenditure on New Project	(22,26.55)	(23,44.14)	
Loans to Bodies Corporate/ Others (Net)	2,11.02	(68.01)	
Investments Purchased	(10,90.86)	(14,54.18)	
Movement in Fixed deposits with Banks	(56.87)	(6.66)	
Sale of Fixed Assets	10.26	19.26	
Loans earlier written off. now recovered	68.00	87.00	
Dividend on Current Investments	61.33	32.95	
Investment sold	4,87.69	9,97.39	
Interest Received	2,11.89	78.66	
Net Cash used in investing activities	(23,24.09)	(26,57.73)	
C. CASH FLOW FROM FINANCING ACTIVITIES			
Dividend Paid	(5,14.80)	(5,14.80)	
Tax on Dividend	(87.50)	(83.51)	
Long Term Borrowings	(11,16.29)	9,86.80	
Working Capital From Banks	(3,47.38)	(10,92.89)	
Interest and Financial Costs paid (excluding capitalised)	(11,03.50)	(12,56.12)	
Net Cash From Financing Activities	(31,69.47)	(19,60.52)	
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(3,40.27)	44.64	
Opening Balance of Cash and Cash Equivalents	8,90.39	8,45.75	
Closing Balance of Cash and Cash Equivalents	5,50.12	8,90.39	
Cash & Cash Equivalents Comprise			
Cash on Hand	3.93	2.66	
Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 month	5,46.19	8,87.73	
	5,50.12	8,90.39	

Note: (i) Figures in bracket represent outflows.

(ii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

(iii) Cash & cash equivalents excludes Rs. 55.12 (Previous Year Rs. 45.36) lying in designated account with scheduled banks on account of unclaimed dividend and Rs. 3,32.29 (Previous Year Rs. 2,75.42) in fixed deposits with banks maturing beyond three months are shown under investing activities and fixed deposit of Rs. 84.18 (Previous year Rs. 72.15) pledged with Government Authority, shown under Trade and Other Receivables.

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

O.P. DUBEY
Director

For and on behalf of the Board

J.P. GOENKA
Chairman

Place : New Delhi
Date : 29th May, 2014

B.K. SIPANI
Partner
Membership No. 88926

P.K. MAITY
Company Secretary

ARVIND GOENKA
Managing Director

ORIENTAL CARBON & CHEMICALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET

		(Rs. in lacs)	
		As at	As at
		31st March, 2014	31st March, 2013
1	SHARE CAPITAL		
	Authorised		
	1,49,90,000 (Previous year 1,49,90,000) Equity Shares of Rs 10 each	14,99.00	14,99.00
	1,000 (Previous year 1,000) 11% Redeemable Cumulative Preference Shares of 100/- each	1.00	1.00
		<u>15,00.00</u>	<u>15,00.00</u>
	Issued		
	1,03,29,814 (Previous Year 1,03,29,814) Equity shares of Rs. 10/- each	10,32.98	10,32.98
		<u>10,32.98</u>	<u>10,32.98</u>
	Subscribed and fully paid-up		
	1,02,96,062 (Previous year 1,02,96,062) Equity Shares of Rs. 10/- each fully paid-up	10,29.61	10,29.61
	Add: Forfeited Shares (Amount originally Paid-up)	1.52	1.52
		<u>10,31.13</u>	<u>10,31.13</u>

Terms / rights attached to Equity shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.

Reconciliation of the number of Equity Shares outstanding:

Equity shares outstanding at the beginning of the year	10296062	10296062
Equity shares outstanding at the end the of the year	10296062	10296062

Shareholders holding more than 5 percent Equity shares of the Company:

		As at 31st March, 2014		As at 31st March, 2013	
S. No.	Name of shareholder	Number of Shares held	Percentage of holding	Number of Shares held	Percentage of holding
1	Cosmopolitan Investments Ltd	1904528	18.50%	1904528	18.50%
2	New India Investment Corporation Ltd	1202136	11.68%	1202136	11.68%
3	Duncan International (India) Ltd	979116	9.51%	936809	9.10%
4	Haldia Investment Company Ltd	591895	5.75%	591895	5.75%

		As at	As at
		31st March, 2014	31st March, 2013
2	RESERVES AND SURPLUS		
	(i) Capital Reserve		
	Balance as per last financial statement	17,32.18	17,32.18
		<u>17,32.18</u>	<u>17,32.18</u>
	(ii) Capital Redemption Reserve		
	Balance as per last financial statement	0.25	0.25
		<u>0.25</u>	<u>0.25</u>
	(iii) Share Premium Account		
	Balance as per last financial statement	17,92.64	17,92.64
		<u>17,92.64</u>	<u>17,92.64</u>
	(iv) Revaluation Reserve		
	Balance as per last financial statement	1,20.07	1,28.62
	Less : Transfer to Statement of Profit & Loss (Note 26)	8.55	8.55
		<u>1,11.52</u>	<u>1,20.07</u>

ORIENTAL CARBON & CHEMICALS LIMITED

	(Rs. in lacs)	
	As at 31st March, 2014	As at 31st March, 2013
(v) General Reserve		
Balance as per last financial statement	21,13.88	17,13.88
Add : Transfer from Surplus in Statement of Profit & Loss	5,00.00	4,00.00
	26,13.88	21,13.88
(vi) Surplus in Statement of Profit & Loss		
Balance as per last financial statement	1,04,04.27	86,66.53
Add: Profit for the year	40,43.91	27,38.45
	1,44,48.18	1,14,04.98
Less: Appropriations		
Interim Dividend @	2,05.92	2,05.92
Tax on Interim Dividend	35.00	33.41
Proposed Final Dividend @	5,14.80	3,08.88
Tax on Proposed Final Dividend	87.49	52.50
Transfer to General Reserve	5,00.00	4,00.00
	1,31,04.97	1,04,04.27
Total Reserves and Surplus (i to vi)	1,93,55.44	1,61,63.29

@ During the year, the Company has paid Interim dividend of Rs. 2/-; (Previous year Rs. 2/-) per equity share. Now, final dividend Rs. 5/- (Previous Year Rs. 3/-) per equity share for financial year 2013-14 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3 LONG-TERM BORROWINGS

	Non-current portion		Current maturities	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
(i) Secured :				
Term loans from Banks (a)	60,48.73	70,90.64	16,78.40	15,55.10
Housing Loans from HDFC Ltd (b)	1,44.08	2,63.25	1,34.33	1,50.16
Vehicle Loans from Banks (c)	14.03	41.26	46.18	42.44
	62,06.84	73,95.15	18,58.91	17,47.70
(ii) Unsecured :				
Fixed Deposits (d)	1,94.45	3,24.54	2,83.91	1,91.64
Total (i) + (ii)	64,01.29	77,19.69	21,42.82	19,39.34
(iii) Amount disclosed under the head "Other current liabilities" (Note No.9)	-	-	21,42.82	19,39.34
Total (i)+ (ii)-(iii)	64,01.29	77,19.69	-	-

(a) (i) Securities :

Secured by first exclusive charge on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit and first pari-pasu charge with Exim Bank on entire fixed assets including equitable mortgage of factory land and building of SEZ Mundra Unit and second pari-pasu charge with Exim Bank on entire current assets of the company.

ORIENTAL CARBON & CHEMICALS LIMITED

(ii) Terms of Repayments of Non-Current portion of Term Loans from Banks

(Rs. in lacs)

AS AT 31ST MARCH' 2014				AS AT 31ST MARCH' 2013			
As at 31st March, 2014	Rate of Interest	Repayments		As at 31st March, 2013	Rate of Interest	Repayments	
		No. of outstanding Installments	Periodicity			Installments pending	Periodicity
2,45.41	12.65% linked with Base Rate	9	Quarterly Equal	9,94.45	12.40% linked with Base Rate	12	Quarterly Equal
11,11.85	5.50% linked with Libor Rate			10,06.20	4.87% linked with Libor Rate		
11,60.23	5.50% linked with Libor Rate			9,59.70	5.26% linked with Libor Rate		
6,48.96	4.82% linked with Libor Rate	13	Quarterly Equal	7,68.01	4.96% linked with Libor Rate	17	Quarterly Equal
28,82.28	12.65% linked with Base Rate	45	Monthly Graded	33,62.28	12.40% linked with Base Rate	19	Quarterly Graded
60,48.73				70,90.64			

(b) Housing Loans From HDFC Ltd.

- i) Rs. 2,05.74 (Previous Year Rs. 3,26.66) is secured by way of first equitable mortgage of ground floor of the property purchased with collateral security of rest of the said property owned by the other borrower and non-current portion of Rs. 82.69 (Previous Year Rs. 188.52) is repayable in 8 equal monthly instalments (previous year 16 equal monthly instalments) in 2015-2016 as per the repayment schedule and carries rate of interest of 13.00% (Previous year 14.75%) p.a.
 - ii) Rs. 11.28 (Previous Year Rs. 25.36) is secured by way of equitable mortgage of three residential flats at Bhiwadi, Rajasthan and non current portion Rs. Nil (Previous year Rs. 13.34) is repayable as per repayment schedule and carries rate of interest 15.75% p.a.
 - iii) Rs. 61.39 (Previous Year Rs. 61.39) to be secured by way of first equitable mortgage of two residential flats at Gurgaon, Haryana and non-current portion of Rs. 61.39 (Previous Year RS. 61.39) is repayable in 60 equated monthly instalments (Previous year 60 equated monthly instalments) beginning after completion of the construction as per the repayment schedule and carries rate of interest of 15.35% (previous year 14.75%) p.a.
- (c) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of Rs. 14.03; (Previous Year Rs. 41.26) is repayable in 19 equated monthly instalments (Previous year 19 equated monthly instalments) in 2015-16 onwards as per the repayment schedule and carries rate of interest of 9.25% to 10.59% (Previous year 9.25% to 10.45%) p.a.
- (d) Fixed deposits from public carries rate of interest @ 10.50% to 11%; (Previous year 11.50% to 12%) p.a. and non-current portion of Rs. 1,94.45 (Previous year Rs. 3,24.54) is repayable after 1 to 3 years (Previous year 1 to 3 years) from the date of acceptance of deposits.

	As at 31st March, 2014	As at 31st March, 2013
4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of:		
Depreciation and Amortisation Expenses	18,70.14	16,48.97
Deferred Tax Asset on account of:		
Amount allowable on payment basis	25.66	18.75
Deferred Tax Liability/(Asset) Net	18,44.48	16,30.22
5 OTHER LONG-TERM LIABILITIES		
Interest accrued but not due on fixed deposits	52.04	37.12
	52.04	37.12

ORIENTAL CARBON & CHEMICALS LIMITED

6 PROVISIONS

(Rs. in lacs)

	Long- term		Short - term	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Provision for employee benefits	78.58	66.84	70.91	53.28
Proposed Final Dividend	-	-	5,14.80	3,08.88
Tax on Proposed Final Dividend	-	-	87.49	52.50
Provision for Current Tax (Net)	-	-	51.81	1,10.90
	78.58	66.84	7,25.01	5,25.56

7 Short-Term Borrowings

Secured:

Loan repayable on demand

Cash Credit & Packing credit facility from Banks	18,43.99	21,91.37
	<u>18,43.99</u>	<u>21,91.37</u>

Security:

Cash Credit & Packing Credit facilities are secured by first exclusive charge on entire current assets of the company and second charge over the entire fixed assets including equitable mortgage of factory land and building of Mundra SEZ Unit and second pari-pasu charge with Exim Bank on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit and other fixed assets of the Company (except assets having specific charge).

8 TRADE PAYABLES

Micro, Small and Medium Enterprises *	-	-
Others	13,52.60	12,57.85
	<u>13,52.60</u>	<u>12,57.85</u>

*There were no outstanding dues to Micro, Small and Medium Enterprises to the extent information available with the company and the payments in respect of such suppliers are made within the appointed day.

9 OTHER CURRENT LIABILITIES

Current maturities of Long-Term Borrowings	16,78.40	15,55.10
Current maturities of Housing Loans	1,34.33	1,50.16
Current maturities of Vehicle Loans	46.18	42.44
Current maturities of Fixed Deposits	2,83.91	1,91.64
Interest accrued and due on Borrowings	58.42	70.59
Interest accrued and but not due on Borrowings	4.00	4.98
Advance received from and Credit balance of Customers	11.41	29.31
Unpaid Dividend	55.12	45.36
Unpaid and Unclaimed Matured Deposits & Interest accrued thereon #	25.13	26.63
Creditors for Capital Goods	38.75	91.60
Statutory dues payable	2,77.23	2,66.64
Employees liabilities	3,01.63	2,81.10
Security Deposits	8.90	9.40
Directors' Commission	17.78	15.20
Other payable	15.18	22.06
	<u>29,56.37</u>	<u>28,02.21</u>

Includes Rs. 12.95 (previous year Rs 12.95) under legal dispute between the Joint Holders of the fixed deposit.

