

TELEGRAMS : 'TROBAS' CALCUTTA  
TELEPHONE : 2212-6253, 2212-8016  
FAX : 00-91-33-2212 7476  
WEBSITE : www.gbasuandcompany.org  
E-MAIL : s.lahiri@gbasu.in

**G. BASU & Co.**  
CHARTERED ACCOUNTANTS

**BASU HOUSE**  
3, CHOWRINGHEE APPROACH  
KOLKATA - 700 072

## REPORT ON THE FINANCIAL STATEMENTS

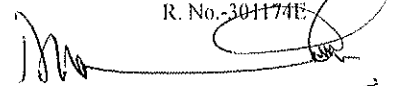
We have verified the enclosed financial statements of Asian Consumer Care Pvt Ltd (presented in Indian National currency), where 76% of the equity shares are held by overseas subsidiary of Dabur India Limited made out in terms of requirement of Indian Companies Act in application of Accounting Standard referred to U/s 133 of Companies Act, 2013 read with the accounting policies of parent companies.

Based on information and explanations given to us and verification of the records of the body corporate we hereby certify that 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, of the state of affairs of the body corporate as at 31.03.2015 and its profit and their cash flows for the year ended on that date.

Place: New Delhi

Date: 4<sup>th</sup> May 2015

For G. BASU & CO.  
Chartered Accountants  
R. No. 301174E



(P.K. CHAUDHURI)  
Partner  
(M. No. 003814)



**Asian Consumer Care Pvt Ltd**  
**Balance Sheet as at 31st March 2015**

(Amt in Rs Lacs)

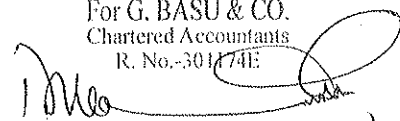
	PARTICULARS	Note No	As at 31st March, 2015	As at 31st March, 2014
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1. Share holder's Funds</b>			
	a) Share Capital	1	3184	3,184
	b) Reserves and Surplus	2	2,471	1,505
	<b>3. Non-current liabilities</b>			
	a) Deferred Tax Liabilities (Net)		2	2
	<b>4. Current Liabilities</b>			
	a) Trade payables		1,298	1,530
	b) Other current liabilities	3	3,464	2,112
	c) Short-term provisions	4	866	590
	<b>Total:</b>		<b>11,285</b>	<b>8,923</b>
<b>II</b>	<b>ASSETS</b>			
	<b>1. Non-current assets</b>			
	a) Fixed Assets			
	i) Tangible assets		4,691	3,963
	<b>2. Current assets</b>			
	a) Inventories	6	1,068	1,049
	b) Trade receivables	7	0	11
	c) Cash and cash equivalents	8	1,373	1,292
	d) Short-term loans and advances	9	4,153	2,608
	e) Other current assets		-	-
	<b>Total:</b>		<b>11,285</b>	<b>8,923</b>

\*Closing exchange rate as on 31.03.2015 Taka 1 = Re. 0.81 (PY Taka 1 = Re. 0.77)

Place : New Delhi  
 Date : 4th May 2015

As per our report of even date attached

For G. BASU & CO.  
 Chartered Accountants  
 R. No.-301474E



(P.K. CHAUDHURI)  
 Partner  
 (M. No. 003814)



Asian Consumer Care Private Limited

Statement of Profit & Loss for the year ended 31st March 2015

(Amt in Rs Lacs)

