

Full year Financial Statement And Dividend Announcement for the Year Ended 31 March 2014

The Board of Directors of Meghmani Organics Limited (“MOL” or the “Company” or “the Issuer”) wishes to make the following announcement of the Company’s results for the year ended 31 March, 2014 as follows:-

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS**1(a) An income statement (for the Company and Group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Group			Company		
	Year ended		%	Year ended		%
	31.03.2014	31.03.2013		31.03.2014	31.03.2013	
	Rs. ‘000	Rs. ‘000	Increase / (Decrease)	Rs. ‘000	Rs. ‘000	Increase / (Decrease)
Revenue	11,569,450	10,402,231	11.2	8,720,160	7,316,667	19.2
Cost of sales	(9,835,138)	(8,523,682)	15.4	(7,821,483)	(6,475,390)	20.8
Gross Profit	1,734,312	1,878,549	-7.7	898,677	841,277	6.8
Other operating income	268,815	205,871	30.6	254,498	198,385	28.3
Distribution expenses	(684,156)	(631,890)	8.3	(609,793)	(540,465)	12.8
Administrative expenses	(234,725)	(211,941)	10.8	(193,179)	(155,905)	23.9
Other operating expenses	164,177	31,164	n.m.	181,314	63,290	n.m.
Profit from operations	1,248,423	1,271,753	-1.8	531,517	406,582	30.7
Finance cost	(711,414)	(688,735)	3.3	(385,420)	(317,830)	21.3
Income from investments	30	30	n.m.	30	30	n.m.
Profit before tax	537,039	583,048	-7.9	146,127	88,782	64.6
Income tax	(182,345)	(300,117)	-39.2	(30,355)	(30,957)	-1.9
Profit after income tax	354,694	282,931	25.4	115,772	57,825	100.2
Minority Interest	(126,652)	(110,762)	14.3	-	-	-
Profit after Minority Interest	228,042	172,169	32.5	115,772	57,825	100.2

1(a) (ii) The net profit attributable to the shareholders includes the following charges/ (credits):

	Group			Company		
	Year ended		%	Year ended		%
	31.03.2014	31.03.2013		31.03.2014	31.03.2013	
	Rs. ‘000	Rs. ‘000	Increase (Decrease)	Rs. ‘000	Rs. ‘000	Increase (Decrease)
Foreign currency exchange adjustment loss/(gain)	216,449	71,768	201.6	(223,794)	85,488	-361.8
Loss on disposal of plant and equipment	(3,431)	(4,093)	-16.2	(2,413)	(86)	2705.8
Research and developments expenditure	(14,281)	(8,988)	58.9	(13,517)	(8,410)	60.7
Sundry Balance written off	(48,841)	(36,511)	33.8	44,893	(22,112)	-303.0

Note: n.m. means not meaningful.

1(b) (i) A balance sheet of the Company and Group together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<u>ASSETS</u>				
Current assets				
Cash & bank balances	394,736	121,909	77,079	18,010
Available for sale investments	-	240,431	-	-
Trade receivables	3,523,197	3,393,189	3,311,703	3,282,265
Other receivables and prepayments	1,797,951	1,841,629	1,441,344	1,573,789
Inventories	2,495,785	1,810,910	2,086,047	1,482,311
Income tax recoverable	223,660	63,975	144,368	64,788
Total current assets	8,435,329	7,472,043	7,060,541	6,421,163
Non – current assets				
Property, plant and equipments	8,153,597	7,880,428	3,921,551	3,454,867
Interest in subsidiaries	-	-	1,375,248	1,375,248
Available for sale investments	5,603	5,603	5,593	5,593
Total non – current assets	8,159,200	7,886,031	5,302,392	4,835,708
Total assets	16,594,529	15,358,074	12,362,933	11,256,871
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Bank borrowings	3,775,000	2,957,982	3,105,319	2,332,877
Other borrowings	-	-	-	305,191
Trade payables	1,532,130	1,431,799	1,537,580	1,366,523
Other payables	1,008,322	701,361	790,467	514,976
Total current liabilities	6,315,452	5,091,142	5,433,366	4,519,567
Non – current liabilities				
Long Term Loan	3,772,574	4,216,609	1,250,000	1,128,146
Deferred tax liabilities	369,977	201,578	252,201	233,823
Total non – current liabilities	4,142,551	4,418,187	1,502,201	1,361,969
Capital & reserves				
Issued capital	254,314	254,314	254,314	254,314
Share premium	1,565,048	1,565,048	1,565,048	1,565,048
General reserve	612,270	609,270	612,270	609,270
Capital Reserve	19,871	19,871	3,122	3,122
Capital redemption reserve	18,433	18,433	18,433	18,433
Dividend reserve	31,702	31,524	31,702	31,524
Currency translation reserve	42,595	21,807	-	-
Debenture Redemption Reserve	194,981	138,766	194,981	138,766
Hedge Reserve	(161,218)	(103,093)	(187,198)	(153,032)
Accumulated profits	2,634,896	2,495,822	2,934,694	2,907,890
Minority interest	923,634	796,983	-	-
Total equity	6,136,526	5,848,745	5,427,366	5,375,335
Total liabilities and equity	16,594,529	15,358,074	12,362,933	11,256,871

