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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 Dabur International Limited (presented in Indian National currency), a wholly owned 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.

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


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

Place: New Delhi

Date: 4th May 2015



Dabur International Ltd
Balance Sheet as at 31st March 2015
(All amount in Rs Lacs)

	PARTICULARS	Note No	As at 31st March, 2015	As at 31st March, 2014
I	EQUITY AND LIABILITIES			
	1. Share holder's Funds			
	a) Share Capital	1	1,295	1,295
	b) Reserves and Surplus	2	69,340	47,309
	2. Non-current liabilities			
	a) Long Term borrowings	3	3,176	12,134
	b) Long-term provisions		-	-
	4. Current Liabilities			
	a) Short-term borrowings	5	2,697	6,817
	b) Trade payables		9,649	11,361
	c) Other current liabilities	6	16,070	14,080
	d) Short-term provisions	7	1,465	370
	Total:		103,692	93,366
II	ASSETS			
	1. Non-current assets			
	a) Fixed Assets			
	i) Tangible assets		1,358	1,470
	ii) Intangible assets		5	-
	iii) Capital work-in-progress		23	1
	b) Non-current investments in Subsidiaries		63,644	58,607
	c) Long-term loans and advances	8	-	5
	d) Other non-current assets		-	-
	2. Current assets			
	a) Inventories	10	1,227	982
	b) Trade receivables	11	13,889	9,029
	c) Cash and cash equivalents	12	11,231	12,657
	d) Short-term loans and advances	13	12,048	10,342
	e) Other current assets	14	267	273
	Total:		103,692	93,366

*Closing exchange rate as on 31.03.2015 AED 1 = Rs. 16.37 (PY AED 1 = Rs. 16.31)

Place : New Delhi
Date : 4th May 2015

For G. BASU & CO.
Chartered Accountants

R. No. 701174E

(P.K. CHAUDHURI)

Partner

(M. No. 003814)



Dabur International Ltd

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

(All amounts in Rs. Lacs, unless otherwise stated)

DESCRIPTION	Note No	For the year ended Mar 31' 2015	For the year ended Mar 31' 2014
I Revenue from operations	15	108,261	88,237
II Other Income	16	3,477	3,130
III Total Revenue (I +II)		111,738	91,367
IV Expenses			
Cost of materials consumed	17	(5)	15
Purchase of stock in trade	18	58,064	45,528
Changes in inventories of FG , WIP & Stock in Trade	19		
Finished Goods		148	(108)
Work in Progress		(1)	(0)
Stock in trade		(500)	(164)
Employee benefits expenses	20	8,896	7,342
Finance cost	21	504	1,209
Depreciation & Amortisation Expenses	22	261	233
Other Expenses	23	22,385	20,637
Total Expense		89,752	74,692
(V) Profit before exceptional and extraordinary items and tax (III - IV)		21,986	16,675
(VI) Exceptional Items			
(VII) Profit before extraordinary items and tax (V - VI)		21,986	16,675
(VIII) Extraordinary Items			
(IX) Profit before tax (VII - VIII)		21,986	16,675
(X) Tax expense			
(1) Current tax		11	9
(XI) Profit/(Loss) for the year from continuing operations (IX - X)		21,975	16,666

*Average exchange rate as on 31.03.2015 AED 1 = Rs. 16.65 (PY AED 1 = Rs. 16.56)

Place : New Delhi
Date : 4th May 2015

As per our report of even date attached

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



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

DABUR INTERNATIONAL LIMITED

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

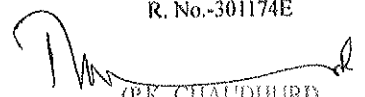
(Amount in Rs. Lacs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31'2015		FOR THE YEAR ENDED MARCH 31'2014	
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		21,986		16,675
ADD:				
DEPRECIATION	261		233	
MISCELLANEOUS EXP. WRITTEN OFF	707		266	
INTEREST	504	1,472	1,209	1,708
LESS:				
INTEREST RECEIVED	871		866	
PROFIT ON SALE OF ASSETS	-	871	-	866
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		22,587		17,517
WORKING CAPITAL CHANGES				
(INCREASE)/DECREASE IN INVENTORIES	(245)		(379)	
(INCREASE)/DECREASE IN TRADE AND OTHER RECEIVABLES	(6,560)		(4,004)	
INCREASE/(DECREASE) IN TRADE PAYABLES AND OTHER PAYABLES	718	(6,089)	3,345	(1,038)
(INCREASE)/DECREASE IN WORKING CAPITAL				
CASH USED(-)/(+)GENERATED FROM OPERATING ACTIVITIES (A)		16,498		16,479
B. CASH FLOW FROM INVESTING ACTIVITIES				
ACQUISITION OF FIXED ASSETS (NET)		(176)		(361)
PURCHASES OF INVESTMENT		(5,037)		4,662
INTEREST RECEIVED		871		866
CASH USED(-)/(+)GENERATED IN INVESTING ACTIVITIES (B)		(4,342)		5,167
C. CASH FLOW FROM FINANCING ACTIVITIES				
REPAYMENT(-)/PROCEEDS (+) OF LONG TERM SECURED LIABILITIES		(8,958)		(8,050)
REPAYMENT(-)/PROCEEDS(+) FROM SHORT TERM LOANS		(4,120)		(9,295)
INTEREST PAID		(504)		(1,209)
CASH USED(-)/(+)GENERATED IN FINANCING ACTIVITIES (C)		(13,582)		(18,555)
NET INCREASE(+)/DECREASE (-) IN CASH AND CASH EQUIVALENTS (A+B+C)		(1,426)		3,091
CASH AND CASH EQUIVALENTS OPENING BALANCE		12,657		9,566
CASH AND CASH EQUIVALENTS CLOSING BALANCE		11,231		12,657