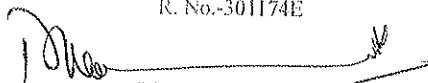
DESCRIPTION	Note No	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
I Revenue from operations	11	9,353	10,043
II Other Income	12	21	115
III Total Revenue (I +II)		9,374	10,158
IV Expenses			
Cost of materials consumed	17	4,108	3,321
Purchase of stock in trade	18	1,303	1,239
Changes in inventories of FG , WIP & Stock in Trade			
Finished Goods	19	(58)	124
Work in Progress		43	(69)
Stock in trade		(85)	(91)
Employee benefits expenses	13	761	689
Finance cost	14	16	13
Depreciation	15	198	96
Other Expenses	16	2,058	3,669
Total Expense		8,344	8,991
(V) Profit before exceptional and extraordinary items and tax (III - IV)		1,030	1,167
(VI) Exceptional Items		-	-
(VII) Profit before extraordinary items and tax (V - VI)		1,030	1,167
(VIII) Extraordinary Items		-	-
(IX) Profit before tax (VII - VIII)		1,030	1,167
(X) Tax expense			
(1) Current tax		245	420
(2) Deferred Tax		6	-
(XI) Profit/(Loss) for the year from continuing operations (IX - X)		779	747

\*Average Exchange rate as on 31.03.2015 Taka 1 = Re. 0.7883 (PY Taka 1 = Re. 0.78)

Place : New Delhi  
Date : 4th May 2015

As per our report of even date attc

For G. BASU & CO.  
Chartered Accountants  
R. No.-301174E

  
(P.K. CHAUDHURI)  
Partner  
(M. No. 003814)



## STATEMENT OF CASH FLOW ( PURSUANT TO AS-3) INDIRECT METHOD FOR THE YEAR ENDED 31ST MARCH'2015

(Amount in Rs. Lacs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31'2015		FOR THE YEAR ENDED MARCH 31'2014	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		1,030		1,167
ADD:				
DEPRECIATION	198		96	
MISCELLANEOUS EXP. WRITTEN OFF	-		-	
INTEREST	16	214	14	110
LESS:				
INTEREST RECEIVED	18		111	
PROFIT ON SALE OF ASSETS	-	18		111
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		1,226		1,166
WORKING CAPITAL CHANGES				
(INCREASE)/DECREASE IN INVENTORIES	(19)		(210)	
(INCREASE)/DECREASE IN TRADE AND OTHER RECEIVABLES	(1,261)		1,090	
INCREASE/(DECREASE) IN TRADE PAYABLES AND OTHER PAYABLES	1,333	53	(883)	(3)
(INCREASE)/DECREASE IN WORKING CAPITAL				
CASH GENERATED FROM OPERATING ACTIVITIES		1,279		1,163
TAX PAID	273		121	
<b>CASH USED(-)/(+)GENERATED FROM OPERATING ACTIVITIES (A)</b>		<b>1,006</b>		<b>1,042</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
ACQUISITION OF FIXED ASSETS		(927)		(1,934)
INTEREST RECEIVED		18		111
<b>CASH USED(-)/(+)GENERATED IN INVESTING ACTIVITIES (B)</b>		<b>(909)</b>		<b>(1,823)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
PROCEEDS FROM SHARE CAPITAL & PREMIUM		-		-
INTEREST PAID		(16)		(14)
<b>CASH USED(-)/(+)GENERATED IN FINANCING ACTIVITIES (C)</b>		<b>(16)</b>		<b>(14)</b>
<b>NET INCREASE(+)/DECREASE (-) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>81</b>		<b>(795)</b>
CASH AND CASH EQUIVALENTS OPENING BALANCE		1,292		2,087
CASH AND CASH EQUIVALENTS CLOSING BALANCE		1,373		1,292

Place : New Delhi  
Date : 4th May 2015

As per our report of even date attached

For G. BASU & CO.  
Chartered Accountants  
R. No.-301174E

*M. K. Chaudhuri*  
(P.K. CHAUDHURI)  
Partner  
(M. No. 003814)



Annexed to and forming part of Balance Sheet as at March 31' 2015

Note 1 : Share Capital

Sl	Class of Shares		Face value of one share	Authorised Capital		Issued, Subscribed and Paid-up Share Capital	
				Total no. of Shares	Total Value (in Taka in Lacs)	Total no. of Shares	Total Value (Rs in lacs)
A (i)	Equity Shares	As at 31st March, 2015	TK. 10	50000000	5000	50000000	3184
		As at 31st March, 2014	TK. 10	50000000	5000	50000000	3184