1(b) (ii) Aggregate amount of Group and Company borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 March 2014		As at 31 March 2013	
Secured		Secured	
Group	Company	Group	Company
Rs. '000	Rs. '000	Rs. '000	Rs. '000
3,351,211	2,681,530	2,805,989	2,180,884

As at 31 March 2014		As at 31 March 2013	
Un –Secured		Un –Secured	
Group	Company	Group	Company
Rs. '000	Rs. '000	Rs. '000	Rs. '000
423,789	423,789	151,993	151,993

Amount repayable after one year

As at 31 March 2014		As at 31 March 2013	
Secured		Secured	
Group	Company	Group	Company
3,772,574	1,250,000	4,216,809	1,128,146

The details of bank borrowings from various banks and securities are shown below:

Bank borrowings from a consortium of banks (Group and Company) (SBI, HDFC and ICICI)

As at March 31, 2014, bank borrowings amounting to **Group Rs. 1,636,533,000 & Company Rs. 1,636,533,000** are secured by:

- first ranking pari passu charge in favour of a consortium of banks by way of hypothecation on the Company's trade receivables and inventories ; and
- first ranking pari passu charge in favour of a consortium of banks by way of hypothecation and/or legal mortgage over certain of Company's present and future properties, plant and equipment.

As at March 31, 2013, bank borrowings amounting to **Group Rs. 1,406,691,000 & Company Rs. 1,406,783,000** are secured by:

- first ranking pari passu charge in favour of a consortium of banks by way of hypothecation on the Company's trade receivables and inventories ; and
- first ranking pari passu charge in favour of a consortium of banks by way of hypothecation and/or legal mortgage over certain of Company's present and future properties, plant and equipment.

Bank A (ICICI Bank Limited - Bahrain)

As at March 31, 2014, bank borrowings are amounting to **Rs. Nil** (repayable after one year) and Rs. Nil (repayable within one year) are secured by:

First ranking pari passu charge by way of hypothecation on the Company's current assets

As at March 31, 2013, bank borrowings are amounting to **Rs.11,309,000** (repayable after one year) and Rs. 22,619,000 (repayable within one year) are secured by:

First ranking pari passu charge by way of hypothecation on the Company's current assets.

Bank B (ECB – Standard Chartered Bank)

As at March 31, 2014, bank borrowings amounting to **Rs. Nil** are secured. (Repayable after one year) and **Rs. 141,447,000** (repayable within one year)

As at March 31, 2013, bank borrowings amounting to **Rs. 128,146,000** are secured. (Repayable after one year) and Rs. 170,542,000 (repayable within one year)

Bank C (State Bank of India)

As at March 31, 2014, bank borrowings amounting to **Rs.403,550,000** are secured.

As at March 31, 2013, bank borrowings amounting to **Rs.,403,559,000** are secured.

Bank D (HDFC Bank Limited)

As at March 31, 2014, bank borrowings amounting to **Rs. Nil** are secured.

As at March 31, 2013, bank borrowings amounting to **Rs. 200,000,000** are secured.

Bank E (HDFC Bank Limited)

As at March 31, 2014, bank borrowings amounting to **Rs. 423,789,000** are unsecured.

As at March 31, 2013, bank borrowings amounting to **Rs. Nil** are unsecured.

Bank F (Deutsche Bank AG)

As at March 31, 2014, issued commercial paper of **Rs. Nil** which is Unsecured.

As at March 31, 2013, issued commercial paper of **Rs. 151,993,000** which is Unsecured.