ORIENTAL CARBON & CHEMICALS LIMITED

10 FIXED ASSETS

(Rs. in lacs)

DESCRIPTION	GROSS BLOCK COST/BOOK VALUE				DEPRECIATION				NET BLOCK	
	As At March 31, 2013	Addi- tions/ -	Deduc- tions/ Adjust- ments	As At March 31, 2014	As At March 31, 2013	For the year	Deduc- tions/ Adjust- ments	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
(i) Tangible Assets										
Freehold Land	1,08.30	-	-	1,08.30 *	-	-	-	-	1,08.30	1,08.30
Leasehold Land	6,42.75	-	-	6,42.75	57.69	21.43	-	79.12	5,63.63	5,85.06
Buildings	68,33.49	4,07.24	-	72,40.73*	7,15.33	1,70.94	-	8,86.27	63,54.46	61,18.16
Plant and Equipment	1,53,73.97	11,74.31	1,95.13	1,63,53.15*	53,71.16	6,62.42	1,37.83	58,95.75	1,04,57.40	1,00,02.81
Electrical Installation	17,03.97	12.02	0.45	17,15.54*	4,71.19	76.22	0.21	5,47.20	11,68.34	12,32.78
Furniture and Fixtures	2,08.79	20.16	0.30	2,28.65	68.51	12.93	0.19	81.25	1,47.40	1,40.28
Vehicles	3,32.63	42.50	19.68	3,55.45	96.90	48.38	12.72	1,32.56	2,22.89	2,35.73
Air Conditioners & Coolers	67.41	10.23	10.85	66.79	13.77	2.96	3.85	12.88	53.91	53.64
Office Equipment	2,20.71	26.06	17.10	2,29.67	67.91	20.81	10.59	78.13	1,51.54	1,52.80
Total	2,54,92.02	16,92.52	2,43.51	2,69,41.03	68,62.46	10,16.09	1,65.39	77,13.16	1,92,27.87	1,86,29.56
Previous Year	2,01,02.67	55,24.74	1,35.39	2,54,92.02	60,41.04	9,36.07	1,14.65	68,62.46	1,86,29.56	
(ii) Intangible Assets										
Software	1,75.79	9.96	-	1,85.75	34.48	35.87	-	70.35	1,15.40	1,41.31
Total	1,75.79	9.96	-	1,85.75	34.48	35.87	-	70.35	1,15.40	1,41.31
Previous Year	-	1,75.79	-	1,75.79	-	34.48	-	34.48	1,41.31	

* Includes amount added on revaluation Rs. 2,72.45 during 1992-93.

Notes:

- (i) Gross Block includes Rs. 1,77.98 (Previous year Rs. 1,75.24) purchased under Car Finance Scheme.
- (ii) The company has exercised option under notification no. GIR 914 (E) dated 29th December'2011 issued by Ministry of Corporate Affairs and accordingly net exchange difference for the year amounting to Rs. 3,96.89 (Previous year Rs. 17.03) on long term foreign currency borrowing has been added to the depreciable fixed assets acquired. As at 31st March 2014 Rs. 4,49.91 (Previous year Rs. 82.27) remain to be amortised over the balance life of the assets.
- (iii) During the year the company has changed Depreciation rate on Vehicles from 9.50%, charged in earlier years to 11.875% which has resulted in extra Depreciation amounting Rs. 13.54 and consequently profit before tax for the year is lower Rs. 13.54.

**As at
31st March, 2014** **As at
31st March, 2013**

11 NON-CURRENT INVESTMENTS

Long Term Investment (Non - Trade)

I) Investment in Equity Shares - Quoted (at Cost)

1848500 (Previous year 1848500) Equity Shares of Rs. 10/- each fully paid up in Schrader Duncan Ltd (Subsidiary) *	14,53.65	14,53.65
8351 (Previous year 8351) Equity Shares of Rs. 100/- each fully paid up in Duncan International (India) Ltd.	15.42	15.42
3353 (Previous year 3353) Equity Shares of Rs. 75/- each fully paid up in New India Investment Corporation Ltd.	1.46	1.46
	14,70.53	14,70.53
Less: Provision for Diminution in value of Investments	0.81	0.81
	14,69.72	14,69.72
Aggregate amount of Quoted Investments	14,70.53	14,70.53
Aggregate market value of Quoted Investments	9,88.39	7,55.48
Aggregate provision for diminution in value of investments *	0.81	0.81

* As on 31st March 2014, market value of the shares of subsidiary company M/S Schrader Duncan Limited was lower by Rs. 4,81.33 (Previous year Rs. 7,14.24).

However in view of long term strategic investment in the subsidiary company, no provision for diminution in value has been made as same is not permanent in nature.

ORIENTAL CARBON & CHEMICALS LIMITED
(Rs. in lacs)

	Long- term		Short - term	
	As at	As at	As at	As at
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
12 LOANS AND ADVANCES				
(Considered Good)				
Unsecured Loans & Advances				
Loan and Advances to Related Parties	-	-	6.94	2,03.96
Loans to Bodies Corporate	4,03.00	4,17.00	-	-
Capital Advances *	16,53.67	11,00.32	-	-
Security Deposits	3,38.90	3,49.35	-	-
Loans and Advances to Employees	39.15	39.92	35.79	46.00
Balances with Excise and Custom Department	-	-	77.33	52.99
Other Advances	-	-	1,72.58	1,97.07
Prepaid Expenses	-	-	57.50	52.89
MAT credit entitlement	7,46.27	4,52.60	-	-
	31,80.99	23,59.19	3,50.14	5,52.91

* Capital Advances include Rs. 75.00 (Previous year Rs. 75.00) to a company under liquidation against the use of an office premises. The same is pending transfer in favour of the Company as per agreed terms.

	Face Value per Unit	As at	As at	As at	As at
		31st March, 2014 (Nos.)	31st March, 2013 (Nos.)	31st March, 2014	31st March, 2013
13 CURRENT INVESTMENTS					
UNQUOTED					
(at cost or fair value whichever is lower)					
Investments in Mutual funds					
a) SBI Infrastructure Fund-I Dividend Plan	10	-	100,000	-	7.28
b) Pine Bridge India Equity Fund Standard Dividend Plan	10	244,498.778	244,498.778	25.00	25.00
c) SBI Magnum Insta cash fund Liquid floater-Direct plan-Daily Dividend	1000	51,426.991	-	5,19.37	-
d) SBI Magnum Income Fund FR Long Term Regular Plan - Daily I	10	-	4,781,703.244	-	4,81.52
e) SBI Ultra short term debt fund-Regular plan -Daily Dividend	1000	21,155.935	-	2,11.83	-
f) SBI Premier Liquid Fund-Regular Plan Daily Dividend	1000	35,867.744	-	3,59.66	-
				11,15.86	5,13.80
Aggregate amount of Unquoted Investments (at cost)				11,15.86	516.52
Aggregate NAV of Unquoted Investments				11,24.48	517.46
Aggregate of excess of carrying cost over fair value				-	2.72

ORIENTAL CARBON & CHEMICALS LIMITED

		(Rs. in lacs)	
		As at	As at
		31st March, 2014	31st March, 2013
14 INVENTORIES			
	(Valued at lower of cost or net realisable value)		
	Raw Materials	13,43.03	11,25.07
	Work-in-Progress	1,75.91	59.57
	Finished Goods	16,28.93	18,52.83
	Stores and Spares	6,10.68	5,96.06
	Fuel	33.72	43.17
		37,92.27	36,76.70
	Goods in transit included in above inventories are as under :		
	Raw Materials	2,13.38	2,14.02
15 TRADE RECEIVABLES			
	(Unsecured, Considered Good)		
	Outstanding for a period exceeding six months (from the due date)	-	1.64
	Outstanding for a period less than six months from due date	47,12.10	39,56.19
		47,12.10	39,57.83
16 CASH AND BANK BALANCES			
	(a) Cash and Cash equivalents:		
	Cash on Hand	3.93	2.66
	Balance with Banks:		
	In Current Accounts	2,69.61	6,37.73
	Fixed Deposit with Maturity less than 3 Month	2,76.58	2,50.00
		5,50.12	8,90.39
	(b) Other Bank Balances		
	Earmarked balances with banks:		
	Unpaid dividend Account	55.12	45.36
	Fixed Deposit with Bank*	28.75	19.50
	Other Fixed Deposit with original Maturity more than 12 month**	3,87.72	3,28.07
		4,71.59	3,92.93
		10,21.71	12,83.32
	* Under Rule 3A of the Companies (Acceptance of Deposits) Amendment Rules 1978.		
	** Includes Rs. 84.18 pledged with Government Authority (Previous Year Rs. 72.15) and Rs. 3,03.54 against margin money (Previous Year Rs. 2,55.92) which can be withdrawn at any point of time without prior notice or exit costs on the principal amount.		
17 OTHER CURRENT ASSETS			
	Export incentive Receivable	7.92	4.95
	Claims Receivable	-	12.48
	Accrued Interest Income	56.89	147.80
	Fixed Assets held for sale (At lower of Book Value and Net Realisable Value)	5.80	-
	Other Receivables (Comprises of Service Tax, CST, Excise Duty receivable etc.)	3,57.08	3,66.40
		4,27.69	5,31.63

ORIENTAL CARBON & CHEMICALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF STATEMENT OF PROFIT & LOSS

	(Rs. in lacs)	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
18 REVENUE FROM OPERATIONS		
(i) Sale of Products:		
Insoluble Sulphur	2,59,54.91	2,15,83.78
Sulphuric Acid & Oleum	<u>12,85.96</u>	<u>19,01.22</u>
	2,72,40.87	2,34,85.00
Other Operating Revenues		
Export and Other Incentives	<u>42.18</u>	<u>63.52</u>
Gross Revenue from Operations	2,72,83.05	2,35,48.52
Less: Excise Duty	<u>11,13.48</u>	<u>10,04.45</u>
Net Revenue from Operations	<u>2,61,69.57</u>	<u>2,25,44.07</u>
19 OTHER INCOME		
Dividend on Current Investments	61.33	32.95
Interest Income		
- On Deposits	71.67	44.68
- On Loans	44.94	58.87
- Others	<u>4.37</u>	<u>10.43</u>
Loans and Debts earlier written-off, now recovered	68.00	87.00
Net Gain on foreign currency translations and transactions	-	1,09.36
Rent Received	14.58	14.58
Provisions no Longer Required Written Back	29.50	35.16
Adjustment to the carrying amount of Long-term Investments	-	0.02
Profit on Sale of Current Investment	-	27.86
Scrap Sales	49.08	57.99
Miscellaneous Income	<u>5.53</u>	<u>9.03</u>
	<u>3,49.00</u>	<u>4,87.93</u>
20 COST OF MATERIALS CONSUMED		
Sulphur	23,28.52	31,25.82
Carbon di Sulphide	3,23.20	2,98.00
Coating Oil	33,77.32	32,95.91
Others	<u>6,52.40</u>	<u>7,48.27</u>
	66,81.44	74,68.00
Less: Consumption for Trial Run Production	-	37.49
	<u>66,81.44</u>	<u>74,30.51</u>
21 PURCHASE OF TRADED GOODS		
Insoluble Sulphur	-	78.64
	-	78.64