Note 2: Reserve & Surplus

Particulars	(Rs in Lacs)	
	As at 31st March, 2015	As at 31st March, 2014
Exchange Fluctuation Reserve	798	611
Surplus / (deficit):	1,673	894
Total	2,471	1,505



Annexed to and forming part of Balance Sheet as at March 31' 2015

**Note 3: Other Current Liabilities**

(Rs In Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Creditors for Capital Goods	13	6
Advances from Customers	3	10
Statutory Liabilities	3,425	1,361
Other payables	23	735
<b>Total:</b>	<b>3,464</b>	<b>2,112</b>



Annexed to and forming part of Balance Sheet as at March 31' 2015

**Note 4: Short term Provisions**

(Rs in Lacs)

Particulars	As at 31st	As at 31st
	March, 2015	March, 2014
For Leave Encashment	28	8
Provision For Taxation	838	582
<b>Total:</b>	<b>866</b>	<b>590</b>





Annexed to and forming part of Balance Sheet as at March 31' 2015

Note 6: Inventories

(Rs in Lacs)

Particulars	As at 31st	As at 31st
	March, 2015	March, 2014
Raw Materials (including packing materials)	531	608
Work-in-Progress	79	122
Finished goods	179	178
Stock-in-trade	278	136
Stores & spares	1	5
Total	1,068	1,049



Annexed to and forming part of Balance Sheet as at March 31' 2015

Note 7: Trade Receivables

(Rs in Lacs)

Particulars	(Rs in Lacs)	
	As at 31st March, 2015	As at 31st March, 2014
Unsecured: Other debts : Considered good	0	11
Total	0	11



Annexed to and forming part of Balance Sheet as at March 31' 2015

Note 8: Cash & cash Equivalents

(Rs in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Balances with banks	1,372	1,290
Cash-in-Hand	1	2
	1,373	1,292
Less Bank deposit maturing after 12 months	-	-
Total	1,373	1,292



**Note 9: Short term Loans & advances**

(Rs in Lacs)

Particulars		(Rs in Lacs)	
		As at 31st March, 2015	As at 31st March, 2014
Advances to Suppliers	Considered good	116	142
	Considered Doubtful	-	-
		116	142
	Less: Provision for doubtful advance	-	-
		116	142
Advances to Employees	Considered good	1	3
	Considered Doubtful	-	-
		1	3
	Less: Provision for doubtful advance	-	-
		1	3
Balance with Government Authorities	Considered good	3,810	1,968
Other Loans & Advances	Considered good	-356	183
Advance Payment Of Tax	Considered good	577	304
Deposit with others	Considered good	5	8
	Total	4,153	2,608



Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

**Note 11: Revenue from Operations**

(Amt in Rs Lacs)

	Particulars	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
A	Sale of Products	9,319	10,008
	Domestic	9,319	10,008
B	Sale of Services	0	0
B	Other Operating Revenues	34	35
	Sale of Scrap	34	35
	<b>Total</b>	<b>9,353</b>	<b>10,043</b>



Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

Note 12: Other Income

(Amt in Rs Lacs)

	Particulars	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
A	Interest Income	18	111
B	Dividend Income	0	0
C	Net gain/(loss) on sale of Current Investments (other than trade)	0	0
D	Revaluation (gain)/ loss on Investments	0	0
E	Gain on Sale of Fixed Assets	3	4
	Total	21	115



Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

Note 17 - Cost of Material Consumed

(Amt in Rs Lacs)

	Particulars	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
A	Raw material consumed	2,685	2,198
B	Packing material consumed	1,423	1,123
	<b>Total</b>	<b>4,108</b>	<b>3,321</b>



Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

Note 18 - Purchase of Stock in Trade

(Amt in Rs Lacs)

	Particulars	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
	Purchase of Goods	1,303	1,239
	<b>Total</b>	<b>1,303</b>	<b>1,239</b>





Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

Note 19 - Changes In Inventories of Finished Goods, Work-In-Progress and Stock-in- (Amt in Rs Lacs)

Particulars	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
<b>Opening Inventories</b>		
Finished Goods	121	245
Work in Progress	122	53
Stock-in-trade	193	102
<b>Closing Inventories</b>		
Finished Goods	179	121
Work in Progress	79	122
Stock-in-trade	278	193
<b>Total</b>	<b>(99)</b>	<b>(36)</b>



Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

Note 13 : Employee Benefits Expenses

(Amt in Rs Lacs)

	Particulars	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
A	Salaries, Wages and Bonus	641	582
B	Contribution to Provident and Other Funds	37	0
C	Workmen and Staff Welfare	83	107
	Total	761	689



Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

Note 14: Finance Cost

(Amt in Rs Lacs)

	Particulars	For the year ended March 31' 2014	For the year ended March 31' 2013
A	Interest Expense	3	0
B	Bank Charges	14	16
C	Net (gain)/loss on foreign currency transaction	(1)	(3)
	Total	16	13



Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

**Note 15 : Depreciation & Amortisations**

(Amt in Rs Lacs)

Particulars	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
Depreciation on Tangible Fixed Assets	198	96
Total	198	96



Annexed to and forming part of Profit & Loss Account for the year ended March 31' 2015

Note 16: Other Expenses

(Amt in Rs Lacs)

Particulars	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
Power and Fuel	80	21
Stores and Spares Consumed	14	5
Repair to Plant and Machinery	24	7
Repair to Others	16	7
Processing Charges	0	24
Rates and taxes	3	35
Rent	71	66
Insurance	46	36
Sales Tax	124	1,912
Freight and Forwarding Charges	133	112
Commission,Discount and Rebate	34	25
Advertisement and Publicity	994	985
Travel and Conveyance	94	85
Legal and Professional	9	10
Telephone and Fax Expenses	14	13
Security Expenses	29	16
General Charges	372	301
Auditor's Remuneration	1	1
Fixed Assets Written Down	0	8
<b>Total</b>	<b>2,058</b>	<b>3,669</b>



**Asian Consumer Care Pvt Ltd**

**Note No.: 20**

**1) 1.1. SIGNIFICANT ACCOUNTING POLICIES**

**1.1.1 Basis for preparation of accounts**

The accounts have been prepared in accordance with the historical cost convention under accrual basis of accounting as per Indian GAAP. Accounts and Disclosures thereon comply with the Accounting Standards specified in Companies (Accounting Standard) Rules 2006 which continue to apply under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules 2014, other pronouncement of ICAI, provisions of the Companies Act and guidelines issued by SEBI as applicable.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

**1.1.2 Use of Estimates**

Indian GAAP enjoins management to make estimates and assumptions that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to years, the financial statement relate to. Actual result could differ from such estimates. Any revision in accounting estimates is recognized prospectively from current year and material revision, including its impact on financial statement, is reported in notes to accounts in the year of incorporation of revision.

**2.1 Translation of overseas subsidiaries from foreign currencies to reporting currency:-**

- a) All assets/ outside liabilities and income/ expenses of overseas subsidiaries have been translated in reporting currency in terms of exchange rates prevailing on year-end date and average monthly rate respectively on the basis of non-integral operational approach under revised AS-11 there by accounting for aggregate of net impact in exchange fluctuation in these regards as exchange reserve shown under broad head of "Reserve and Surplus".

**2.2. Recognition of Income and Expenses**

- a. Sales and purchases are accounted for on the basis of passing of title to the goods.
- b. Sales comprise of sale price of goods including excise duty but exclude trade discount and sales tax/Vat.



