

# **DARE INVESTMENTS LIMITED**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH 2015**

*Shanker Giri & Prabhakar*  
*Chartered Accountants*

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of DARE INVESTMENTS LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **DARE INVESTMENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

**Opinion**

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

# *Shanker Giri & Prabhakar*

Chartered Accountants

"GUHALAYA", Flat B-7,  
No. 262 (Old 179) Royapettah High Road,  
Mylapore, Chennai - 600 004.  
Phone : 2499 2982, 2499 1345  
Fax : 91-44-2499 7317

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report that:

1. As required by the Companies (Auditor's Report) Order 2015 (Order) issued by the Central Government in terms of Section 143 (11) of the Act, we give in the annexure a statement on the matters specified in paragraphs 3 and 4.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Shanker Giri & Prabhakar**  
**Chartered Accountants**  
**FRN: 003761S**

94/-

**P. Prabhakar Rao**  
**Partner**  
**Membership No. : 18408**

**Place: Chennai**  
**Date: April 15, 2015**



**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of DARE INVESTMENTS LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2015.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i. The Company does not have any Fixed Assets. Hence Clause 3(i) of the Order is not applicable
- ii. The Company does not have any inventories and hence Clause 3(ii) of the Order is not applicable.
- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- iv. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- v. The company has not accepted any deposits during the year. Hence Clause 3(v) of the Order is not applicable.
- vi. The Company being an Investment Company, Clause 3(vi) of the Order relating to maintenance of cost records is not applicable.
- vii. (a) According to the information and explanations given to us, and records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable, with the appropriate authorities. There are no arrears of undisputed statutory dues outstanding as at 31st March 2015 for a period of more than six months from the date they become payable.  
  
(b) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.  
  
(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- viii. The Company has accumulated loss and has incurred cash loss during the financial year covered by our audit. The Company has incurred cash loss in the immediately preceding financial year.
- ix. The Company has not borrowed any amounts from any financial institution, bank or debenture holders..
- x. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

*Shanker Giri & Prabhakar*

Chartered Accountants

"GUHALAYA", Flat B-7,  
No. 262 (Old 179) Royapettah High Road,  
Mylapore, Chennai - 600 004.  
Phone : 2499 2982, 2499 1345  
Fax : 91-44-2499 7317

- xi. The Company has not taken any Term loans and hence Clause 3(xi) of the Order is not applicable.
- xii. During the course of our examination of the Books and Records of the Company carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor have we been informed of such case by the Management.

**For Shanker Giri & Prabhakar**  
**Chartered Accountants**  
**FRN: 003761S**

Sd/-

**P. Prabhakar Rao**  
**Partner**  
**Membership No. : 18408**

**Place: Chennai**  
**Date: April 15, 2015**



# DARE INVESTMENTS LIMITED

## BALANCE SHEET AS AT 31ST MARCH 2015

	Note No.	<u>As at 31st March 2015</u>		<u>As at 31st March 2014</u>	
		Rs	Rs	Rs	Rs
<b>I EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital	1	5,00,00,000		5,00,00,000	
(b) Reserves & Surplus	2	(3,93,416)		(2,68,817)	
			4,96,06,584		4,97,31,183
<b>(2) Current liabilities</b>					
(a) Short Term Borrowings	3	10,80,383		5,46,904	
(b) Trade payables	4	18,451		20,104	
(c) Other Current Liabilities	5	3,968	11,02,802	767	5,67,775
<b>TOTAL</b>			<b>5,07,09,386</b>		<b>5,02,98,958</b>
<b>II ASSETS</b>					
<b>(1) Non Current Investments</b>	6		5,00,25,973		5,00,25,973
<b>(2) Current assets</b>					
(a) Cash and Cash Equivalents	7	4,26,293		15,865	
(b) Other Current Assets	8	2,57,120		2,57,120	
			6,83,413		2,72,985
<b>TOTAL</b>			<b>5,07,09,386</b>		<b>5,02,98,958</b>
<b>Accompanying Notes to Financial Statements</b>	11				

sd/-  
G.VEERABHADRAM  
CHAIRMAN

sd/-  
S.SANKARASUBRAMANIAN  
DIRECTOR

sd/-  
SAURABH PJ  
COMPANY SECRETARY

SECUNDERABAD:  
April 15, 2015

This is the Balance Sheet referred to in  
our Report of even date  
For SHANKER GIRI & PRABHAKAR  
CHARTERED ACCOUNTANTS