Place : New Delhi
Date : 4th May 2015

As per our report of even date attached

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


(P.K. CHAUDHURI)
Partner
(M. No. 003614)



Annexed to and forming part of the Balance Sheet as at March 31, 2014
Note 1 - Share Capital

1 (a). Particulars of Shares:

Sl	Class of Shares	Face value of one Share	Period	Authorised Capital		Issued, Subscribed & Fully Paid up	
						Total	
				No. of shares	Total Value	No.	Value (in Rs Lacs)
	Equity Shares	1 Pound Sterling	As at March 31'2015	18,600,000	110,872,800	1,700,000	1,295
		1 Pound Sterling	As at March 31'2014	18,600,000	110,872,800	1,700,000	1,295

Note:

- 1) There is no restriction on transferability of shares
- 2) There is no movement of share capital during the year.



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

Note 2: Reserve & Surplus

(Rs in Lacs)

Particulars	(Rs in Lacs)	
	As at March 31, 2015	As at March 31, 2014
Capital Reserve:	-41	-41
Securities Premium Reserve:	3,097	3,097
Exchange Fluctuation Reserve	-8,264	-8,320
General Reserve:	213	213
Surplus / (deficit):	74,335	52,360
Total	69,340	47,309



Annexed to and forming part of the Balance Sheet as at March 31, 2015
 Note 3: Long term Borrowing

(Rs in Lacs)

Sl	Nature of Borrowing	As at Mar' 31, 2015			As at Mar' 31, 2014		
		Secured	Unsecured	Total	Secured	Unsecured	Total
i)	Term Loans From Bank	3,176	-	3,176	9,089	3,045	12,134
	Total	3,176	-	3,176	9,089	3,045	12,134

Note: 1. There is no default in repayment of principal loan or interest thereon.



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

Note No 5: Short term Borrowings

(Rs in Lacs)

Sl	Nature of Borrowings	As at Mar'31 2015	As at Mar'31 2014
i)	Cash Credits from bank	731	6,817
iii).	Other Loans from Banks	1,966	-
	Total	2,697	6,817

Note: 1. There is no default in repayment of principal loan or interest thereon.



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

Note 6 : Other Current Liabilities

(Rs in Lacs)

Particulars	As at Mar' 31, 2015	As at Mar' 31, 2014
Component of term loan repayable within a year	10,629	12,688
Creditors for Capital Goods	-	1
Advances from Customers	3,096	300
Interest accrued but not due on loans	54	84
Statutory Liabilities	365	0
Other payables	1,926	1,007
Total:	16,070	14,080



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

Note 7: Short term Provisions

Particulars	(Rs in Lacs)	
	As at Mar' 31, 2015	As at Mar' 31, 2014
For Leave Encashment	437	112
For Gratuity Payable	996	231
Provision For Taxation	32	27
Total:	1,465	370



Note No 8: Long term Loans & Advances

(Rs in Lacs)

Particulars		As at March 31, 2015	As at March 31, 2014
Capital Advance	Considered Good	-	5
	Total	-	5



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

Note No 10: Inventories

(Rs in Lacs)

Particulars	As at March	As at March
	31, 2015	31, 2014
Raw Materials (including packing materials)	10	118
Work-in-Progress	1	0
Finished goods	80	228
Stock-in-trade	1,136	636
Total	1,227	982



Note No 11 : Trade Receivables

(Rs in Lacs)

Particulars	As at Mar' 31, 2015	As at Mar' 31, 2014
Unsecured:		
Other debts : Considered good	13,889	9,029
Total	13,889	9,029