ORIENTAL CARBON & CHEMICALS LIMITED

	For the Year ended 31st March, 2014	(Rs. in lacs) For the Year ended 31st March, 2013
22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
I Inventories as at the beginning of the Year		
Finished Goods	18,52.83	9,35.87
Work-in-Progress	59.57	56.85
Traded Goods	-	95.76
	<u>19,12.40</u>	<u>10,88.48</u>
Add: Transferred from Trial Run Production		
Finished Goods	-	60.06
Work-in-Progress	-	13.34
	<u>-</u>	<u>73.40</u>
	<u>19,12.40</u>	<u>11,61.88</u>
II Inventories as at end of the Year		
Finished Goods	16,28.94	18,52.83
Work-in-Progress	1,75.91	59.57
	<u>18,04.85</u>	<u>19,12.40</u>
Change in Inventories (I - II)	<u>1,07.55</u>	<u>(7,50.52)</u>
Work-in-Progress includes		
Insoluble Sulphur	1,54.96	48.77
Sulphuric Acid	20.95	10.80
	<u>1,75.91</u>	<u>59.57</u>
23 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	19,60.49	18,49.10
Contribution to Provident and Other Funds	1,55.06	1,35.85
Employee Welfare Expenses	2,17.13	1,92.28
	<u>23,32.68</u>	<u>21,77.23</u>
Less: Transfer to Capital Work-in-Progress / Capitalised	41.58	99.65
	<u>22,91.10</u>	<u>20,77.58</u>
24 OTHER EXPENSES		
Stores Consumed	48.13	47.23
Packing cost	6,54.27	5,58.21
Power and Fuel	42,61.04	36,59.87
Water Charges	47.42	50.08
Rent and Lease Rent *	1,28.57	1,26.16
Rates and Taxes	46.73	28.36
Insurance	1,09.43	1,02.42
Repairs to Buildings	39.25	40.21
Repairs to Machinery	7,17.56	5,40.89
Repairs to Others	83.81	75.69
Freight & Forwarding	12,38.63	13,27.08
Commission and Discount	3,85.94	3,05.34
Travelling	2,16.13	2,00.73
Legal & Professional	6,18.51	2,41.30
Service Charges	1,73.05	1,70.27
Loss on sale/discard of Fixed Assets (Net)	62.06	1.48
Loss on sale of current investment	1.11	-
Net Loss on Foreign Currency Translations and Transactions (other than considered as Finance Cost)	8,05.16	-
Excess of Carrying Costs over Fair value of Current Investments	-	0.53
Bad Advances / Debts	1.55	4.10

ORIENTAL CARBON & CHEMICALS LIMITED

	For the Year ended 31st March, 2014	(Rs. in lacs) For the Year ended 31st March, 2013
Donations	51.42	35.51
Excise Duty on Increase of finished goods Stock	22.06	22.39
Directors' Commission & Fees	25.40	22.80
Prior period	1.65	-
Miscellaneous **	5,53.14	4,67.07
	1,02,92.02	80,27.72
Less: Transfer to Capital Work-in-Progress / Capitalised	17.59	74.50
	1,02,74.43	79,53.22
* Net of Recovery Rs.18.05 (Previous Year Rs. 19.31)		
** Miscellaneous Include Auditors Remuneration as follows:		
i) Statutory Auditor:		
As Auditor	9.50	8.75
For Limited Review	1.50	1.50
For Tax Audit	1.35	1.00
For Certifications, Consolidation and other matters	2.98	2.85
Travelling and other out of pocket expenses	0.40	0.29
	15.73	14.39
ii) Cost Auditor:		
As Auditor	1.05	1.20
Travelling and other out of pocket expenses	0.04	0.03
	1.09	1.23
	16.82	15.62
25 FINANCE COST		
Interest	10,18.51	11,82.48
Other Borrowing Cost	86.63	1,37.81
	11,05.14	13,20.29
Less: Transfer to Capital Work-in-Progress / Capitalised	-	42.64
	11,05.14	12,77.65
26 DEPRECIATION AND AMORTISATION		
Depreciation on tangible assets (Note No. 10)	10,16.09	9,36.07
Less: Transfer from Revaluation Reserve	8.55	8.55
	10,07.54	9,27.52
Amortisation of Intangible Assets	35.87	34.48
	10,43.41	9,62.00
Less: Transfer to Capital Work-in-Progress / Capitalised	-	0.59
	10,43.41	9,61.41
27 CURRENT TAX		
Current Tax for the year	10,51.00	7,99.50
Less: MAT Credit Entitlement	2,93.67	1,13.52
Less: Taxation adjustments for earlier years (Net)	-	4,10.01
(including MAT Credit Entitlement Rs. Nil (Previous year Rs. 3,39.08/-))	7,57.33	2,75.97

ORIENTAL CARBON & CHEMICALS LIMITED

28 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Nature of Operations

The Company is a manufacturer of Insoluble Sulphur and Sulphuric Acid. The Company has manufacturing facilities at Dharuhera (Haryana) and at Mundra SEZ (Gujarat). Insoluble Sulphur produced by the company is sold globally.

(B) Basis of Accounting

The financial statements have been prepared to comply with the Accounting Standards referred to in The Companies (Accounting Standards) Rule 2006 issued by the Central Government and the relevant provisions of The Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

(C) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialize.

(D) Classification of Assets and Liabilities as Current and Non Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

(E) Revenue Recognition

- (i) Revenue from sales is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with the delivery.
- (ii) Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

(F) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The carrying amounts are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. (Also refer Note No. 10(ii))

(G) Depreciation

Tangible Assets

Depreciation on Fixed Assets has been provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 except in case of vehicles, depreciation on which has been provided @11.875% instead of 9.50 % charged in earlier years. Depreciation on machinery spares is provided retrospectively from the date the related assets are put to use. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Leasehold land is being amortised over the period of lease tenure. Depreciation includes adjustment on account of revaluation which is written off on the basis of residual life as assessed by the Valuers and adjusted by transfer from Revaluation Reserve account. Additions to Fixed Assets on leased land and premises are amortised over the lease period.

ORIENTAL CARBON & CHEMICALS LIMITED

Intangible Assets

Depreciation of Intangible assets is allocated on a systematic basis over the best estimate of their useful life and accordingly software is amortised on straight line basis over the period of five years.

(H) Expenditure on new projects substantial expansion and during construction period

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its originally assessed standard of performance.

Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective Fixed Assets on the completion of its construction.

(I) Investments

Long term Investments are stated at cost . The Company provides for diminution other than temporary in the value of Long term Investments. Current Investments are valued at lower of cost or fair value.

(J) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Monetary items related to foreign currency transactions are restated at year end exchange rates. All exchange differences arising from such conversion including gain or loss on cancellation of foreign currency forward covers are included in the Statement of Profit & Loss except exchange difference arising on long term foreign currency monetary items in so far as they relate to the acquisition of depreciable capital assets are capitalised. (refer note No. 10(ii)). Premium / Discount on forward covers, covered under AS-11(i.e. The Effects of Changes in Foreign Exchange Rates) are recognised over the tenure of the contract.

(K) Inventories

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation. Cost is determined on weighted average cost. Further the cost for Work-in-Progress includes material cost, stagewise direct cost and other related manufacturing overheads including depreciation. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

(L) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

ORIENTAL CARBON & CHEMICALS LIMITED

(M) Retirement and other employee benefits

- 1 Retirement benefits in the form of Provident Fund and Superannuation Scheme, which are defined contribution plans, are charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.
- 2 Gratuity and Leave encashment which are defined benefits, are accrued based on actuarial valuation at the balance sheet date carried out by an independent actuary using the projected unit credit method.
- 3 Gratuity and Superannuation liability is being contributed to the respective funds formed by the Company.

(N) Taxation

Current tax is measured at the amount expected to be paid to the revenue authorities, using the applicable tax rates and laws. Deferred tax for timing differences between the book and taxable Income for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred Tax Assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future and the same is reviewed at each Balance Sheet date

Minimum Alternate Tax (MAT) Credit is recognized 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 recognized as an asset in accordance with the recommendations contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a 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 there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(O) Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying fixed assets, are capitalised as part of the cost of such assets upto the date of commencement of commercial production/put to use of plant. Other Borrowing costs are charged to revenue.

(P) Operating Leases

Lease rent in respect of assets taken on operating lease are charged to Statement of Profit & Loss as per the terms of lease agreements.

(Q) Derivatives

Outstanding derivatives contracts, other than those covered under AS-11, at the year end are marked to market rate, and loss, if any, are accounted for in the Statement of Profit & Loss. As prudent accounting policy, gain on marked to market at the end of year are not accounted for.

(R) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(S) Contingent Liabilities

A disclosure is made for possible or present obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made, as a contingent liability in the financial statements.

ORIENTAL CARBON & CHEMICALS LIMITED

	As At	As At
	31st March, 2014	31st March, 2013
(Rs. In Lacs)		
29 Contingent Liabilities & Commitments:		
29.01 Contingent Liabilities		
(i) Bank Guarantees given to various Govt. Authorities/Others (Margin money/Short Term Deposits Rs. 1.54 ; Previous year Rs. 1.54)	10.26	10.26
(ii) Income tax demand under appeal (Deposited Rs. 10.03; Previous year Rs. Nil)	32.07	-
(iii) Bills discounted with Banks	11,52.63	15,05.47
(iv) Central Excise demand under appeal (Deposited Rs. 85.58 ; Previous year Rs. 85.58)	1,05.58	1,05.58
(v) Other demands under appeal (Deposited Rs. 12.00 ; Previous year Rs. 12.00)	22.69	22.69
(vi) Custom Duty liability on import of raw material under Advance Licence	-	55.57
(vii) Corporate guarantee given to a bank for loan taken by Subsidiary Company (to the extent loan outstanding)	14,70.03	15,22.12
29.02 Commitments		
(i) Estimated amount of capital commitments outstanding and not provided for (Gross) (Advance Paid Rs.15,78.67; Previous Year Rs.10,25.32)	21,23.17	26,89.22

30 Other Notes on Accounts

30.01 Disclosure relating to amount outstanding at year end and maximum outstanding during the year of loans and advances, in nature of loan, required as per clause 32 of the Listing Agreement, are given below:

Particulars	Balance	Maximum	Balance	Maximum
	As At	Outstanding	As At	Outstanding
	31st March,	During	31st March,	During
	2014	the year 2014	2013	the year 2013
	Rs.	Rs.	Rs.	Rs.
(a) Subsidiary Company Schrader Duncan Limited		200.00	200.00	250.00

30.02 i) Outstanding Forward Covers in respect of foreign currencies for Hedging.

(Foreign currency in Lakhs)

Currency	Cross Currency	As on	As on
		31st March, 2014	31st March, 2013
a) Future Export Sales			
USD	INR	38.00	44.05
EURO	USD	5.00	16.91
EURO	INR	35.00	31.16
b) Term Loan			
EURO	INR	4.50	-

ORIENTAL CARBON & CHEMICALS LIMITED

ii) Foreign currency exposure not hedged by a derivative instrument or otherwise:

Currency	Cross Currency	As on 31st March, 2014		As on 31st March, 2013	
		Foreign Currency	Rs.	Foreign Currency	Rs.
Payables					
USD	INR	33.14	19,91.51	36.15	19,66.46
EURO	INR	10.81	8,92.52	15.99	11,12.24
Receivables					
USD	INR	10.02	6,02.29	1.62	87.94
EURO	INR	5.08	4,19.25	8.23	5,72.62
GBP	INR	0.45	45.38	0.68	56.12

30.03 Segment reporting has been given in Consolidated Financial Statement.

30.04 Earnings per Share (EPS)

		For the year ended	
		31st March, 2014	31st March, 2013
Profit attributable to the Equity Shareholders	(Rs. in Lakhs)	40,43.91	27,38.45
Number of Equity Shares	(Nos)	10296062	10296062
Nominal value of Equity Shares	(Rs.)	10.00	10.00
Basic and Diluted Earnings per Share	(Rs.)	39.28	26.60

30.05 Disclosure as per Accounting Standard - 15 (Employees' Benefits)

(Rs. In Lacs)
2013-14 2012-13

Define Contribution Plan -

The Company has recognized the following amounts in the Statement of Profit & Loss for the year

Contribution to Employees Provident Fund	71.88	63.34
Contribution to Superannuation Fund	42.53	39.75

Define Benefit Plan -

The following table set out the status of the gratuity plan as required under AS 15 (Revised 2005):

(a) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

Opening DBO	2,33.37	2,10.24
Past & Current Service Cost	23.29	19.79
Interest cost	23.17	17.74
Actuarial (gain)/loss	10.65	7.95
Benefits paid	(8.99)	(22.34)
Closing DBO	2,81.49	2,33.37

(b) A reconciliation of opening and closing balances of the fair value of plan assets:

Opening fair value of plan assets	2,05.40	1,87.61
Expected Return on Plan Assets	19.42	15.17
Actuarial gain/(loss)	(2.81)	(1.54)
Contribution by the employer	29.76	26.50
Benefits paid	(8.99)	(22.34)
Closing fair value of plan assets	2,42.78	2,05.40

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in Lacs)