Bank G (Non-Convertible Debenture)

As at March 31, 2014, NCD of **Rs. 500,000,000** are secured (Repayable after one year) and Rs. 500,000,000 repayable within one year.

As at March 31, 2013, NCD of **Rs. 1,000,000,000** which is secured and repayable after one year.

Bank H (HDFC Bank Limited – Term Loan Dahej - SEZ)

As at March 31, 2014, HDFC Term Loan Dahej – SEZ of **Rs. 300,000,000** which is secured and repayable after one year.

As at March 31, 2013, HDFC Term Loan Dahej – SEZ of **Rs. Nil** which is secured and repayable after one year.

Bank I (ICICI Bank Limited – Term Loan Dahej - SEZ)

As at March 31, 2014, ICICI Term Loan Dahej – SEZ of **Rs. 450,000,000** which is secured and repayable after one year.

As at March 31, 2013, ICICI Term Loan Dahej – SEZ of **Rs. Nil** which is secured and repayable after one year.

Bank J (KBC Bank Limited – Meghmani Europe BVBA)

As at March 31, 2014, Bank borrowings amounting to **Rs. 7,521,000** are secured by the assets purchased at Europe.

As at March 31, 2013, Bank borrowings amounting to **Rs. 24,875,000** are secured by the assets purchased at Europe.

Bank K (ICICI Bank Limited – Meghmani Finechem Limited (MFL))

As at March 31, 2014, bank borrowings amounting to **Rs.1,530,651,000** (repayable after one year) and Rs. 241,682,000 (repayable within one year) are secured by Mortgage/hypothecation of assets.

As at March 31, 2013, bank borrowings amounting to **Rs. 1,772,333,000** (repayable after one year) and **Rs. 214,828,000** (repayable within one year) are secured by Mortgage/hypothecation of assets.

Bank L (International Financial Corporation (IFC) – MFL)

As at March 31, 2014, bank borrowings amounting to **Rs. 599,202,000** (repayable after one year) and **Rs. 171,199,000** (repayable within one year) are secured by Mortgage/hypothecation of assets.

As at March 31, 2013, bank borrowings amounting to **Rs. 697,950,000** (repayable after one year) and **Rs. 155,100,000** (repayable within one year) are secured by Mortgage/hypothecation of assets.

Bank M (ECB - Standard Chartered Bank)

As at March 31, 2013, bank borrowings amounting to **Rs 385,200,000** (repayable after one year) and **Rs.256,800,000** (repayable within one year) first pari passu charge on movable fixed assets of Meghmani Finechem Ltd. including moveable plant and equipment.

As at March 31, 2013, bank borrowings amounting to **Rs.581,625,000** (repayable after one year) and **Rs. 232,650,000** (repayable within one year) first pari passu charge on movable fixed assets of Meghmani Finechem Ltd. including moveable plant and equipment.

Bank N (PT. Astrasedaya Finance – PT Meghmani Indonesia)

As at March 31, 2014, bank borrowings amounting to **Rs.Nil** are secured by the Vehicle purchased at Indonesia.

As at March 31, 2013, bank borrowings amounting to **Rs. 371,000** are secured by the Vehicle purchased at Indonesia.