sd/-  
P.PRABHAKAR RAO  
Partner

# DARE INVESTMENTS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

	<u>Note</u> <u>No.</u>	<u>For the Year ended</u> <u>31st March 2015</u>		<u>For the Year ended</u> <u>31st March 2014</u>	
		<u>Rs</u>	<u>Rs</u>	<u>Rs</u>	<u>Rs</u>
<b>I Revenue from Operations</b>					
(a) Operating revenues		-		-	
(b) Other Income - Interest from bank		-		5,498	
<b>11 Total Revenue</b>			<u><u>-</u></u>		<u><u>5,498</u></u>
<b>III Expenses</b>					
(a) Finance Cost	9		81,648		7,671
(b) Other Expenses	10		42,951		2,42,408
<b>Total Expenses</b>			<u><u>1,24,599</u></u>		<u><u>2,50,079</u></u>
<b>IV Loss before tax</b>			(1,24,599)		(2,44,581)
<b>V Tax Expense</b>					
(a) Current Tax		-		-	
(b) Deferred Tax		-		-	
<b>Total</b>			<u><u>-</u></u>		<u><u>-</u></u>
<b>VI Loss for the year</b>			<u><u>(1,24,599)</u></u>		<u><u>(2,44,581)</u></u>
<b>VII Earnings per equity share</b>					
Basic - Rs.			(0.02)		(0.36)
Diluted - Rs.			(0.02)		(0.36)

Accompanying Notes to Financial Statements 11

Sd/-  
G.VEERABHADRAM  
CHAIRMAN

Sd/-  
S.SANKARASUBRAMANIAN  
DIRECTOR

Sd/-  
SAURABH PJ  
COMPANY SECRETARY

This is the Statement of Profit & Loss  
referred to in our Report of even date.  
For SHANKER GIRI & PRABHAKAR  
CHARTERED ACCOUNTANTS

Sd/-  
P.PRABHAKAR RAO  
Partner

SECUNDERABAD:  
April 15, 2015

**DARE INVESTMENTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

	<b>2014-2015 Rs.</b>	<b>2013-2014 Rs.</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>NET PROFIT BEFORE TAX</b>	(1,24,599)	(2,44,581)
<b>ADJUSTMENTS:</b>		
Depreciation	-	(5,498)
Interest Received	-	-
Investment Income	-	-
Interest paid	81,648	7,671
(Profit) / Loss on sale of Fixed Assets	-	-
(Profit) / Loss on sale of Investments (Net)	-	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	(42,951)	(2,42,408)
<b>ADJUSTMENTS FOR : INCREASE/DECREASE IN</b>		
Trade and Other Receivables	-	-
Inventories	-	-
Current Liabilities	1,548	9,635
<b>CASH GENERATED FROM OPERATIONS</b>	(41,403)	(2,32,773)
Direct Taxes paid	-	-
<b>NET CASH FLOW FROM OPERATIONS</b>	<b>(41,403)</b>	<b>(2,32,773)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of investments	-	(5,00,25,973)
Proceeds on sale of Fixed Assets	-	-
Sale of Investments	-	-
Interest Received	-	5,498
Interest paid	(81,648)	(7,671)
Investment Income	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(81,648)</b>	<b>(5,00,28,146)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Share Capital	-	4,95,00,000
Redemption of Share Capital	-	-
Proceeds from Short Term Borrowings	5,33,479	5,46,904
Repayment of Long Term Borrowings	-	-
Proceeds from Other Term Borrowings (Net)	-	-
Change in Working Capital Finance	-	-
Interest paid	-	-
Dividend & Dividend tax paid	-	-
<b>NET CASH FLOW FORM FINANCING ACTIVITIES</b>	<b>5,33,479</b>	<b>5,00,46,904</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>4,10,428</b>	<b>(2,14,015)</b>
Cash and Cash Equivalents as at the beginning of the year	15,865	2,29,880
Cash and Cash Equivalents as at the end of the year	4,26,293	15,865