	As At 31st March, 2014	As At 31st March, 2013
(c) A reconciliation of the present value of the defined benefit obligation and the fair value of the plan assets to the assets recognized in the balance sheet:		
Present value of defined benefit obligation at the end of the period	2,81.49	2,33.37
Fair value of the plan assets at the end of the year	2,42.78	2,05.40
Liability recognized in the balance sheet	38.71	27.97
(d) The total expense recognised in the Statement of Profit and Loss:		
Current service cost	23.29	19.79
Interest cost	23.17	17.74
Expected return on plan assets	(19.42)	(15.17)
Actuarial (gains)/loss	13.46	9.49
Net Gratuity cost	40.50	31.85
(e) For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the total plan assets:		
	%	%
State/Govt. of India securities	37	49
Public Sector Bonds	34	40
Special Deposit Scheme	1	1
Bank Balances to be Invested	28	10
(f) Following are the Principal Actuarial Assumptions used as at the balance sheet date:		
Discount rate	9	8
Expected rates of return on any plan assets	8	8
Average Salary escalation rate	7	5
Average remaining working life of the employees(years)	16	17

(g) Disclosure as required under Para 120(n);
Amounts recognised in current year and previous four years

	2013-14	2012-13	2011-12	2010-11	2009-10
Present value of defined benefit obligation	2,81.49	2,33.37	2,10.24	1,91.56	1,62.95
Fair Value of Plan Assets	2,42.78	2,05.40	1,87.61	1,55.39	1,43.36
Surplus/ (Deficit) in the Plan	38.71	27.97	22.63	36.17	19.59
Experience adjustments on Plan Liabilities Loss	13.46	9.49	4.94	20.20	16.39
Experience adjustments on Plan Assets Gain/ (Loss)	(2.81)	(1.54)	-	-	-

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

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in lacs)

30.06 Related Party Disclosures (To the extent Identified by the company)

1. Name & Relationship of the Related Parties:

- (a) Schrader Duncan Limited : Subsidiary Company
 (b) Duncan International (India) Limited : Enterprise over which relative of key management personnel is having significant influence.
 (c) Mr. Arvind Goenka - Managing Director : Key Management Personnel
 (d) Mr. Akshat Goenka - Sr. Manager : Son of Key Management Personnel

2. Transactions with Related Parties during the year:

Particulars	Subsidiary Company		Enterprise		Key Management Personnel		Son of Key Management Personnel	
	(Refer 1 (a))		(Refer 1 (b))		(Refer 1 (c))		(Refer 1 (d))	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Loans & Advances given	-	3,50.00	-	-	-	-	-	-
(b) Corporate guarantee given	-	28,60.00	-	-	-	-	-	-
(c) Interest received on Loans & Advances	2.64	21.43	-	-	-	-	-	-
(d) Service charges reimbursed	-	-	1,08.00	1,05.00	-	-	-	-
(e) Expenses reimbursed (Net)	30.18	25.38	1.77	0.08	-	-	-	-
(f) Remuneration	-	-	-	-	1,21.73	95.10	13.29	11.67
(g) Dividend Paid			47.48	46.84	7.81	7.81	5.00	5.00
(h) Outstanding as on 31.03.2014								
Receivable	6.94	2,03.81	-	0.15	-	-	-	-
Payable	-	-	-	-	36.67	29.14	1.27	1.03
Corporate guarantee given (to the extent loan outstanding)	14,70.03	15,22.12	-	-	-	-	-	-

30.07 Value of Imported and Indigenous Raw Materials consumed and percentage thereof:

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	Rs.	%	Rs.	%
Indigenous	48,91.67	73.21	60,72.49	81.72
Imported	17,89.77	26.79	13,58.02	18.28
	<u>66,81.44</u>	<u>100.00</u>	<u>74,30.51</u>	<u>100.00</u>

30.08 Value of Imported and Indigenous Stores & Spare Parts consumed and percentage thereof: *

Indigenous	48.13	100.00	43.75	100.00
Imported	-	-	-	-
	<u>48.13</u>	<u>100.00</u>	<u>43.75</u>	<u>100.00</u>

* Excluding charged to machinery repairs and capitalised.

ORIENTAL CARBON & CHEMICALS LIMITED

(Rs. in lacs)

30.09 C.I.F. Value of Imports:

	Fo the year ended 31st March, 2014	Fo the year ended 31st March, 2013
Raw Materials	17,80.96	13,88.50
Capital Goods	2.14	8.15
Components and Spare Parts	42.40	18.05
Traded Goods	-	76.16
Others	56.41	11.25

30.10 Earning in Foreign Exchange

Export on F.O.B. Basis (Includes Deemed / Indirect Exports Rs. Nil; Previous year Rs. 1.30)	1,76,38.88	1,42,68.72
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30.11 Expenditure in Foreign Currency

Acquisition of Shares of Subsidiary Company	-	13,00.35
Commission and Discount	4,34.34	2,85.72
Travelling	33.26	44.13
Legal & Professional Charges	39.69	3.66
Others	1,50.34	1,27.67

30.12 Remittance in Foreign Currency on account of Dividends:

Number of Non-Resident Shareholders	93	92
Number of Shares held by Non-Resident Shareholders	62007	55876

Due to non-compliance of legal formalities by Non-Resident Shareholders, no dividend amount has been remitted to them.

30.13 Previous year figures have been regrouped to conform current year figures.

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

For and on behalf of the Board of Directors

O.P. DUBEY
Director

J.P. GOENKA
Chairman

Place : New Delhi
Date : 29th May, 2014

B.K. SIPANI
Partner
Membership No. 88926

P.K. MAITY
Company Secretary

ARVIND GOENKA
Managing Director

ORIENTAL CARBON & CHEMICALS LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Oriental Carbon & Chemicals Limited

We have audited the accompanying consolidated financial statements of Oriental Carbon & Chemicals Limited, ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at 31st March, 2014 and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conduct our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation 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 the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India;

- a. In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b. In the case of consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For SINGHI & CO.
Chartered Accountants
Firm Reg. No.302049E

B.K. Sipani
Partner
Membership No. 88926

Place: New Delhi
Date :29th May, 2014

ORIENTAL CARBON & CHEMICALS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014	(Rs.in lacs) As at 31.03.2013
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds:			
(a) Share Capital	1	10,31.13	10,31.13
(b) Reserves and Surplus	2	1,96,61.74	1,64,64.71
		<u>2,06,92.87</u>	<u>1,74,95.84</u>
(2) Minority Interest		17,58.98	1,754.11
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	66,32.89	81,82.65
(b) Deferred Tax Liabilities (Net)	4	18,44.48	16,30.22
(c) Other Long-Term Liabilities	5	52.04	37.12
(d) Long-Term Provisions	6	96.57	84.46
		<u>86,25.98</u>	<u>99,34.45</u>
(4) Current Liabilities			
(a) Short-Term Borrowings	7	30,08.42	30,76.51
(b) Trade Payables	8	23,08.78	23,58.62
(c) Other Current Liabilities	9	34,01.91	33,48.42
(d) Short-Term Provisions	6	7,61.55	6,61.63
		<u>94,80.66</u>	<u>94,45.18</u>
TOTAL		<u>4,05,58.49</u>	<u>3,86,29.58</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	2,20,68.49	2,16,24.05
(ii) Intangible Assets	10	1,38.71	1,50.76
(iii) Capital Work-in-Progress		2,29.53	3,22.51
(b) Non-Current Investments	11	30.63	30.63
(c) Long-Term Loans and Advances	12	33,10.52	24,87.49
		<u>2,57,77.88</u>	<u>2,46,15.44</u>
(2) Current Assets			
(a) Current Investments	13	11,15.86	5,13.80
(b) Inventories	14	49,70.68	50,52.71
(c) Trade Receivables	15	64,64.58	56,62.09
(d) Cash and Bank Balances	16	12,36.10	13,83.14
(e) Short-Term Loans and Advances	12	5,61.78	6,01.42
(f) Other Current Assets	17	4,31.61	8,00.98
		<u>1,47,80.61</u>	<u>1,40,14.14</u>
TOTAL		<u>4,05,58.49</u>	<u>3,86,29.58</u>
Summary of Significant Accounting Policies	28		
Contingent Liabilities and Commitments	29		
Other Notes on Accounts	30		

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

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

For and on behalf of the Board of Directors

O.P. DUBEY
Director

J.P. GOENKA
Chairman

Place : New Delhi
Date : 29th May, 2014

B.K. SIPANI
Partner
Membership No. 88926

P.K. MAITY
Company Secretary

ARVIND GOENKA
Managing Director

ORIENTAL CARBON & CHEMICALS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

(Rs.in lacs)

	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
I REVENUES			
Revenue from Operations	18	3,49,56.33	3,04,86.77
Less Excise duty		18,74.37	17,49.51
Revenue from Operations (Net)		3,30,81.96	2,87,37.26
II OTHER INCOME	19	5,02.72	5,77.65
III Total Revenues (I + II)		3,35,84.68	2,93,14.91
IV EXPENSES			
Cost of Raw Materials Consumed	20	1,12,60.35	1,17,39.43
Purchase of Traded Goods	21	64.44	102.22
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	22	2,09.67	(9,74.25)
Employee Benefit Expenses	23	33,22.11	31,05.10
Other Expenses	24	1,13,33.57	91,14.32
V Total		2,61,90.14	2,30,86.82
VI Profit before finance cost, depreciation & amortisation and tax (III - V)		73,94.54	62,28.09
VII Finance Costs	25	13,53.76	15,45.90
VIII Depreciation and Amortization	26	12,94.21	12,05.07
IX Profit before Exceptional Items and Tax (VI - VII - VIII)		47,46.57	34,77.12
X Exceptional items	27	(2,69.91)	(3,05.78)
XI Profit before tax and Minority Interest (IX - X)		50,16.48	37,82.90
Tax Expense:			
Current Tax	27.01	7,48.56	4.48
Deferred Tax (Net)		2,14.26	9,89.09
Profit for the year before Minority Interest etc		40,53.66	27,89.33
Less : Pre-acquisition profit transferred to Capital Reserve on Consolidation		-	0.84
: Share of Minority Interest		4.87	25.43
Profit for the Year		40,48.79	27,63.06
Basic & Diluted Earnings Per Equity Share	30.03		
(of Rs.10/- each) (Rs.)			
- Before Exceptional Items		36.70	23.87
- After Exceptional Items		39.32	26.84
Summary of Significant Accounting Policies	28		
Other Notes on Accounts	30		

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

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

For and on behalf of the Board of Directors

O.P. DUBEY
Director

J.P. GOENKA
Chairman

B.K. SIPANI
Partner

Place : New Delhi
Date : 29th May, 2014

Membership No. 88926

P.K. MAITY
Company Secretary

ARVIND GOENKA
Managing Director

ORIENTAL CARBON & CHEMICALS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2014

	Current Year	Previous Year	(Rs. in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax and Extra ordinary items	50,16.48	37,82.90	
Adjustments for:			
Depreciation	12,94.21	12,05.07	
Loss on Sale / Discard of Fixed Assets (Net)	76.91	21.38	
Finance Costs	13,53.76	15,45.90	
Interest Income	(1,23.93)	(98.20)	
Loans & Debts earlier written off. now recovered	(68.00)	(87.00)	
Profit / Loss on Sale of Current Investment	1.11	(27.86)	
Dividend on Current Investments	(61.33)	(32.95)	
Dividend on Non-Current Investments (non -trade)	(0.79)	(0.50)	
Profit on Sale of Land	(2,69.91)	(4,47.76)	
Adjustment to the carrying amount of Long-term Investments	-	(0.02)	
Excess of Carrying Costs over Fair value of Current Investments	-	0.53	
Operating Profit before Working Capital Changes	72,18.51	58,61.49	
Adjustments for :			
Trade and Other Receivables	(7,67.90)	(112.70)	
Inventories	82.05	(11,75.70)	
Trade and Other Payables	(151.08)	3.13	
Cash generated from Operations	63,81.58	45,76.22	
Direct Tax Paid (Net)	(11,10.09)	(13,45.12)	
Net cash from Operating Activities			
		52,71.49	32,31.10
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets/Expenditure on New Project	(23,71.53)	(24,69.60)	
Loans to Bodies Corporate/ Others (Net)	11.02	(68.01)	
Investments Purchased	(10,90.86)	(14,54.18)	
Movement in Fixed deposits with Banks	(56.87)	(6.66)	
Sale of Fixed Assets	5,75.68	21,45.37	
Advance received for sale of Land	-	2,61.30	
Decrease in value of Investment	-	(0.50)	
Loans earlier written off. now recovered	68.00	87.00	
Investment sold	4,87.69	9,97.39	
Dividend on Current Investments	61.33	32.95	
Dividend on Non-Current Investments	-	0.50	
Interest Received	2,14.64	62.87	
Net Cash used in investing activities			
	(21,00.90)		(4,11.57)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Dividend Paid	(5,14.80)	(5,14.80)	
Tax on Dividend	(87.50)	(83.51)	
Long Term Borrowings	(13,47.65)	6,61.76	
Working Capital From Banks	(68.09)	(14,17.09)	
Proceeds from short-term borrowings	-	30.00	
Interest and Financial Costs paid (excluding capitalised)	(13,55.28)	(15,37.83)	
Net Cash From Financing Activities			
	(33,73.32)		(28,61.47)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)			
	(202.73)		(41.94)
Opening Balance of Cash and Cash Equivalents	9,26.13		9,45.83
Cash and Cash Equivalents taken over due to Merger			22.24
Closing Balance of Cash and Cash Equivalents	7,23.40		9,26.13
Cash & Cash Equivalents Comprise			
Cash on Hand	4.71		3.52
Balance with Scheduled Banks in Current Accounts and fixed deposits maturing within 3 month	7,18.69		9,22.61
	7,23.40		9,26.13

Note: (i) Figures in bracket represent outflows

(ii) Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

(iii) Cash & cash equivalents excludes Rs. 61.29 (Previous Year Rs. 64.04) lying in designated account with scheduled banks on account of unclaimed dividend and Rs. 367.23 (Previous Year Rs. 320.82) in fixed deposits with banks and Margin Money maturing beyond three months are shown under investing activities and fixed deposit of Rs. 84.18 (Previous year Rs. 72.15) pledged with Government Authority, shown under Trade and Other Receivables.