1(c) A cash flow statement of the Group and Company, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Particulars	Group		Company	
	Year ended		Year ended	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cash flows from operating activities:				
Profit from operations	1,248,423	1,271,753	531,517	406,582
Adjustments for :				
Depreciation on property, plant and equipment	802,387	751,213	313,441	263,607
Unrealised foreign exchange gain (loss)	(165,238)	45,960	(127,610)	49,537
Interest Received	(48,948)	(17,041)	(36,186)	(14,518)
Loss on disposal of property, plant and equipment	3,431	4,093	(2,413)	86
Operating cash flows before movement in working capital	1,840,055	2,055,978	678,749	705,294
Trade receivables	(130,007)	(103,115)	(29,438)	(64,271)
Other receivables and prepayments	208,916	(299,482)	260,055	(238,944)
Inventories	(684,875)	(88,640)	(603,736)	(119,919)
Trade payables	100,332	459,486	171,055	418,700
Bills payables	23,316	(222,146)	23,319	(222,146)
Other payables	306,962	(59,298)	275,490	(33,106)
Cash generated from operations	1,664,699	1,742,783	775,494	445,608
Income taxes paid	(173,631)	(101,316)	(91,558)	(4,504)
Interest and finance charges paid	(711,414)	(688,736)	(385,420)	(317,830)
Net cash from operating activities	779,654	952,731	298,516	123,274
Cash flows from investing activities:				
Purchase of property, plant & equipments	(1,086,691)	(1,225,491)	(783,994)	(712,989)
Proceeds on disposal of property, plant & equipments	7,703	3,575	6,282	3,575
Purchase of available for sale investments	-	-	-	-
Interest received	48,948	17,041	36,186	14,518
Investments in subsidiaries	-	-	-	(241,535)
Investment income received`	30	30	30	30
Net cash used in investing activities	(1,030,010)	(1,204,845)	(741,796)	(936,401)
Cash flows from financing activities:				
Dividend paid	(25,254)	(25,261)	(25,254)	(25,261)
Tax on dividend paid	(4,322)	(4,126)	(4,322)	(4,126)
Decrease in Hedge Reserve	(58,125)	107,040	(34,165)	44,721
Proceeds from bank borrowings, net of repayments	497,871	397,905	1,019,186	742,764
Proceeds from other borrowings, net of repayments	(148,205)	(630,705)	(148,205)	(330,705)
Other Borrowings	-	-	(305,191)	305,191
Minority Interest	-	118,367	-	-
Net cash from financing activities	261,965	(36,780)	502,049	732,584
Net effect of exchange rate change in consolidation	20,787	11,166	-	-
Net (decrease) increase in cash and cash equivalents	32,396	(277,728)	59,069	(80,543)
Cash and cash equivalents at the beginning of the year	362,340	640,068	18,010	98,553
Cash and cash equivalents at the end of the year	394,736	362,340	77,079	18,010

1 (d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

Rs. '000

	Issued capital	Share premium	General reserve	Capital Reserve	Capital redemption reserve	Hedge Reserve	Debenture Redemption reserve	Dividend reserve	Currency translation reserve	Accumulated Profits	Minority Interest	Total
Balance as at March 31,2012	254,314	1,565,048	609,270	19,873	18,433	(210,132)	82,551	31,158	10,642	2,409,622	567,854	5,358,633
Net profit for the year	-	-	-	-	-	-	-	-	-	172,168	-	172,168
Transfer to (from) reserve	-	-	-	-	-	-	-	-	-	-	-	-
Proposed dividend	-	-	-	-	-	-	-	29753	-	(29,753)	-	-
Final dividend paid	-	-	-	-	-	-	-	(29,387)	-	-	-	(29,387)
Addition during the year	-	-	-	(2)	-	107,039	56,215	-	-	(56,215)	229,129	336,166
Currency Translation Reserve	-	-	-	-	-	-	-	-	11,165	-	-	11,165
Balance as at March 31,2013	254,314	1,565,048	609,270	19,871	18,433	(103,093)	138,766	31,524	21,807	2,495,822	796,983	5,848,745
Net profit for the year	-	-	-	-	-	-	-	-	-	228,042	-	228,042
Transfer to (from) reserve	-	-	3,000	-	-	-	-	-	-	(3,000)	-	-
Proposed dividend	-	-	-	-	-	-	-	29,753	-	(29,753)	-	-
Final dividend paid	-	-	-	-	-	-	-	(29,575)	-	-	-	(29,575)
Addition during the year	-	-	-	-	-	(58,125)	56,215	-	-	(56,215)	126,651	68,526
Currency Translation Reserve	-	-	-	-	-	-	-	-	20,788	-	-	20,788
Balance as at March 31,2014	254,314	1,565,048	612,270	19,871	18,433	(161,218)	194,981	31,702	42,595	2,634,896	923,634	6,136,526

Company

	Rs. '000									
	Issued capital	Share premium	General reserve	Capital Reserve	Capital redemption reserve	Debenture Redemption reserve	Dividend reserve	Hedge Reserve	Accumulated Profits	Total
Balance as at March 31,2012	254,314	1,565,048	609,270	3,122	18,433	82,551	31,158	(197,753)	2,936,033	5,302,176
Net profit for the year	-	-							57,825	57,825
Transfer to (from) reserve	-	-								-
Proposed dividend	-	-					29,753		(29,753)	-
Final dividend paid	-	-					(29,387)			(29,387)
Addition during the year	-	-				56,215		44,721	(56,215)	44,721
Balance as at March 31,2013	254,314	1,565,048	609,270	3,122	18,433	138,766	31,524	(153,032)	2,907,890	5,375,335
Net profit for the year	-	-		-	-	-	-	-	115,772	115,772
Transfer to (from) reserve	-	-	3,000	-	-	-	-	-	(3,000)	-
Proposed dividend	-	-		-	-	-	29,753	-	(29,753)	-
Final dividend paid	-	-		-	-	-	(29,575)	-	-	(29,575)
Addition during the year	-	-		-	-	56,215	-	(34,166)	(56,215)	(34,166)
Balance as at March 31,2014	254,314	1,565,048	612,270	3,122	18,433	194,981	31,702	(187,198)	2,934,694	5,427,366