On behalf of the Board

*Sd/-*  
**G.VEERABHADRAM**  
Chairman

*Sd/-*  
**S.SANKARASUBRAMANIAN**  
Director

*Sd/-*  
**SAURABH PJ**  
**COMPANY SECRETARY**

Secunderabad

Date : April 15, 2015

**For SHANKER GIRI & PRABHAKAR**  
**CHARTERED ACCOUNTANTS**

*Sd/-*  
**P. PRABHAKAR RAO**  
Partner



**DARE INVESTMENTS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**

PARTICULARS	Share Capital	Profit and Loss Account	Total Equity Attributable to Equity Holders of the Company
	Rs.	Rs.	Rs.
<b>2014-2015</b>			
a. Balance as on April 1, 2014	5,00,00,000	(2,68,817)	4,97,31,183
b. Net Profit for the year	-	(1,24,599)	(1,24,599)
c. Balance as on March 31, 2015	5,00,00,000	(3,93,416)	4,96,06,584
<b>2013-2014</b>			
a. Balance as on April 1, 2013	5,00,00,000	(24,236)	4,99,75,764
b. Net Profit for the year	-	(2,44,581)	(2,44,581)
c. Balance as on March 31, 2014	5,00,00,000	(2,68,817)	4,97,31,183

On Behalf of the Board

*Sd/-*  
G. VEERABHADRAM  
CHAIRMAN

For SHANKER GIRI & PRABAKHAR  
Chartered Accountants

*Sd/-*  
S. SANKARASUBRAMANIAN  
DIRECTOR

*Sd/-*  
P PRABAKHAR RAO  
Partner

*Sd/-*  
SAURABH PJ  
COMPANY SECRETARY

Secunderabad  
Date: April 15, 2015

**DARE INVESTMENTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**As at 31st**  
**March 2015**  
**Rs**

**As at 31st**  
**March 2014**  
**Rs**

**Note 1**

**Share Capital**

*Authorised*

50,00,000 Equity Shares of Rs.10/=each	5,00,00,000	5,00,00,000
(2013-14 - 50,00,000 Equity Shares of Rs.10/=each)	<u>5,00,00,000</u>	<u>5,00,00,000</u>

*Issued Subscribed and Paid up*

50,00,000 Equity Shares of Rs.10/=each	5,00,00,000	5,00,00,000
(2013-14 - 50,00,000 Equity Shares of Rs.10/=each)	<u>5,00,00,000</u>	<u>5,00,00,000</u>

**1 Shares held by the Holding Company**

Name of the Shareholder	2014-15		2013-2014	
	No. of Shares	Rs	No. of Shares	Rs
Coromandel International Limited	50,00,000	5,00,00,000	50,00,000	5,00,00,000

**2 Shareholders holding more than 5% of the Shares**

Name of the Shareholder	2014-15		2013-2014	
	No. of Shares	%	No. of Shares	%
Coromandel International Limited	50,00,000	100.00%	50,00,000	100.00%

**3 Reconciliation of Number of Shares**

	2014-15		2013-2014	
	No. of Shares	Rs	No. of Shares	Rs
Balance as at the beginning of the year	50,00,000	5,00,00,000	50,000	5,00,000
Issued and paid up during the year			49,50,000	4,95,00,000
<b>Balance as at end of the year</b>	<b>50,00,000</b>	<b>5,00,00,000</b>	<b>50,00,000</b>	<b>5,00,00,000</b>

**4 Rights, preferences and restrictions attached to equity shares**

Equity Shares of the Company having par value of Rs.10 per share rank pari pasu in all respects including voting rights and entitlement to dividend.

**Note 2**

**Reserves & Surplus**

Balance in Profit and Loss Statement		
Balance at the beginning of the Year	(2,68,817)	(24,236)
Add : Loss for the year	(1,24,599)	(2,44,581)
	<u>(3,93,416)</u>	<u>(2,68,817)</u>

**Note 3**

**Short Term Borrowings**

From Holding Company	10,80,383	5,06,904
From Fellow Subsidiary Company	-	40,000
	<u>10,80,383</u>	<u>5,46,904</u>