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

B.K. SIPANI
Partner

Membership No. 88926

For and on behalf of the Board of Directors

O.P. DUBEY
Director

J.P. GOENKA
Chairman

P.K. MAITY
Company Secretary

ARVIND GOENKA
Managing Director

Place : New Delhi
Date : 29th May, 2014

ORIENTAL CARBON & CHEMICALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET

	As at	(Rs. in Lacs)
	31st March, 2014	As at 31st March, 2013
1 SHARE CAPITAL:		
Authorised:		
1,49,90,000 (Previous year 1,49,90,000) Equity Shares of Rs. 10 each	14,99.00	14,99.00
1,000 (Previous year 1,000) 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	1.00	1.00
	<u>15,00.00</u>	<u>15,00.00</u>
Issued		
103,29,814 (Previous year 1,03,29,814) Equity shares of Rs. 10/- each	10,32.98	10,32.98
	<u>10,32.98</u>	<u>10,32.98</u>
Subscribed and Fully Paid-up:		
1,02,96,062 (Previous year 1,02,96,062) Equity shares of Rs. 10/- each fully Paid-up	10,29.61	10,29.61
Add: Forfeited Shares (Amount Originally Paid-up)	1.52	1.52
	<u>10,31.13</u>	<u>10,31.13</u>
Terms/ rights attached to Equity shares		
Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders. There is no restriction on distribution of dividend. However, same except interim dividend is subject to the approval of the shareholders in the Annual General Meeting.		
Reconciliation of the number of Equity Shares Outstanding:		
Equity shares outstanding at the beginning of the year	10,296,062	10,296,062
Equity shares outstanding at the end the of the year	10,296,062	10,296,062
Shareholder holding more than 5 percent Equity shares of the Company:		
S. No.	As at 31st March, 2014	As at 31st March, 2013
	Number of Shares held	Percentage of holding
1	1904528	18.50%
2	1202136	11.68%
3	979116	9.51%
4	591895	5.75%
	Number of Shares held	Percentage of holding
	1904528	18.50%
	1202136	11.68%
	936809	9.10%
	591895	5.75%
	As at	As at
	31st March, 2014	31st March, 2013
2 RESERVES AND SURPLUS		
(i) Capital Reserve		
Balance as per last Financial Statement	20,08.99	17,32.18
Add: Capital Reserve on Consolidation	-	2,76.81
	<u>20,08.99</u>	<u>20,08.99</u>
(ii) Capital Redemption Reserve		
Balance as per last Financial Statement	0.25	0.25
	<u>0.25</u>	<u>0.25</u>

ORIENTAL CARBON & CHEMICALS LIMITED

	As at 31st March, 2014	(Rs. in Lacs) As at 31st March, 2013
(iii) Share Premium Account		
Balance as per last Financial Statement	17,92.64	17,92.64
	<u>17,92.64</u>	<u>17,92.64</u>
(iv) Revaluation Reserve		
Balance as per last Financial Statement	1,20.07	1,28.62
Less: Transfer to Statement of Profit & Loss (Note No. 26)	8.55	8.55
	<u>1,11.52</u>	<u>1,20.07</u>
(v) General Reserve		
Balance as per last Financial Statement	21,13.88	17,13.88
Add: Transfer from Surplus in Statement of Profit & Loss	5,00.00	4,00.00
	<u>26,13.88</u>	<u>21,13.88</u>
(vi) Surplus in Statement of Profit & Loss		
Balance as per last Financial Statement	1,04,28.88	86,66.53
Add: Profit for the Current year	40,48.79	27,63.06
	<u>1,44,77.67</u>	<u>1,14,29.59</u>
Less: Appropriations		
Interim Dividend @	2,05.92	2,05.92
Tax on Interim Dividend	35.00	33.41
Proposed Final Dividend @	5,14.80	3,08.88
Tax on Proposed Final Dividend	87.49	52.50
Transfer to General Reserve	5,00.00	4,00.00
	<u>1,31,34.46</u>	<u>1,04,28.88</u>
Total Reserves and Surplus (i to vi)	<u>1,96,61.74</u>	<u>1,64,64.71</u>

@ During the year, the Company has paid Interim Dividend of Rs. 2/-; (Previous Year Rs. 2/-) per equity share. Now, Final Dividend of Rs. 5/-; (Previous Year Rs. 3/-) per equity share for Financial year 2013-14 is recommended by the Board of Directors, which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3 LONG-TERM BORROWINGS

	Non-Current Portion		Current Portion	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
(i) Secured				
Term Loans From Banks (a.1)	60,48.73	70,90.64	16,78.40	15,55.10
Term Loans From a Bank (a.2)	2,31.60	4,62.96	2,31.36	2,31.36
Housing Loans from HDFC Ltd. (b)	1,44.08	2,63.25	1,34.33	1,50.17
Vehicle Loans from Banks (c)	14.03	41.26	46.18	42.44
	<u>64,38.44</u>	<u>78,58.11</u>	<u>20,90.27</u>	<u>19,79.07</u>
(ii) Unsecured				
Fixed Deposits (d)	1,94.45	3,24.54	2,83.91	1,91.64
	<u>1,94.45</u>	<u>3,24.54</u>	<u>2,83.91</u>	<u>1,91.64</u>
(iii) Amount disclosed under the head				
“Other current liabilities” (Note No. 9)	-	-	23,74.18	21,70.71
Total (i) + (ii) - (iii)	<u>66,32.89</u>	<u>81,82.65</u>	<u>-</u>	<u>-</u>

ORIENTAL CARBON & CHEMICALS LIMITED

- (a) (i) Securities: (Rs. in Lacs)**
- (a.1) Secured by first exclusive charge on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit of Holding Company and first pari-pasu charge with Exim Bank on entire fixed assets including equitable mortgage of factory land and building of SEZ Mundra Unit of Holding Company and second pari-pasu charge with Exim Bank on entire current assets of the Holding Company.
- (a.2) Secured by primary 1st exclusive mortgage/ hypothecation charge on the tangible movable/ immovable fixed assets of the Subsidiary Company at Ranjangaon, Pune and collateral charge on the current assets of the Subsidiary Company. Further Secured by Corporate Guarantees of the Holding Company and Cosmopolitan Investments Ltd.

(ii) Terms of Repayments of Non-Current portion of Term Loans from Banks

AS AT 31ST MARCH' 2014				AS AT 31ST MARCH' 2013			
As at 31.03.2014	Rate of Interest	No. of Outstanding Installments	Periodicity	As at 31.03.2013	Rate of Interest	No. of Outstanding Installments	Periodicity
2,45.41	12.65% linked with Base Rate	9	Quarterly Equal	9,94.45	12.40% linked with Base Rate	12	Quarterly Equal
11,11.85	5.50% linked with Libor Rate			10,06.20	4.87% linked with Libor Rate		
11,60.23	5.50% linked with Libor Rate			9,59.70	5.26% linked with Libor Rate		
6,48.96	4.82% linked with Libor Rate	13	Quarterly Equal	7,68.01	4.96% linked with Libor Rate	17	Quarterly Equal
28,82.28	12.65% linked with Base Rate	45	Monthly Graded	33,62.28	12.40% linked with Base Rate	17	Quarterly Graded
<u>60,48.73</u>				<u>70,90.64</u>			
2,31.60	13.5% linked with Base Rate	12	Monthly Equal	4,62.96	14.10% linked with Base Rate	24	Monthly Equal
<u>62,80.33</u>				<u>75,53.60</u>			

(b) Housing Loans From HDFC Ltd.

- i) Rs. 205.74 (Previous Year Rs.3,26.66) is secured by way of first equitable mortgage of ground floor of the property purchased with collateral security of rest of the said property owned by the other borrower and non-current portion of Rs. 82.69 (Previous Year Rs. 1,88.52) is repayable in 8 equal monthly installments (Previous year 16 equal monthly installments) in 2015-2016 as per the repayment schedule and carries rate of interest of 13.00% (Previous year 14.75%) p.a.
- ii) Rs.11.28 (Previous Year Rs.25.36) is secured by way of equitable mortgage of three residential flats at Bhiwadi, Rajasthan and non current portion Rs. Nil (Previous year Rs. 13.34) is repayable as per repayment schedule and carries rate of interest 15.75% p.a.
- iii) Rs.61.39 (Previous Year Rs. 61.39) to be secured by way of first equitable mortgage of two residential flats at Gurgaon, Haryana and non-current portion of Rs. 61.39 (Previous Year Rs. 61.39) is repayable within a period of 60 equated monthly installments (previous year 60 equated monthly installments) beginning after completion of the construction as per the repayment schedule and carries rate of interest of 15.35% (previous year 14.75%) p.a.
- (c) Secured by hypothecation of vehicles purchased under the scheme and non-current portion of Rs. 14.03 (Previous Year Rs. 41.26) is repayable in 19 equated monthly installments (previous year 19 equated monthly installments) in 2015-16 onwards as per the repayment schedule and carries rate of interest of 9.25% to 10.59% (Previous year 9.25% to 10.45%) p.a.
- (d) Fixed deposits from public carries rate of interest @ 10.50% to 11%; (Previous year 11.50% to 12%) p.a. and non-current portion of Rs. 1,94.45 (Previous year Rs. 3,24.54) is repayable after 1 to 3 years (Previous year 1 to 3 years) from the date of acceptance of deposits.

ORIENTAL CARBON & CHEMICALS LIMITED

	As at 31st March, 2014	(Rs. in Lacs) As at 31st March, 2013
4 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of		
Depreciation and Amortisation Expenses	22,17.15	18,98.53
	<u>22,17.15</u>	<u>18,98.53</u>
Deferred Tax Assets on account of *		
Amount allowable on payment basis u/s 43B	55.88	18.75
Unabsorbed Depreciation/Carry forward Loss	1,97.51	-
Voluntary Retirement Scheme	1,19.28	2,49.56
	<u>3,72.67</u>	<u>2,68.31</u>
Deferred Tax Liabilities (Net)	<u>18,44.48</u>	<u>16,30.22</u>

*On consideration of prudence, the Subsidiary Company has accounted deferred tax assets only to the extent of deferred tax liabilities.

5 OTHER LONG-TERM LIABILITIES		
Interest accrued but not due on Fixed Deposits	52.04	37.12
	<u>52.04</u>	<u>37.12</u>

6 PROVISIONS	Long - Term		Short - Term	
	As at 31st March 2014	As at 31st March 2013	As at 31st March 2014	As at 31st March 2013
Provision for Employee Benefits	96.57	84.46	73.30	55.05
Proposed Final Dividend	-	-	5,14.80	3,08.88
Tax on Proposed Final Dividend	-	-	87.49	52.50
Provision for Sales Tax Liability against pending C-Forms	-	-	34.15	1,29.87
Provision for Current Tax (Net)	-	-	51.81	1,15.33
	<u>96.57</u>	<u>84.46</u>	<u>7,61.55</u>	<u>6,61.63</u>

7 SHORT-TERM BORROWINGS

Secured

Loans repayable on Demand

Cash Credit & Packing Credit facilities from Banks	30,08.42	30,76.51
	<u>30,08.42</u>	<u>30,76.51</u>

Securities

In respect of Holding Company, Cash Credit & Packing Credit facilities amounting to Rs. 18,43.99 are secured by first exclusive charge on entire current assets of the Holding Company and second charge over the entire fixed assets including equitable mortgage of factory land and building of Mundra SEZ unit and second pari-pasu charge with Exim Bank on entire fixed assets including equitable mortgage of factory land and building of Dharuhera unit and other fixed assets of the Holding Company (except assets having specific charge).