- 1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There is no change in the Company's share capital.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.**

	31 March 2014	31 March 2013
Total number of issued ordinary shares Excluding treasury shares	50,838,150	51,228,150

During the year the Company has issued 390,000 Equity Shares on conversion of SDS.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company does not have any treasury shares.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

These figures have been audited in accordance with the provisions of Generally Acceptable Accounting Practices in India.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

There is no qualification or adverse remarks by Auditors. The Auditors' Report will be circulated along with Annual Report.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual Financial Statements have been applied?**

The Group's financial statements have been prepared from those accounting records maintained under Generally Accepted Accounting Practices in India ('Indian GAAP')

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting year compared with the audited financial statements for the year ended 31 March 2014 under Indian GAAP.

5. If there are any changes in the accounting policies and methods of computation , including any required by an accounting standard , what has changed , as well as the reasons for and the effect of , the change.

Not Applicable

- 6 Earnings per ordinary share of the company for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting and provision for preference dividends.

	Group		Company	
Earnings per Ordinary shares	Year ended		Year ended	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
(a) Based on weighted average number of ordinary shares in issue (Rs)	0.90	0.68	0.46	0.23
Earnings per SDS (Rs)	0.45	0.34	0.23	0.12
(b) On a fully diluted basis (detailing any adjustments made to the earnings) (Rs)	0.90	0.68	0.46	0.23
Earnings per SDS (Rs.)	0.45	0.34	0.23	0.12

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the :-

- (a) current financial period reported on; and
(b) Immediately preceding financial year.

	Group		Company	
	As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
Net assets value per ordinary share based on issued share capital at the end of the year reported in Rs.	24.13	23.00	21.34	21.14

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :-

- (a) any significant factors that affected the turnover , costs , and earnings of the group for the current financial period reported on , including (where applicable) seasonal or cyclical factors ; and
(b) any material factors that affected the cash flow , working capital , assets or liabilities of the group during the current financial period reported on.

The principal activities of the Group are (i) manufacturing and trading of Pigments, Agrochemicals Basic Chemicals and (ii) trading of intermediates, bulk and small packing and Agrochemicals technical and intermediates products.

Review of results for the year ended on 31 March, 2014

Revenue -Group

Group revenue for FY 2014 increased by 11.2 % from Rs. 10402.23 million in FY 2013 to Rs.11569.45 million in FY 2014.

Breakdown of Revenue by Product

(Rs. in Millions)

Products	FY 2014	FY 2013	Increase/ (Decrease)	%
Pigment	3332.51	2608.74	723.77	27.7
Agrochemical	3967.14	3397.78	569.36	16.8
Power	0.00	0.00	0.00	0.00
Caustic Chlorine	2623.58	2885.18	-261.60	-9.1
Trading / Subsidiary	1646.22	1510.53	135.69	9.0
Total	11569.45	10402.23	1167.22	11.2

Breakdown of Exports Sales by Product

(Rs. in Millions)

Export Sales	FY 2014	FY 2013	Increase/ (Decrease)	%
Pigment	2611.09	2238.35	372.74	16.7
Agrochemical	2948.10	2489.26	458.84	18.4
Caustic Chlorine	19.45	22.05	-2.60	-11.8
Trading / Subsidiary	1561.13	1411.57	149.56	10.6
Total	7139.77	6161.23	978.54	15.9

Breakdown of Domestic Sales by Product

(Rs. In Millions)

Domestic Sales	FY 2014	FY 2013	Increase/ (Decrease)	%
Pigment	721.42	370.39	351.03	94.8
Agrochemical	1019.04	908.52	110.52	12.2
Power	0.00	0.00	0.00	0.00
Caustic Chlorine	2604.13	2863.13	-259.00	-9.0
Trading	85.09	98.96	-13.87	-14.0
Total	4429.68	4241.00	188.68	4.4

Reasons for Increase / (Decrease) in Sales

- 1) Export sales of Pigment Division increased by 16.7% because of increase in quantity sales of PG7, Alpha Blue & CPC Blue.
- 2) Export sales of Agrochemical Division increased by 18.4% because of increase in quantity sales of Cypermethric Acid Chloride (CMAC) and Technical products viz. Cypermethrin and Chlorpyrifos.
- 3) Domestic sales of Pigment Division increased by 94.8% because of higher quantity sales of CPC Blue & PG7.