- c. Income/ loss from future trading of commodities, forming part of inputs, is to be recognized at the closing point of the contract. For option contracts, loss if any occurs on balance sheet date is recognized. However profit, if any, accruing on open contracts on balance sheet date is ignored.
- d. All the other incomes have been accounted for on accrual basis except for those entailing accounting on realization basis under AS 9 on the ground of uncertainty factor.
- e. All expenses are provided on accrual basis unless stated otherwise.

### 2.3. Fixed Assets

- a. Fixed assets are stated at carrying amount i.e. cost less accumulated depreciation.
- b. Cost includes freight, duties, taxes and other expenses incidental to acquisition and installation.
- c. Depreciation on Fixed Assets has been provided on straight line method in terms of life span of assets specified in Schedule II of the Companies Act, 2013 except for Moulds which are depreciated in four years on straight line method based on technical advice.
- d. Patents and trademarks are being amortized over the period of ten years on straight line basis.
- e. Software's are being amortized over the period of five years on straight line basis.
- f. For New Projects, all direct expenses and direct overheads (excluding services provided by employees in company's regular payroll) are capitalized.
- g. Capital Subsidy received against fixed capital outlay is deducted from gross value of individual fixed assets, forming part of subsidy scheme granted, by way of proportionate allocation of subsidy amount thereon. Depreciation is charged on net fixed assets after deduction of subsidy amount.
- h. During sale of fixed assets, any profit earned towards excess of sale value over gross block of assets (i.e. balancing charge) is transferred from profit & loss account to capital reserve.
- i. Fixed assets inherited from entry of new entity in business combination pursuant to its acquisition by the group are carried at price corresponding assets were held in the books of newly acquired entity at the point of its acquisition.
- j. In respect of fixed assets of new entrants in the group having followed different basis of charging depreciation, prior to the date of their takeover, written down value of their assets are subjected to depreciation charge under straight line method at rate which enables respective assets to be amortized within their respective life span assessed under schedule II of the companies Act, 2013.



#### 2.4. Impairment/discarding of Assets

a) The company identifies impairable fixed assets based on cash generating unit concept for tangible fixed assets and asset specific concept for intangible fixed assets at the year-end in terms of clause 5 to 13 of AS –28 and clause 83 of AS- 26 respectively for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, is charged against revenue of the year.

b) Apart from test of impairment within the meaning of AS 28, individual tangible fixed assets of various cash generating units (CGUs) are identified for writing down on the ground of obsolescence, damage, redundancy & un-usability at the year end.

c) Further the company has assessed recoverable value of each CGUs and each intangible asset based on value-in-use method. Such assessment indicated the value in use of corresponding assets higher than corresponding carrying cost of assets thereby ruling out the cause of further arriving at their net-selling-price and exigency of provision against impairment loss.

#### 2.5. Investment

Investments that are readily realizable and are intended to be held for not more than one year at the point of acquisition are classified as “Current investments”. All other investments are classified as “Non-current investments”.

Current investments are stated at the lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of non current investments.

Investments in subsidiaries, Joint Ventures and Associates are held for long term and valued at cost reduced by diminution of permanent nature therein, if any.

No profit or losses of subsidiaries are accounted for.

#### 2.6. Research and Development Expenditure

Revenue expenditure on research & development is expensed as incurred including contribution towards scientific research expenses.





## 2.7. Inventories

Inventories are valued at the lower of cost or net realizable value. Basis of determination of cost remains as follows:

- a. Raw material, Packing Material, Stores & Spares : Moving weighted Average basis
- b. Work-in-progress : Cost of Input plus overhead upto the stage of completion
- c. Finished Goods : Cost of input plus appropriate overhead

## 2.8. Deferred Entitlement on Leave Travel Concession:

In terms of opinion of the Expert Advisory Committee of the ICAI, the Company has provided liability accruing on account of deferred entitlement towards Leave Travel Concession in the year in which the employees concerned render their services.

## 2.9. Retirement Benefits

Liabilities in respect of retirement benefits to employees are provided for as follows:-

### a. Defined Benefit Plans:

- i) Leave Salary of employees on the basis of actuarial valuation as per AS 15.
- ii) Post separation benefits of directors on the basis of actuarial valuation as per AS 15.
- ii) Gratuity Liability on the basis of actuarial valuation as per AS 15.