In respect of Subsidiary Company, Cash Credit & Packing Credit facilities amounting to Rs. 11,64.43 are secured by Primary first hypothecation charge on entire current assets of the Subsidiary Company, both present & future and collateral first charge on movable / tangible fixed assets at Ranjangaon, Pune of the Subsidiary Company. Further secured by Corporate Guarantees of the Holding Company and Cosmopolitan Investments Ltd.

ORIENTAL CARBON & CHEMICALS LIMITED

	As at	(Rs. in Lacs)
	31st March, 2014	As at 31st March, 2013
8 TRADE PAYABLES		
Micro, Small and Medium Enterprises **	1,83.85	1,66.01
Others	21,24.93	21,92.61
	23,08.78	23,58.62

** In respect of Holding Company, there were no outstanding dues to Micro, Small and Medium Enterprises to the extent information available with the Holding Company and the payments in respect of such suppliers are made within the appointed day.

In respect of Subsidiary Company, information related to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Subsidiary Company:

a) Principal amount due to suppliers remaining unpaid as at year end	1,83.85	1,66.01
b) Interest due and remaining unpaid as at year end	0.75	0.25
c) Further interest remaining due and payable for earlier years	0.75	0.25
9 OTHER CURRENT LIABILITIES		
Current maturities of Long-Term Borrowings	19,09.76	17,86.46
Current maturities of Housing Loans	1,34.33	1,50.17
Current maturities of Vehicle Loans	46.18	42.44
Current maturities of Fixed Deposits	2,83.91	1,91.64
Interest accrued and due on Borrowings	63.55	78.88
Interest accrued but not due on Borrowings	4.00	4.98
Advance Received from and Credit Balance of Customers	21.18	74.77
Unpaid Dividend	61.29	64.04
Unpaid and Unclaimed Matured Deposits & interest accrued thereon #	25.13	26.63
Creditors for Capital Goods	45.64	1,10.78
Statutory Dues Payable	3,43.60	3,03.36
Employees Liabilities	3,41.16	3,44.71
Security Deposits	19.19	18.68
Directors' Commission	17.78	15.20
Other Payable	85.21	1,35.68
	34,01.91	33,48.42

Includes Rs. 12.95; (Previous year Rs. 12.95) under legal disputes between the Joint Holders of the fixed deposits.

ORIENTAL CARBON & CHEMICALS LIMITED

10 FIXED ASSETS

(Rs. in lacs)

DESCRIPTION	GROSS BLOCK COST/BOOK VALUE				DEPRECIATION & AMORTISATION				NET BLOCK	
	As At March 31, 2013	Addi- tions/ Adjust- ments	Deduc- tions/ -	As At March 31, 2014	As At March 31, 2013	For the year	Deduc- tions	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
A. Tangible Assets										
Freehold Land	1,08.30	-	-	1,08.30*	-	-	-	-	1,08.30	1,08.30
Leasehold Land	8,47.57	-	-	8,47.57	66.48	23.63	-	90.11	7,57.46	7,81.09
Leasehold Building	14,40.57	-	8.98	14,31.59	1,40.52	39.76	3.29	1,76.99	12,54.60	13,00.05
Buildings	68,33.48	4,07.24	-	72,40.72*	7,15.33	1,70.94	-	8,86.27	63,54.45	61,18.15
Plant and Equipment	1,70,75.03	13,00.90	2,72.25	1,81,03.68*	60,16.86	8,24.61	1,93.67	66,47.80	1,14,55.88	1,10,58.17
Electrical Installations	19,42.99	12.02	0.58	19,54.43*	5,09.90	87.55	0.20	5,97.25	13,57.18	14,33.09
Furniture & Fittings	4,13.37	21.54	20.30	4,14.61	1,25.50	24.39	9.33	1,40.56	2,74.05	2,87.87
Vehicles	3,65.58	42.51	30.89	3,77.20	1,06.03	53.05	20.82	1,38.26	2,38.94	2,59.55
Air-Conditioners & Coolers	97.50	10.23	14.27	93.46	18.73	4.26	4.43	18.56	74.90	78.77
Office Equipment	3,25.75	30.82	21.38	3,35.19	1,26.74	29.46	13.74	1,42.46	1,92.73	1,99.01
Total	2,94,50.14	18,25.26	3,68.65	3,09,06.75	78,26.09	12,57.65	245.48	88,38.26	2,20,68.49	2,16,24.05
Previous Year	2,41,05.04	56,39.42	2,94.32	2,94,50.14	69,01.60	11,69.93	245.44	78,26.09	2,16,24.05	
B. Intangible Assets										
Software	2,20.83	33.06	-	2,53.89	70.07	45.11	-	1,15.18	1,38.71	1,50.76
Total	2,20.83	33.06	-	2,53.89	70.07	45.11	-	1,15.18	1,38.71	1,50.76
Previous Year	43.11	177.98	0.26	2,20.83	26.05	44.28	0.26	70.07	1,50.76	-

* Includes amount added on revaluation Rs. 2,72.45 during 1992-93 relating to Holding Company

Notes:

- Gross Block includes Rs. 1,77.98; (Previous Year Rs.1,75.24) purchased under Car Finance Scheme.
- The Holding Company has exercised option under notification no. GIR 914 (E) dated 29th December'2011 issued by Ministry of Corporate Affairs and accordingly net exchange difference of Rs. 3,96.89; (Previous Year Rs. 17.03) on long term foreign currency borrowing has been added to the depreciable fixed assets acquired. As at 31st March 2014, Rs. 4,49.91; (Previous Year Rs.82.27) remain to be amortised over the balance life of the assets.
- During the year the Holding Company has changed Depreciation rate on Vehicles from 9.50%, charged in earlier years to 11.875% which has resulted in extra Depreciation amounting Rs. 13.54 and consequently profit before tax for the year is lower Rs. 13.54.

(Rs. in Lacs)

11 NON-CURRENT INVESTMENTS

Long Term Investment (Non Trade)

	As at 31st March, 2014	As at 31st March, 2013
Investment in Equity Shares - Quoted (at Cost)	17.51	17.51
Less: Provision for Diminution in Value of Investments	0.81	0.81
	16.70	16.70
Investment in Equity Shares - Unquoted (at Cost)	0.19	0.19
Investment in Mutual Fund - Unquoted (at Cost)	13.74	13.74
	13.93	13.93
	30.63	30.63
Aggregate amount of Quoted Investments	17.51	17.51
Aggregate amount of Unquoted Investments	13.93	13.93
Aggregate market value of Quoted Investments	23.14	20.45
Aggregate provision for diminution in value of investments	0.81	0.81

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12 LOANS AND ADVANCES

(Rs. in Lacs)

(Unsecured, Considered Good)

	Long - Term		Short - Term	
	As at 31st March 2014	As at 31st March 2013	As at 31st March 2014	As at 31st March 2013
Loan to Bodies Corporate	4,03.00	4,17.00	-	-
Capital Advances*	16,55.69	11,00.32	-	-
Security Deposits	3,74.60	3,88.60	1.03	48.19
Loan and Advances to Employees	39.40	39.92	42.51	55.81
Balances with Government Authorities	-	-	2,24.42	1,83.85
Other Advances	-	-	1,99.60	2,39.17
Prepaid Expenses	6.06	3.73	94.22	74.40
MAT Credit Entitlement	8,31.77	5,37.92	-	-
	<u>33,10.52</u>	<u>24,87.49</u>	<u>5,61.78</u>	<u>6,01.42</u>

* Capital Advances include Rs. 75.00 (Previous Year Rs. 75.00) to a company under liquidation against the use of an office premises. The same is pending transfer in favour of the Holding Company as per agreed terms.

13 CURRENT INVESTMENTS

Quoted (At Cost or Fair Value whichever is Lower)

	As at 31st March, 2014	As at 31st March, 2013
Investments in Mutual Funds	11,15.86	5,13.80
	<u>11,15.86</u>	<u>5,13.80</u>
Aggregate amount of Unquoted Investments (at Cost)	11,15.86	5,16.52
Aggregate Market value of Unquoted Investments	11,24.48	5,17.46
Aggregate of excess of carrying cost over fair value	-	2.72

14 INVENTORIES

(Valued at lower of cost or net realisable value)

Raw Materials *	19,93.58	18,67.22
Work-in-Progress	4,61.75	3,83.88
Finished Goods	18,00.47	20,08.75
Traded goods	20.07	8.87
Scrap	33.05	1,23.51
Stores and Spares	6,28.04	6,17.31
Fuel	33.72	43.17
	<u>49,70.68</u>	<u>50,52.71</u>

* Including Goods in transit amounting Rs. 2,14.78; (Previous year Rs. 2,14.02)

15 TRADE RECEIVABLES

Outstanding for a period exceeding six months (from due date)

Secured, Considered Good	0.01	0.37
Unsecured, Considered Good	1,68.95	51.79
Unsecured, Considered Doubtful	6.30	-
	<u>1,75.26</u>	<u>52.16</u>
Less: Provision for Doubtful Debts	6.30	-
	<u>1,68.96</u>	<u>52.16</u>
Outstanding for a period less than six months (from due date)		
Secured, Considered Good	5.56	6.05
Unsecured, Considered Good	62,90.06	56,03.88
	<u>62,95.62</u>	<u>56,09.93</u>
	<u>64,64.58</u>	<u>56,62.09</u>

ORIENTAL CARBON & CHEMICALS LIMITED

	(Rs. in Lacs)	
	As at 31st March, 2014	As at 31st March, 2013
16 CASH AND BANK BALANCES		
(a) Cash and Cash Equivalents		
Cash on hand	4.71	3.52
Balance with Banks:		
In Current Accounts	4,42.12	6,72.61
Fixed Deposit with Maturity less than 3 month	<u>2,76.57</u>	<u>2,50.00</u>
	<u>7,23.40</u>	<u>9,26.13</u>
(b) Other Bank Balances		
Earmarked Balances with Banks		
Margin Money	34.94	45.40
Unpaid Dividend Account	61.29	64.04
Fixed Deposit with Bank*	28.75	19.50
Other Fixed Deposit Maturity more than 12 month **	<u>3,87.72</u>	<u>3,28.07</u>
	<u>5,12.70</u>	<u>4,57.01</u>
	<u>12,36.10</u>	<u>13,83.14</u>

* Under Rule 3A of the Companies (Acceptance of Deposits) Amendment Rules 1978

** Includes Rs. 84.18 pledged with Government Authority (Previous Year Rs. 72.15) and Rs. 3,03.54 against margin money (Previous Year Rs. 2,55.92) which can be withdrawn at any point of time without prior notice or exit costs on the principal amount.