**DARE INVESTMENTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

	<u>As at 31st</u> <u>March 2015</u> Rs	<u>As at 31st</u> <u>March 2014</u> Rs
<b>Note 4</b>		
<b>Trade payables</b>		
Sundry Creditors	18,451	20,104
For Expenses	<u>18,451</u>	<u>20,104</u>
<b>Note 5</b>		
<b>Other Current Liabilities</b>		
Other Payables	3,968	767
	<u>3,968</u>	<u>767</u>
<b>Note 6</b>		
<b>Non Current Investments</b>		
Non Trade - Quoted		
25,00,100 Equity Shares of Rs.10/- each in Coromandel		
Engineering Company Limited (Market Value -		
Rs.10,43,79,175/-) 2013-14-Rs.9,63,78,855/=)	5,00,25,973	5,00,25,973
	<u>5,00,25,973</u>	<u>5,00,25,973</u>
<b>Note 7</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	-	-
Bank Balances - Current Account	4,26,293	15,865
	<u>4,26,293</u>	<u>15,865</u>
<b>Note 8</b>		
<b>Other Current Assets</b>		
Preliminary Expenses - To the extent not written off	2,57,120	2,57,120
	<u>2,57,120</u>	<u>2,57,120</u>
	<u>Year ended</u> <u>31st March</u> <u>2015</u> Rs	<u>Year ended</u> <u>31st March</u> <u>2014</u> Rs
<b>Note 9</b>		
<b>Finance Cost</b>		
Interest on short term borrowings	81,648	7,671
	<u>81,648</u>	<u>7,671</u>
<b>Note 10</b>		
<b>Other Expenses</b>		
Rates & Taxes	100	2,04,388
Professional & Consultancy Charges	14,200	11,798
Audit Fees		
For Audit	16,854	16,854
For Other Services	9,550	21,348
Other Expenses	2,247	4,874
	<u>42,951</u>	<u>2,42,408</u>

**DARE INVESTMENTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**NOTE NO. 11**

**Accompanying Notes to Financial Statements :**

**1. Accounting Policies**

- a. These accounts are prepared on the basis of going concern, under the historic cost convention on accrual basis, to comply in all material aspects with applicable generally accepted accounting principles in India ("Indian GAAP"), the Accounting Standards ("AS") notified under Section 133 of the Companies Act, 2013 ("Act") and the relevant provisions of the Act..
  - b. Preliminary Expenses are intended to be written off when the Company commences operations.
2. Deferred Tax asset as at 31<sup>st</sup> March 2015 is Rs.59,955/=, representing tax on unabsorbed business losses. The same has not been considered as a prudent measure.

**3. Related Party Disclosure**

i	Related Parties	Parry Chemicals Limited- Fellow Subsidiary		Coromandel International Limited – Holding Company	
		2014-15	2013-14	2014-15	2013-14
ii	Transactions during the year	Rs.	Rs.	Rs.	Rs.
	Subscription to Equity Capital	Nil	Nil	Nil	4,95,00,000
	Interest Paid	Nil	Nil	81,648	7,671
	Advances Received	Nil	40,000	5,00,000	5,00,000
	Advances Repaid	40,000	Nil	Nil	Nil
iii	Balances outstanding				
	Share Capital - Cr	Nil	Nil	5,00,00,000	5,00,00,000
	Advances Received - Cr	Nil	Nil	10,80,383	5,06,904

**4. Segment Reporting**

The Company has considered business segment as the primary segment for disclosure. The Company is engaged in Investments business only and hence this is considered as the only business segment.

**5. Earnings Per Share**

	2014-2015 Rs	2013-2014 Rs
Loss after tax as per Profit and Loss Statement	(1,24,599)	(2,44,581)
Earnings per share		
Basic	(0.02)	(0.36)
Diluted	(0.02)	(0.36)

6. Previous Year's figures are regrouped / reclassified in order to confirm to the classification adopted in these accounts.

**SIGNATURES TO NOTE NOS. 1 TO 11**

**For SHANKER GIRI & PRABHAKAR**  
**CHARTERED ACCOUNTANTS**

*sd/-*  
**P. PRABHAKAR RAO**  
**PARTNER**  
 Secunderabad :  
 April 15, 2015

*sd/-*  
**SAURABH PJ**  
**COMPANY SECRETARY**

*sd/-*  
**G.VEERABHADRAM**  
**CHAIRMAN**

*sd/-*  
**S. SANKARASUBRAMANIAN**  
**DIRECTOR**