- 4) Domestic sales of Agrochemical Division increased by 12.2 % due to increase in sale quantity of MPB and Cypermethric Acid Chloride (CMAC).
- 5) Domestic sales of Caustic Chlorine Division decreased by 9.0 % due to decrease in production resulting in lesser sales quantity during the year.

Revenue - Company

Company revenue for FY 2014 increased by Rs. 1403.49 million i.e.by 19.2% to Rs.8720.16 million from Rs. 7316.67 million in FY 2013.

BREAKDOWN OF REVENUE BY PRODUCT

(Rs. in Millions)

Products	FY 2014	FY 2013	Increase/ (Decrease)	%
Pigment	3948.59	3368.58	580.01	17.2
Agrochemical	3974.27	3427.32	546.95	16.0
Trading / Subsidiary	797.30	520.77	276.53	53.1
Total	8720.16	7316.67	1403.49	19.2

Breakdown of Exports Sales by Product

(Rs. in Millions)

Export Sales	FY 2014	FY 2013	Increase/ (Decrease)	%
Pigment	3227.17	2998.19	228.98	7.6
Agrochemical	2995.23	2518.80	476.43	18.9
Trading	712.21	421.81	290.40	68.8
Total	6934.61	5938.80	995.81	16.8

Breakdown of Domestic Sales by Product

(Rs. in Millions)

Domestic Sales	FY 2014	FY 2013	Increase/ (Decrease)	%
Pigment	721.42	370.39	351.03	94.8
Agrochemical	1019.04	908.52	110.52	12.2
Trading	85.09	98.96	-13.87	-14.0
Total	1825.55	1377.87	447.68	32.5

Reasons for Increase / (Decrease) in Sales

- 1) Export sales of Pigment Division increased by 7.6 % of increase in quantity sales of PG7, Alpha Blue & CPC Blue.
- 2) Export sales of Agrochemical Division increased by 18.9%. because of increase in quantity sales of Cypermethric Acid Chloride (CMAC) and Technical products viz. Cypermethrin and Chlorpyrifos.
- 3) Domestic Sales of Pigment Division increased by 94.8% mainly due to higher quantity sales of CPC Blue & PG7.

- 4) Domestic Sales of Agrochemical Division increased by 12.2 % due to increase in sale quantity of MPB and Cypermethric Acid Chloride (CMAC).
- 5) Trading activity decreased by Rs. 13.87 million because of decrease in trading activity of Agrochemical products.

Gross profit - Group

The gross profit decreased by 7.8% from Rs. 1880.69 million in FY 2013 to Rs. 1734.31 million in FY 2014. The gross profit margin decreased to 15.0% in FY 2014 from 18.1% in FY 2013.

Breakdown of Gross Profit by Division

(Rs. in Millions)						
Division	FY 2014	GP Margin FY 2014 (%)	FY 2013	GP Margin FY 2013 (%)	Increase/ (Decrease)	Increase/ Decrease (%)
Pigment	319.63	9.6	447.70	17.2	-128.07	-28.6
Agrochemical	534.78	13.5	366.38	10.8	168.40	46.0
Power	-19.54	n.m.	-18.76	n.m.	-0.78	4.2
Caustic Chlorine	781.17	29.8	998.64	34.6	-217.47	-21.8
Trading/Subsidiary	118.27	7.2	86.73	5.7	31.54	36.4
Total	1734.31	15.0	1880.69	18.1	-146.38	-7.8

* GP Percentage of power is calculated on total sales made by Meghmani Energy Limited

REASONS FOR INCREASE / (DECREASE) IN GP MARGIN

GP of Pigment

The gross profit of Pigment Division decreased by 28.6% due to less quantity sales of Beta Blue. While GP margin decreased from 17.2% in FY 2013 to 9.6% in FY 2014.