17 OTHER CURRENT ASSETS

Export Incentives Receivable	7.92	4.95
Claims Receivable	-	12.48
Accrued Interest Income	59.87	1,50.97
Receivable for Sale of Fixed Assets	-	2,65.34
Fixed Assets held for sale (At lower of Book Value and Net Realisable Value)	6.31	0.84
Other Receivables (Comprises of Service Tax, CST, Excise Duty Receivable, etc.)	<u>3,57.51</u>	<u>3,66.40</u>
	<u>4,31.61</u>	<u>8,00.98</u>

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NOTES ANNEXED TO AND FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT

	For the		(Rs. in Lacs)	
	Year Ended		For the	
	31st March, 2014		Year Ended	
			31st March, 2013	
18 REVENUE FROM OPERATIONS				
Sale of Products				
Insoluble Sulphur	2,59,54.91		2,15,83.79	
Sulphuric Acid & Oleum	12,85.96		19,01.22	
Passenger and Truck Valves	36,97.99		31,61.56	
Hydraulic and Pneumatic Equipments	32,29.95		32,66.57	
Others	7,45.34	3,49,14.15	5,10.11	3,04,23.25
Other Operating Revenues				
Export and Other Incentives		42.18		63.52
Gross Revenue from operations		<u>3,49,56.33</u>		3,04,86.77
Less: Excise Duty		18,74.37		17,49.51
Net Revenue from operations		<u>3,30,81.96</u>		<u>2,87,37.26</u>
19 OTHER INCOME				
Dividend on Current Investments		61.33		32.95
Dividend on Non-Current Investments		0.79		0.50
Interest Income				
- On Deposits	77.26		50.33	
- On Loans	42.30		37.44	
- Others	4.48	1,24.04	10.43	98.20
Loans and Debts earlier written-off, now recovered		69.57		1,08.80
Net gain on Foreign currency translations and transactions		-		1,10.75
Rent Received		28.98		28.98
Provision for Doubtful Debts written back		-		23.15
Provision no longer Required written back		1,16.28		43.39
Adjustment to the carrying amount of Investments on Long-term Investments		-		0.02
Profit on Sale of Current investment		-		27.86
Scrap Sales		49.08		57.99
Miscellaneous Income (comprises of Support Services, Cash discount, Claims and other receipts)		52.65		45.06
		<u>5,02.72</u>		<u>5,77.65</u>

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	For the Year Ended 31st March, 2014	(Rs. in Lacs) For the Year Ended 31st March, 2013
20 COST OF RAW MATERIALS CONSUMED		
Sulphur	23,28.52	31,25.82
Carbon di sulphide	3,23.20	2,98.00
Coating Oil	33,77.32	32,95.91
Metal	14,84.43	13,16.78
Rubber	4,14.03	3,61.30
Others	33,32.85	33,79.11
	<u>1,12,60.35</u>	<u>1,17,76.92</u>
Less: Consumption for Trial Run Production	-	37.49
	<u>1,12,60.35</u>	<u>1,17,39.43</u>
21 PURCHASES OF TRADED GOODS		
Insoluble Sulphur	-	78.64
Valve Cores & High Pressure Valves	64.44	23.58
	<u>64.44</u>	<u>1,02.22</u>
22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
I Inventories as at the beginning of the Year		
Finished Goods	20,08.75	10,50.60
Work-in-Progress	3,83.88	2,19.77
Traded goods	8.87	1,14.50
Scrap	1,23.51	92.50
	<u>25,25.01</u>	<u>14,77.37</u>
Add: Transferred from Trial Run Production		
Finished Goods	-	60.05
Work-in-Progress	-	13.34
	<u>25,25.01</u>	<u>15,50.76</u>
II Inventories as at end of the Year		
Finished Goods	18,00.47	20,08.75
Work-in-Progress	4,61.75	3,83.88
Traded goods	20.07	8.87
Scrap	33.05	1,23.51
	<u>23,15.34</u>	<u>25,25.01</u>
III Change in Inventories (I - II)	<u>2,09.67</u>	<u>(9,74.25)</u>
23 EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages and Bonus	27,70.02	25,98.65
Contribution to Provident and Other Funds	1,96.34	1,94.10
Employee Welfare Expenses	3,97.33	4,12.01
	<u>33,63.69</u>	<u>32,04.76</u>
Less: Transfer to Capital Work-in-Progress / Capitalised	41.58	99.66
	<u>33,22.11</u>	<u>31,05.10</u>

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	For the Year Ended 31st March, 2014	(Rs. in Lacs) For the Year Ended 31st March, 2013
24 OTHER EXPENSES		
Stores Consumed	3,31.51	3,11.65
Packing Cost	6,54.27	5,58.21
Power and Fuel	44,24.59	38,04.66
Water Charges	59.38	96.42
Rent and Lease Rent*	1,95.38	2,18.97
Rates and Taxes	76.43	1,47.57
Insurance	1,36.46	1,22.54
Repairs to Buildings	47.97	41.41
Repairs to Machinery	7,74.74	5,87.19
Repairs to Others	1,11.98	1,04.54
Freight & Forwarding	12,89.93	13,78.54
Commission and Discount	4,23.04	3,30.26
Travelling	2,92.12	3,00.81
Legal and Professional	6,78.16	3,03.43
Service Charges	1,73.05	1,70.27
Loss on Sale /Discard of Fixed Assets (Net)	76.91	21.38
Excess of Carrying Costs over Fair value of Current Investments	-	0.53
Loss on Sale of Current Investment	1.11	-
Net Loss on Foreign Currency Translations and Transactions (other than considered as Finance Cost)	8,08.64	-
Bad Advances / Debts	13.20	4.10
Provision for Doubtful Debts	6.30	-
Donations	51.42	35.50
Excise Duty on Increase of finished goods Stock	15.96	27.20
Directors' Commission & Fees	31.98	29.80
Prior Period	1.65	5.41
Miscellaneous **	6,74.98	5,88.43
	<u>1,13,51.16</u>	<u>91,88.82</u>
Less: Transfer to Capital Work-in-Progress / Capitalised	17.59	74.50
	<u>1,13,33.57</u>	<u>91,14.32</u>
* Net of recovery of Rs. Nil (Previous year Rs. 2.12).		
** Miscellaneous include Auditors' Remuneration as follows :		
(i) Statutory Auditor:		
As Auditor	14.40	12.50
For Limited Review	3.15	3.00
For Tax Audit	2.85	2.40
For Certification and other Matters	2.98	2.86
Travelling and other out of pocket Expenses	1.26	0.67
	<u>24.64</u>	<u>21.43</u>
(ii) Cost Auditor:		
As Auditor	1.05	1.20
Travelling and other out of pocket Expenses	0.04	0.03
	<u>1.09</u>	<u>1.23</u>
	<u>25.73</u>	<u>22.66</u>

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	For the Year Ended 31st March, 2014	(Rs. in Lacs) For the Year Ended 31st March, 2013
25 FINANCE COSTS		
Interest	12,44.29	14,30.38
Other Borrowing Cost	1,09.47	1,58.16
	<u>13,53.76</u>	<u>15,88.54</u>
Less: Transfer to Capital Work-in-Progress / Capitalised	-	42.64
	<u>13,53.76</u>	<u>15,45.90</u>
26 DEPRECIATION AND AMORTIZATION		
Depreciation on tangible assets (Note No. 10)	12,57.65	11,69.93
Less: Transfer from Revaluation reserve	8.55	8.55
	<u>12,49.10</u>	<u>11,61.38</u>
Amortisation of Intangible Assets	45.11	44.28
	<u>12,94.21</u>	<u>12,05.66</u>
Less: Transfer to Capital Work-in-Progress / Capitalised	-	0.59
	<u>12,94.21</u>	<u>12,05.07</u>
27 EXCEPTIONAL ITEMS		
VRS Compensation Paid to Employees	-	1,41.98
Profit on Sale of Fixed Assets *	(2,69.91)	(4,47.76)
	<u>(2,69.91)</u>	<u>(3,05.78)</u>

* During the year, the Subsidiary Company has entered into deed of Surrender for transfer of its office premises at WTC Mumbai and accordingly recognised profit on transfer of office premises amounting to Rs. 2,69.91 as an exceptional item (Previous year for transfer of land at MIDC Tarapur, Rs. 4,47.76).

27.01 Current Tax		
Current Tax for the year	10,51.18	7,99.50
Less: MAT Credit Entitlement	2,93.84	1,98.84
Less: Taxation adjustments for earlier years (Net)	8.78	5,96.18
(including MAT Credit Entitlement Rs. Nil;		
Previous year Rs. 3,39.08)	<u>7,48.56</u>	<u>4.48</u>

28 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of Accounting

The financial statements have been prepared to comply with the Accounting Standards referred to in The Companies (Accounting Standards) Rules 2006 issued by the Central Government and the relevant provisions of The Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

(B) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialize.

(C) Classification of Assets and Liabilities as Current and Non Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating

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cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

(D) Revenue Recognition

- (i) Revenue from sales is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with the delivery.
- (ii) Revenue from services is recognised on rendering of services in accordance with the Contractual arrangements.
- (iii) Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(E) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The carrying amounts are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. (Also refer note no. 10 (ii))

Intangible assets resulting in future economic benefits where the cost can be reliably measured are capitalised. Intangible assets are stated at cost less accumulated depreciation / amortisation and impairment loss.

(F) Depreciation

Tangible Assets

Depreciation on Fixed Assets has been provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 except in case of vehicles, depreciation on which has been provided @ 11.875% instead of 9.50% charged in earlier years, and in case of Subsidiary Company, Computers have been depreciated in 4 years, leasehold improvements are amortised equally over the period of lease, and guest house equipment and furniture have been depreciated in 3 years and vehicles in 7 years. Depreciation on additions due to Machinery spares is provided retrospectively from the date the related assets are put to use. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Leasehold land is being amortised over the period of lease tenure. Depreciation includes adjustment on account of revaluation which is written off on the basis of residual life as assessed by the Valuers and adjusted by transfer from Revaluation Reserve account. Additions to Fixed Assets on leased land and premises are amortised over the lease period.

Intangible Assets

Depreciation of Intangible assets is allocated on a systematic basis over the best estimate of their useful life and accordingly software is amortised on straight line basis over the period of five years except in case of subsidiary company, computer software have been depreciated @ 25% per annum.

(G) Expenditure on new projects, substantial expansion and during construction period

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its originally assessed standard of performance.

Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective Fixed Assets on the completion of its construction.

(H) Foreign Currency Transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Monetary items related to foreign currency transactions are restated at year end exchange

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rates. All exchange differences arising from such conversion including gain or loss on cancellation of foreign currency forward covers are included in the Statement of Profit & Loss except exchange difference arising on long term foreign currency monetary items in so far as they relate to the acquisition of depreciable capital assets are capitalised. (refer note no. 10(ii)). Premium / Discount on forward covers, covered under AS-11(i.e. The Effects of Changes in Foreign Exchange Rates) are recognised over the tenure of the contract.

(I) Inventories

Inventories are valued at lower of Cost and Net Realisable value. The cost of finished goods is determined by taking material, labour and related factory overheads including depreciation. Cost is determined on weighted average cost. Further the cost for Work-in-Progress includes material cost, stagewise direct cost and other related manufacturing overheads including depreciation. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

(J) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Primary Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities, which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, have been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

(K) Retirement and other employee benefits

- 1 Retirement benefits in the form of Provident Fund and Superannuation Scheme, which are defined contribution plans, are charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.
- 2 Gratuity and Leave encashment which are defined benefits, are accrued based on actuarial valuation at the balance sheet date carried out by an independent Actuary using the projected unit credit method.
- 3 Gratuity and Superannuation liability is being contributed to the respective funds formed by the Company.

(L) Investments

Long term Investments are stated at cost. The Company provides for diminution other than temporary in the value of Long term Investments. Current Investments are valued at lower of cost or fair value.

(M) Taxation

Current tax is measured at the amount expected to be paid to the revenue authorities, using the applicable tax rates and laws. Deferred tax for timing differences between the book and taxable Income for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred Tax Assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future and the same is reviewed at each Balance Sheet date.

Minimum Alternate Tax (MAT) Credit is recognized 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 recognized as an asset in accordance with the recommendations contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a 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 there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(N) Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying fixed assets, are capitalised as part of the cost of such assets upto the date of commencement of commercial production/put to use of plant. Other Borrowing costs are charged to revenue.

(O) Operating Leases

Lease rent in respect of assets taken on operating lease are charged to Statement of Profit & Loss as per the terms of lease agreements.

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(P) Derivatives

Outstanding derivatives contracts, other than those covered under AS-11, at the year end are marked to market rate, and loss, if any, are accounted for in the Statement of Profit & Loss. As prudent accounting policy, gain on marked to market at the end of year are not accounted for.

(Q) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(R) Contingent Liabilities

A disclosure is made for possible or present obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made, as a contingent liability in the financial statements.

28.01 Principles of Consolidation

- (a) The financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, and the Accounting Standards issued under the Companies Accounting Standard Rules, 2006.
- (b) Consolidated Financial Statements relates to M/s Oriental Carbon & Chemicals Limited (the Company) and its Subsidiary M/s Schrader Duncan Limited, a Company incorporated in India, which was acquired on 13th April 2012.

The Company's interest in Subsidiary is 50.01 % .

The Consolidated Financial Statements are in conformity with the AS-21 issued under the Companies Accounting Standard Rules, 2006 and prepared on the following basis:

- i) The financial statements of the Company and its subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating inter company balances and transactions.
- ii) The consolidated Financial Statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except provision for depreciation for some assets, which is not material to the Consolidated Financial Statements.
- iii) Minority interest in the consolidated financial statements is identified and recognised after taking into consideration the amount of equity attributable to minority at date on which investments in subsidiary is made.