### b. Defined Contribution Plans:

- i) Liability for superannuation fund on the basis of the premium paid to insurance company in respect of employees covered under Superannuation Fund Policy.
- ii) Provident fund & ESI on the basis of actual liability accrued and paid to trust / authority.

## 2.10. Income Tax and Deferred Tax

The liability of company on account of income tax is estimated considering the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent years.



### 2.11. Contingent Liabilities

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax , Income Tax, Excise etc.), pending in appeal/court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliably estimable, is recognized in accounts.

### 2.12. Foreign Currency Translation:

- (a) Transactions of parent and domestic subsidiaries with overseas parties are recognized at currency rate ruling on the date of transaction. Gain or loss arising towards rise/fall of overseas currency Vis a Vis reporting currency is accounted for in statement of profit and loss.
- (b) Impact of currency fluctuation on current assets/ current or outside liabilities of individual entities with reference to currency of reporting in countries of their incorporation are charged to revenue.

### 2.13. Employee Stock Option Purchase (ESOP)

Aggregate of quantum of option granted under the scheme in monetary term (net of consideration of issue to be paid in cash) in terms of intrinsic value has been shown as Employees Stock Option Scheme outstanding in Reserve and Surplus head of the Balance Sheet with corresponding debit in deferred Employee Compensation under ESOP appearing as negative item as part of shareholder's fund as per guidelines to the effect issued by SEBI.

- a) With the exercise of option and consequent issue of equity share, corresponding ESOP outstanding is transferred to share premium account.
- b) Employees' contribution for the nominal value of share in respect to option granted to employees of subsidiary company is being reimbursed by subsidiary companies to holding company.
- c) Entitlement of option rises proportionately with the issuance of bonus. Nominal value of shares against enhanced options is financed by the company at the point of exercise of such option by employees against utilization of general reserve/security premium.
- d) Deferred employees compensation under ESOP is amortized on straight line method over the vesting period.



**2.14. Business combinations:**

**i) Merger/Amalgamation:**

Merger / Amalgamation (of the nature of merger) of other company / body corporate with the group is accounted for on the basis of purchase method, the assets / liabilities being accounted for in terms of book values of assets, liabilities appearing in transferor entity on the date of such merger / amalgamation for the purpose of arriving at the figure of goodwill or amalgamation reserve.

**ii) Acquisition:**

Any new entity joining business combination consequent upon acquisition of its shares/rights by any of the entities in group is accounted for under purchase method, assets and liabilities of the new entrant been accounted for as per book value of assets, liabilities appearing in books of new entrant on the date of its take over for the purpose of arising at the figure of goodwill/capital reserve.

iii) During the course of merger/amalgamation/acquisition under purchase method, excess/shortfall of consideration money over vis-à-vis net assets (gross assets less outside liabilities) inherited under such deal is accounted for as goodwill/amalgamation or capital reserve.

If balance sheet of transferor/acquired entity has any compulsory/statutory reserve at point of its transfer/acquisition, said reserves are retained subsequently under the Reserve & Surpluses against creation of new head called "Amalgamation Adjustment Account" accounted for under the head of Miscellaneous Expenditure in assets side of the balance sheet.

**2.15. Segment Reporting**

The Company identifies primary segments based on the pre-dominant sources of risk effects and returns depending on organization and of the management and internal financial reporting system. The operating segments are the segments for which separate financial information are available and operating profit/loss there from are evaluated regularly by the management for allocation of resources and assessment of performance.



Revenue, expenses, assets and liabilities which relate to the company as a whole which are not allocable to segments on direct and/or reasonable basis have been included under "unallocated revenue/ expenses/assets/liabilities".

**2.16. Operating Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals for operating leases are charged to statement of profit & loss on accrual basis in accordance with the respective lease agreements.