GP of Agrochemical

The gross profit of Agrochemical Division increased by 46.0% . The increase in Production of MPB, Chlorpyrifos and 2, 4 Dichlorophenoxy resulted increase in sales, The GP margin increased from 10.8% in FY 2013 to 13.5% in FY 2014.

GP of Caustic Chlorine

The gross profit of Caustic Chlorine Division decreased by 21.8% . This is due to decrease in Production and decrease in ECU realization. The GP margin decreased from 34.6% in FY 2013 to 29.8% in FY 2014.

Gross profit – Company

The gross profit at Company level increased by 6.8% to Rs. 898.68 million in FY 2014 from Rs. 841.71 million in FY 2013. The gross profit margin decreased from 11.5 % in FY 2013 to 10.3% in FY 2014.

BREAKDOWN OF GROSS PROFIT BY DIVISION

(Rs. in Millions)						
Division	FY 2014	GP Margin FY 2014 (%)	FY 2013	GP Margin FY 2013 (%)	Increase/ (Decrease)	%
Pigment	319.63	8.1	447.71	13.3	-128.08	-28.6
Agrochemical	534.78	13.5	366.38	10.7	168.40	46.0
Trading / Subsidiary	44.27	5.6	27.62	5.3	16.65	60.3
Total	898.68	10.3	841.71	11.5	56.97	6.8

Reasons for increase / (decrease) in GP margin

GP margin of Pigment

The amount of gross profit of Pigment Division decreased by 28.6% due to less quantity sales of Beta Blue. The GP margin decreased from 13.3% in FY 2013 to 8.1% in FY 2014.

GP of Agrochemical

The amount of gross profit of Agrochemical Division increased by 46.0% The increase in Production of MPB, Chlorpyrifos and 2, 4 Dichlorophenoxy resulted increase in sales, The GP margin increased from 10.7% in FY 2013 to 13.5 % in FY 2014.

OTHER OPERATING INCOME – GROUP & COMPANY

Other operating income of the Group and the Company which consists mainly of export benefits such as Duty Entitlement Passbook Benefit (DEPB), duty drawback, etc. has increased by Rs.62.94 million and Rs. 56.11 million in FY 2013 and 2014 respectively mainly due to DEPB and Duty Drawback Benefit.

DISTRIBUTION, ADMINISTRATIVE AND OTHER OPERATING EXPENSES – GROUP & COMPANY

Distribution expenses

Distribution expenses of Group increased by Rs. 52.27 million, i.e. by 8.3% and the Company increased by Rs. 69.33 million i.e. by 12.8%. This is in line with increase in sales.

Administrative expenses – Group & Company

Administrative expenses of Group increased by Rs. 22.78 million i.e. by 10.8% and of Company increased by Rs. 37.27 million i.e. by 23.9%.

Other Operating Expenses

Other operating expenses decreased mainly on account of favourable in foreign currency exchange adjustment. The fluctuations in the exchange rate of the Indian Rupee against the US dollar and mark to market on derivatives are main contributory. Other operating expenses reflect income in current and previous financial year.

Finance costs

Finance costs of the Group during FY 2014 increased marginally by Rs. 22.68 million, i.e. by 3.3% At Company level it increased by Rs. 67.59 million i.e. by 21.3% due to higher utilisation of working capital limit.

Income from investments

During the year there is no change in Income from investments.

Interest in Subsidiaries

1. Meghmani Organics USA Inc., is a 100% wholly owned subsidiary of the Company. The Company is in the trading business.
2. Meghmani Europe BVBA is a 100% wholly owned subsidiary of the Company. The Company is in the trading business.
3. Meghmani Energy Limited (MEL) is a Special Purpose Vehicle (SPV) company formed to set up a Captive Power Plant near its Agrochemical Unit at Chharodi. Meghmani Organics Limited holds 100% of the Equity.
4. Meghmani Finechem Limited (MFL) is a company formed to set up Rs. 555 Crore Caustic Chlorine project. Meghmani Organics Limited holds 57% of the Equity.
5. Meghmani Chemtech Limited has been formed to set up the project in Dahej Special Economic Zone. Meghmani Organics Limited holds 97% of the Equity.
6. P T Meghmani Indonesia is a 100% wholly owned subsidiary of the Company set up for the trading purpose.
7. Meghmani Overseas FZE, Sharjah is a 100% wholly owned subsidiary of the Company. The Company is in the trading business.

Taxation

Income tax of the Group decreased by Rs. 117.77 million in FY 2014 Due to MAT credit entitlement of Meghmani Finechem Limited (MFL – Subsidiary) .and at the Company level increased marginally by Rs. 0.60 million in FY 2014.