29 CONTINGENT LIABILITIES & COMMITMENTS:

29.01 Contingent Liabilities

	As At 31st March' 2014	(Rs. in Lacs) As At 31st March' 2013
(i) Bank Guarantees given to various Govt. Authorities/Others (Margin money/Short Term Deposits Rs. 7.27 ; Previous year Rs. 33.81)	57.81	42.53
(ii) Bills discounted with Banks	11,52.63	15,05.47
(iii) Central Excise & Service Tax demand under appeal (Deposited Rs. 85.58; Previous year Rs.85.58)	1,45.26	1,27.06
(iv) Other demands under appeal (Deposited Rs. 12.00 ; Previous year Rs. 12.00)	22.69	22.69
(v) Custom Duty liability on import of raw material under advance licence	-	55.57
(vi) Income Tax Demands under appeal, not acknowledged as debts (Deposited Rs. 10.03; Previous year Rs. Nil)	32.07	12.79
(vii) Claims against the Company with respect to Sales Tax matters, not acknowledged as debts.	74.18	16.04

ORIENTAL CARBON & CHEMICALS LIMITED

29.02 Commitments

- (i) Estimated amount of capital commitments outstanding and not provided for (Gross) 21,41.17 27,00.16
(Advance paid Rs. 15,80.69 ; Previous year Rs.10,25.32)

30 Other Notes on Accounts

30.01 Segment Reporting

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

As part of Secondary reporting, revenues are attributed to geographic areas based on the location of the customers.

The following tables present the revenue, profit, assets and liabilities information relating to the Business/Geographical segment for the year ended 31.03.2014.

Information about Business Segment - Primary (Rs. In Lacs)

Reportable Segments	Chemicals		Automotive Products		Pneumatic products		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue								
External	2,61,69.57	2,25,44.07	40,03.64	32,92.70	29,08.75	29,00.49	3,30,81.96	2,87,37.26
Total Revenue from operations	2,61,69.57	2,25,44.07	40,03.64	32,92.70	29,08.75	29,00.49	3,30,81.96	2,87,37.26
Result								
Segment Result	59,27.33	50,63.61	(1,64.38)	(3,73.48)	5,24.72	4,84.56	62,87.67	51,74.69
Unallocated Corporate Income (Net)							1,87.34	1,51.67
Finance costs							13,53.76	15,45.90
Profit before Exceptional Items and Tax							47,46.57	34,77.12
Exceptional items							2,69.91	3,05.78
Profit before Tax and Minority Interest							50,16.48	37,82.90
Less: Provision for Taxation (Including Deferred Tax)							9,62.82	9,93.57
Profit for the year before Minority Interest etc							40,53.66	27,89.33
Less: Share of Minority Interest							4.87	26.27
Profit for the year							40,48.79	27,63.06
Other Information								
Segment Assets	3,18,15.28	3,03,03.34	37,34.12	35,76.94	19,33.02	12,60.43	3,74,82.42	3,51,40.71
Unallocated Corporate Assets							30,76.07	34,88.87
Total Assets	3,18,15.28	3,03,03.34	37,34.12	35,76.94	19,33.02	12,60.43	4,05,58.49	3,86,29.58
Segment Liabilities	21,33.34	20,78.07	6,27.22	8,40.32	4,54.21	5,43.09	32,14.77	34,61.48
Unallocated Corporate Liabilities (Including Deferred tax Liabilities Rs. 18,44.48 (Previous year Rs. 16,30.22), Borrowings Rs. 1,21,35.08 (Previous year Rs. 1,35,50.85))							1,48,91.87	1,59,18.15
Total Liabilities	21,33.34	20,78.07	6,27.22	8,40.32	4,54.21	5,43.09	1,81,06.64	1,93,79.63
Capital Expenditure	16,20.35	16,06.46	98.75	74.06	21.15	37.62	17,40.25	17,18.14
Unallocated Capital Expenditure							25.09	5.20
Total Capital Expenditure							17,65.34	17,23.34
Depreciation	10,43.41	9,61.41	188.90	2,19.67	39.17	11.51	12,71.48	11,92.59
Unallocated Depreciation							22.73	12.48
							12,94.21	12,05.07

Secondary Segment-Geographical by location of customers

Reportable Segments	Domestic		Export		Total	
Revenue	1,45,33.11	1,33,60.49	1,85,48.85	1,53,76.77	3,30,81.96	2,87,37.26
Carrying amount of Trade Receivables	37,80.84	31,89.58	26,83.74	24,72.51	64,64.58	56,62.09
Finished Goods Stock	7,40.38	5,43.18	10,80.16	14,74.44	18,20.54	20,17.62

Other Information:

The company has common assets for producing goods for domestic market and overseas market.

ORIENTAL CARBON & CHEMICALS LIMITED

Notes:

- (i) The Company is organised into three main business segments, namely;
- Chemicals (Including Insoluble Sulphur, Sulphuric Acid and Oleum);
 - Automotive Products
 - Pneumatic Products

Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems. During the year Chemicals Segment has been merged with insoluble Sulphur Segment as it is no longer satisfy the requirement of AS-17 (Segment Reporting) for disclosing as seprate segment and thereafter Insoluble sulphur has been renamed as Chemicals Segment.

- (ii) The segment revenue in the geographical segments considered for disclosure are as follows:
- (a) Revenue within India includes sales to customers located within India and earnings in India.
- (b) Revenue outside India includes sales to customers located outside India and earnings outside India and export incentives/benefits.
- (iii) Segment, Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

30.02 Related Party Disclosures (To the extent Identified by the company)

1 Name & Relationship of the Related Parties:

- (a) Duncan International (India) Limited : Enterprise over which relative of key management personnel is having significant influence.
- (b) Mr. Arvind Goenka - Managing Director : Key Management Personnel
- (c) Mr. Akshat Goenka - Sr. Manager : Son of Key Management Personnel

2 Transactions with Related Parties during the year:

Particulars	Enterprise		Key Management Personnel		Son of Key Management Personnel	
	Refer 1 (a)		Refer 1(b)		Refer 1(c)	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
(a) Service charges reimbursed	1,08.00	1,05.00	-	-	-	-
(b) Expenses reimbursed (Net)	1.77	0.08	-	-	-	-
(c) Remuneration	-	-	1,21.73	95.10	13.29	11.67
(d) Dividend Paid	47.48	46.84	7.81	7.81	5.00	5.00
(e) Outstanding as on 31.03.2014						
Receivable	-	0.15	-	-	-	-
Payable	-	-	36.67	29.14	1.27	1.03

30.03 Earnings per Share (EPS)

	Before Exceptional Items (net of tax expense)		After Exceptional Items (net of tax expense)	
	For the year ended		For the year ended	
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
Profit attributable to the Equity Shareholders (A) (Rs. in Lakhs)	37,78.88	24,57.28	40,48.79	27,63.06
Number of Equity Shares (B)	10296062	10296062	10296062	10296062
Nominal value of Equity Shares (Rs.)	10.00	10.00	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)-A/B	36.70	23.87	39.32	26.84

ORIENTAL CARBON & CHEMICALS LIMITED

30.04 i) Outstanding Forward Covers in respect of foreign currencies for Hedging.

(Foreign currency in Lacs)

Currency	Cross Currency	As On 31st March, 2014	As On 31st March, 2013
a) Future Export sales			
USD	INR	38.00	44.05
EURO	USD	5.00	16.91
EURO	INR	35.00	31.16
b) Term Loan			
EURO	INR	4.50	-

ii) Foreign currency exposure not hedged by a derivative instrument or otherwise: (Rs. in lacs)

		Payables				Receivables			
Currency	Cross Currency	As On 31st March, 2014		As On 31st March, 2013		As On 31st March, 2014		As On 31st March, 2013	
		Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
USD	INR	37.17	22,31.86	36.15	19,66.46	11.41	6,85.10	1.62	87.94
EURO	INR	10.88	8,98.17	15.99	11,12.24	5.08	4,19.25	8.23	5,72.62
GBP	INR	-	-	-	-	0.45	45.38	0.68	56.12

30.05 Information Relating to Subsidiary Company as per Circular No. 2/2011 (Ref. No. 5 /12 /2007 - CL - III)
Name of Subsidiary Company - Schrader Duncan Limited.

	As At 31st March, 2014	As At 31st March, 2013
Capital	3,69.60	3,69.60
Reserves	31,49.30	31,39.56
Total Assets	63,78.13	68,61.89
Total Liabilities	28,59.23	33,52.73
Investments	14.56	14.56
Turnover	69,12.40	61,93.18
Profit / (Loss) before Tax	0.96	(2,20.63)
Provision for Tax/ (MAT Credit Entitlement and Excess Tax Provision Written Back)	(8.78)	(2,71.49)
Profit after Tax	9.74	50.86
Proposed Dividend	-	-
Dividend Distribution Tax	-	-

30.06 Previous year figures have been regrouped to conform current year figures.

In terms of our Report of even date attached.

For SINGHI & CO.
Chartered Accountants
Firm Regn. No. 302049E

B.K. SIPANI
Partner

Place: New Delhi
Date : 29th May, 2014 Membership No. 88926

For and on behalf of the Board of Directors

O.P. DUBEY
Director J.P. GOENKA
Chairman

P.K. MAITY
Company Secretary ARVIND GOENKA
Managing Director

ATTENDANCE SLIP

ORIENTAL CARBON & CHEMICALS LIMITED

CIN – L24297WB1978PLC031539

Regd. Off.: 31, Netaji Subhas Road, Kolkata – 700 001

Email: investorfeedback@occlindia.com; Website: www.occlindia.com

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*	
--------	--

Folio No.	
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Client Id*	
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No. of Shares	
---------------	--

NAME AND ADDRESS OF SHAREHOLDER

I hereby record my/our presence at the 34th Annual General Meeting of the Company on Wednesday, 30th July, 2014 at 10.30 a.m. at “Williamson Magor Hall” (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700001.

* Applicable for investors holding shares in electronic form

Signature of shareholder/Proxy

..... cut here.....

ORIENTAL CARBON & CHEMICALS LIMITED

CIN – L24297WB1978PLC031539

Regd. Off.: 31, Netaji Subhas Road, Kolkata – 700 001

Email: investorfeedback@occlindia.com; Website: www.occlindia.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		Email Id:	
Registered address:		Folio No./*Client Id:	
		DP Id:	

I/We, being the member(s) of shares of the above named Company hereby appoint:

- 1) _____ of _____ having email id _____ or failing him
- 2) _____ of _____ having email id _____ or failing him
- 3) _____ of _____ having email id _____ or failing him

and whose signature (s) are appended below as my / our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Wednesday, 30th July, 2014 at 10.30 a.m. at “Williamson Magor Hall” (1st Floor), The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700001 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in box below:

Resolutions	For	Against
1. Adoption of Financial Statements for the year ended 31 st March, 2014		
2. Approval of Final Dividend and confirm the payment of interim dividend on Equity shares for the year 2014-15		
3. Re-appointment of Mr. H S Shashikumar who retires by rotation		
4. Appointment of Auditors and fixing of their remuneration		
5. Appointment of Mr. S J Khaitan as an Independent Director		
6. Appointment of Mr. B B Tandon as an Independent Director		
7. Appointment of Mr. O P Dubey as an Independent Director		
8. Appointment of Mr. K Raghuraman as an Independent Director		
9. Approval of the Remuneration of the Cost Auditor		
10. Special Resolution under section 180(1)(a) of the Companies Act, 2013 to mortgage and/or to charge any or all immovable and movable assets of the Company in favour of State Bank of India/Export Import Bank		
11. Approve borrowing power of the Company upto Rs. 100 Crores over and above the paid up share capital and free reserve of the Company		
12. Approve appointment of Mr. Shreyans Goenka (related party) as Senior Manager of the Company		
13. Approve appointment of Mr. Akshat Goenka (related party) as Vice President of the Company		
14. Approve Invite/Acceptance/Renewal of Public Deposit		
15. Approve the transactions/contracts to be entered into and/or entered into with Duncan International (India) Ltd., Cosmopolitan Investments Ltd., New India Investment Corporation Ltd., Angel Investments Ltd and Schrader Duncan Ltd. (related parties)		

Signed this day of2014.

Affix revenue stamp of not less than `0.15
--

.....
Signature of member

.....
Signature of proxy holder(s)

Notes:

- 1. This form, in order to be effective, should be duly stamped, completed, signed, deposited at the registered office of the Company, not less than 48 hours before the meeting.**
- 2. A proxy need not be a member of the Company.**
3. Appointing a proxy does not prevent a member from attending the meeting in person, if he so wishes.
4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.**

REGISTERED BOOK-POST

If undelivered please return to :

ORIENTAL CARBON & CHEMICALS LIMITED

31, Netaji Subhas Road, Kolkata – 700 001