Note No 12: Cash & cash Equivalents

(Rs in Lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Balances with banks	11,124	12,066
Cheques / drafts in hand	101	589
Cash-in-Hand	6	2
	11,231	12,657
Less Bank deposit maturing after 12 months		
Total	11,231	12,657



Note No 13: Short term Loans & advances

(Rs in Lacs)

Particulars		As at March 31, 2015	As at March 31, 2014
Loans & Advances to Related to Parties	Secured considered good		
	Considered good	10,716	10,194
	Less: Provision for doubtful advance		
Advances to Suppliers	Considered good	78	142
	Considered Doubtful		
	Less: Provision for doubtful advance	78	142
Advances to Employees	Considered good	369	179
	Considered Doubtful		
	Less: Provision for doubtful advance	369	179
Balance with Government Authorities	Considered good	369	179
		755	268
Other Loans & Advances	Considered good	102	-481
Advance Payment Of Tax (Net of provision of Rs 9361, PY: Rs 5964)	Considered good		-
Deposit with others	Considered good	28	40
	Total	12,048	10,342



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

Note No 14: Other Current Assets

(Rs in Lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured and Consider Good		
Interest accrues on FDs, CP's, CD's and Govt Bonds	120	226
Other Assets	147	47
	267	273



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

Note No. 15: Revenue from Operations

Rs. In Lacs

	Particulars	For the year ended March 31' 2015	For the year ended March 31' 2014
A	Sale of Products	108,261	88,237
	Domestic	24,199	18,918
	Export	84,062	69,319
B	Other Operating Revenues	0	0
	Sale of Scrap	0	0
	Total	108,261	88,237



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

Note No.16: Other Income

Rs. In Lacs

	Particulars	For the year ended March 31' 2015	For the year ended March 31' 2014
	Interest Income	871	866
	Miscellaneous Receipts	2,606	2,264
	Total	3,477	3,130



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

Note No. 17 : Cost of Material Consumed

Rs. In Lacs

	Particulars	For the year ended March 31' 2015	For the year ended March 31' 2014
A	Raw material consumed	(9)	14
B	Packing material consumed	4	1
	Total	(5)	15



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

Note No. 18: Purchase of Stock in Trade

Rs. In Lacs

	Particulars	ended March 31' 2015	For the year ended March 31' 2014
	Purchase of Goods	58,064	45,528
	Total	58,064	45,528



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

Rs. In Lacs

Note No. 19: Changes In Inventories of Finished Goods, Work-In-Progress and Stock-in-trade

Particulars	For the year ended March 31' 2015	For the year ended March 31' 2014
Opening Inventories		
Finished Goods	228	120
Work in Progress	0	0
Stock-in-trade	636	472
Closing Inventories		
Finished Goods	80	228
Work in Progress	1	0
Stock-in-trade	1,136	636
Total	(353)	(272)



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

Note No. 20 : Employee Benefits Expenses

Rs. In Lacs

	Particulars	For the year ended March 31' 2015	For the year ended March 31' 2014
A	Salaries, Wages and Bonus	7,112	6,098
B	Contribution to Provident and Other Funds	484	419
C	Workmen and Staff Welfare	129	113
E	Director's Remuneration	464	446
F	ESOP Expenses	707	266
	Total	8,896	7,342



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

Note No.21 : Finance Cost

Rs. In Lacs

	Particulars	For the year ended March 31' 2015	For the year ended March 31' 2014
A	Interest Expense	481	805
B	Bank Charges	134	130
C	Net (gain)/loss on foreign currency transaction	(111)	274
	Total	504	1,209



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

Note No.22 : Depreciation & Amortisations

Rs. in lacs

Particulars	For the year ended March 31' 2015	For the year ended March 31' 2014
Depreciation on Tangible Fixed Assets	260	233
Amortisation of Intangible Fixed Assets	1	
Total	261	233



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

Note No. 23 : Other Expenses

Rs. In Lacs

Particulars	For the year ended March 31' 2015	For the year ended March 31' 2014
Power and Fuel	42	39
Stores and Spares Consumed	4	14
Repair to Building	10	5
Repair to Plant and Machinery	1	1
Repair to Others	60	58
Processing Charges	5	0
Rates and taxes	178	84
Rent	128	115
Insurance	306	241
Freight and Forwarding Charges	1,794	1,504
Commission,Discount and Rebate	4	64
Advertisement and Publicity	16,450	14,637
Travel and Conveyance	851	937
Legal and Professional	727	673
Telephone and Fax Expenses	250	232
Security Expenses	25	26
General Charges	1,490	1,935
Auditor's Remuneration	46	53
Research & Development Expenditure		9
Loss on Sale of Fixed Assets	14	6
Fixed Assets Written Down		4
Total	22,385	20,637



[All amount in Rs lacs except share data]

Dabur International Limited

Note no : 24

1. Significant Accounting Policies to the financial statements for the year ended 31st March, 2015

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.