**2.17. Earnings per Share**

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**2. Notes to Accounts:**

1. "Related Party Disclosure" as required under AS-18 issued by ICAI are given below:

a) **Names on the related parties and nature of relationships with the related parties:**

Name of the Related Party	Nature of The Relationship
i) Dabur India Limited	Parent Company of Holding Company
ii) Dabur Nepal Private Limited	Fellow Subsidiary Company
iii) Dabur International limited, Dubai	Holding Company
iv) ACI Limited, Bangladesh (a Joint Venture Company)	Associate

b) **Transaction with the Related Parties:**

**(Rs in Lacs)**

Nature of Transaction	Parent Company of Holding Company (Rs)	Associate Company (Rs)	Fellow Subsidiary (Rs)	Holding Company (Rs)
i) Purchase of Goods	1224		115	5
ii) Rent		1		



iii) Technical know how fee				71
iv) Creditors	167		2	132

2. Contingent Liability Not Provided For:

- a) In respect of Letter of Credit issued by the Bank amounting to Rs 347 lacs (Previous Year Rs 886 Lacs)
  - b) In respect of custom duty under appeal amounting to Rs. 3 lacs (Previous year NIL)
  - c) Estimated amount of contract remaining to be executed on Capital Account Rs NIL (Previous year Rs 379 lacs)
  - d) In respect of income tax under appeal for disallowance of certain expenses for AY 2011-12 amounting to Rs. 8 lacs (Previous year Rs.8)
3. In absence of any reasonable certainty of earning profit in near future no deferred tax assets has been created for carry forward losses as the possibilities of realization of this nature of assets in future remains uncertain. Being no difference in the rate of depreciation on fixed assets in Bangladesh Company's Act, 1994 and Income Tax, 1984 no deferred tax assessed/liability is necessary on account of depreciation difference. However, Deferred Tax Liability has been assessed at Rs 8.14 (Previous year Rs. 2.40 lacs) which has not been taken into account.
4. The book records for fixed assets contain certain assets worth of Rs 5 lacs (Previous year Rs 5 lacs) still lying at Narayangonj factory of the company which is of no use as such calls for either a provision to be made there against or steps should be taken to write it off.
5. Provisions against damaged / shortage, obsolete materials of Rs 42 lacs(previous year @ 24 lacs) had been made.
6. It is informed that no benefit on service of the nature of P.F, ESI and gratuity is available to the employees of the company excepting leave salary which are being paid for by the company itself being in the nature of encashment. The liability of any unpaid portion at the year end is Rs 28 lacs (previous year Rs. 8 lacs) based on actuarial valuations as on 31.03.2015. There is no "Defined contribution plan" for the same. Corresponding deposits in the Banks or Financial Institutions to meet the above liability has not been made by the company.
7. Confirmation from the Sundry Debtors have been received & checked from our end. Advances & due to Sundry Creditors and others remain unconfirmed.
8. The Statutory auditor are held as retainer for providing service of taxation matter are paid Rs 1.46 lacs (Previous half year 1.39 lacs). The expenses have been booked under legal and professional charge. But no disclosure there for has been made in the financial statement of the company for the year although there



is a separate disclosure requirement under item no. 6 of Part II of Schedule XI of local company's Act, 1994.

**9. Creditors:**

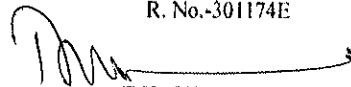
- i) Test check of sundry creditors accounts has been made on sample basis wherein no significant discrepancy has been noticed. No age wise break up has been produced as such genuineness of the liabilities could not be ascertained.
- ii) Letter for balance confirmation issued by the Company to individual parties has not been responded.

As per our report of even date attached

Place: New Delhi

Date: 4<sup>th</sup> May 2015

For G. BASU & CO.  
Chartered Accountants  
R. No.-301174E

  
(P.K. CHAUDHURI)  
Partner  
(M. No. 003814)