1.2 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".
- b) Exchange difference arising on reporting of Long term foreign currency monetary items, pertaining to transactions among group companies/branches, at rates different from those at which they were initially recorded are accumulated under exchange fluctuation reserve. Relevant component of exchange fluctuation reserve is amortisable as per para 46A of AS-11.

1.3 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.

1.4 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.

1.5 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.



1.6 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.

1.7 Research and Development Expenditure

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

1.8 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



1.9 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.

1.10 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.

1.11 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.

1.12 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.

1.13 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.

1.14 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.

1.15 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.

1.16 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".

1.17 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.



1.18 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.

Notes to Accounts

1. Deferred Tax

Corporate tax is not applicable as per local UAE law.

2. Depreciation

As there is no corporate law, depreciation has been calculated in conformity to Schedule II of the Indian Companies Act, 2013.

3. Related Party Transactions

a. Related party transactions in conformity to AS -18 are given below.

Particulars	Parent Company	Subsidiaries	Directors	Total
Investments		54616		54616
Advance against Investments		8		8
Short Term Loans		10313		10313
Trade Receivables		2321		2321
Trade Payables	758	3107		3865
Sales	1	7153		7154
Purchases	1947	51443		53390
Interest Income		408		408
Management Fees Income		1712		1712
Royalty Income		70		70
Director's Remuneration			487	487



b. Details of Directors remuneration is furnished below:

	<u>Rs in lacs</u>
Pay & Allowances	0
Perquisites and expenses	487

	487

c. Key Management Personnel, having Significant control and influence

- Mr. Pritam Das Narang
- Mr. Sunil Duggal
- Mr. Sidhartha Burman
- Mr. Mohit Burman
- Mr. Jiten Doshi
- Mr. Gaurav Burman
- Mr. Saket Burman
- Mr. Vivek Chand Burman
- Mr. Mohit Malhotra
- Mr. Anand Chand Burman
- Mr. Amit Burman

Mr. Mohit Malhotra CEO of the company received remuneration of Rs 253 lacs acting under direct control & supervision of Board of Directors for the year ended 31st March 2015.

4. Segment Report (AS-17 of ICAI)

Since the entity has only one segment, i.e., FMCG, segment reporting under AS-17 of ICAI is not required.

5. Contingent Liabilities

1. Corporate Bank Guarantee FOR Naturelle Rs 2790 lacs and for AFCC, Nigeria for Rs 1111 lacs , ACCPL Pakistan Rs. 1240 lacs, Dabur Egypt Rs. 831, Sri Lanka Rs. 4883 lacs, Tunsie Rs. 2029 and Namaste Lab Rs.188 lacs.
2. Corporate Guarantee for The Director-General, Mauritius Revenue Authority Rs 1 lacs
3. Capital Commitment for Fixed Asset as on 31.03.2015 is Rs 50 lacs
4. Bank Guarantees executed Rs. 90 lacs.

6. Staff Gratuity & Leave Encashment Provision

- a) Provision is made for end of service Gratuity payable to the staff at the reporting date in accordance with the local labour laws, and Rs 815 lacs has been provided for as per management estimate.



- b) Provision is made for Leave Encashment payable to the staff at the reporting date in accordance with the local labour laws, and Rs 355 lacs has been provided for as per management estimate.

7. Provision for slow moving Stocks

Rs 75 lacs have been provided for during the period on bad/obsolete stock identified as such by the company's management.

8. Profit/Loss on Fixed Assets

The Body corporate has undertaken physical verification of fixed assets in the year, assignment was done by an outside agency by firm of Chartered Accountants. As per the report shown to us there was a net discrepancy, (either they are in bad condition or they do not exist) of Rs 1 lacs charged as loss on fixed asset.

9. The secured long terms loan for ANZ Bank and CITI bank are secured by Hypothecation of inventories, receivables, assignment of insurance policies covering properties and plant & machinery and also guaranteed by Dabur India Ltd.
10. Interest accrued and not due on loan from the banks and financial institution is Rs 54 lacs as on 31st March 2015.

11. Movement of Provision –

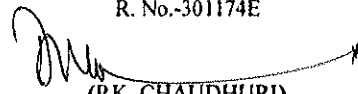
Particular	(Rs in lacs)	
	Provision for SLOB	Provision (Others)
Opening Balance	21	8488
Addition during the year	75	7693
Less: Withdrawal Adjustment	21	8488
Closing Balance	75	7693

Provision for others includes Provision for Expenses, Freight, and Services & Stock.

Place : New Delhi
Date : 4th May 2015

As per our report of even date attached

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


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