BALANCE SHEET

Trade receivables

The balance of Group trade receivables increased by Rs. 130.01 million, by 3.8 % and the Company by Rs.29.44 million i.e. by marginally 0.9 %. The receivables turnover ratio decreased to 111 days as at 31 March 2014 from 120 days as at 31 March 2013.

Inventories

The Group Inventories for FY 2014 increased by Rs. 684.88 million and for the Company by Rs.603.74 million. This is due to increase in finished goods inventories.

Property, plant and equipments

Property, plant and equipment at Group and Company level increased by Rs. 273.17 million and Rs. 466.68 million in FY 2014 respectively due to addition of Fixed assets of Dahej SEZ at Company level and in Fixed assets (setting up Power plant) of Meghmani Finechem Ltd at group level.

Bank Borrowings

Bank borrowings (current liabilities) at Group level increased by Rs 817.02 and at Company level increased by Rs. 772.44 million. This is mainly due to higher utilisation of working capital limit.

Trade payables

The balance of trade payables of Group increased by Rs. 100.33 million in FY 2014 while that of Company by Rs. 171.06 million.

Other payables

The balance of other payables of Group increased by Rs 306.96 million i.e. by 43.8% while that of Company increased by Rs. 275.49 million due to Derivative Liabilities.

FINANCIAL ANALYSIS – GROUP LEVEL

(Rs. in millions)				
Group Key financial highlights	As at 31.03.2014	As at 31.03.2013	Variance	Variance (%)
<u>Profitability</u>				
Sales	11,569	10,402	1,167	11.2
Gross Profit	1,734	1,879	-145	-7.7
Gross Profit Margin (%)	15.0	18.1	-3.1	-17.1
Profit before tax	537	583	-46	-7.9
Profit before tax Margin (%)	4.6	5.6	-1.0	-17.9
Net profit	355	283	72	25.4
Earning per Share (EPS in Rs.)	0.90	0.68	0.22	32.4
Annualised return on equity (ROE)	3.72	2.94	0.78	26.5

(Rs. in millions)				
Group Key financial highlights	As at 31.03.2014	As at 31.03.2013	Variance	Variance (%)
<u>Financial position</u>				
Net tangible assets	6,137	5,849	288	4.9
Debt (short term + long term)	7,548	7,175	373	5.2
Capital Gearing ratio	1.23	1.23	0.00	0.0
Net tangible assets per share	20.50	19.86	0.64	3.2
Stock turnover (days)	93	78	15	19.2
Trade debts turnover (days)	111	120	-9	-7.5

Cash flow statement

During the year, the Group generated positive cash flows of Rs.779.65 million from operating activities.

9. **Where a forecast, or a prospect statement , has been previously disclosed to shareholders , any variance between it and the actual results.**

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the company operates and any known factors or events that may affect the company in the next reporting period and the next 12 months.**

1) INDUSTRY STRUCTURE: -

Organic Pigment business (coloured) is estimated to be close US \$ 6 billion market, of which Phthlocyanine, Azo and High Performance Pigment are main areas. In case of Phthlocyanine pigments, market size is in the range of 20% i.e. about US \$ 1 to 1.25 billion in size. In its latest study, Ceresana forecasts global revenues generated with pigments to increase to US\$34.2 billion in 2020.

The global pigments market is projected to grow at a CAGR of 4% from 2013 to 2018. The global pigments market revenues are expected to reach USD 14.7 billion in 2018, growing at a CAGR of 4.5% from 2013 to 2018. In terms of volumes, pigments demand is expected to reach 4.4 million tons by 2018.

Specialty pigments are expected to be the most promising product segment, and are estimated to grow at a CAGR of 4.7% from 2013 to 2018. Under growing regulatory pressure, specialty and organic pigments are being increasingly investigated for substitution potential over their inorganic counterparts.

The paints & coatings industry continues to take away major share of the global pigments market, accounting for 38.5% of the overall end user market.

This is mainly due to growth in this industry along with the preference of consumers towards unique optical effect colors in certain segments such as automobiles. The global paints and coatings end use market is projected to grow at a CAGR of 5.1% during the forecast period.

As far as pigments are concerned, the market size is 115,000 tonnes. The main consumer industries are printing inks, paints, plastics, rubber, etc., accounting for 70% of the end use.

Large proportion of the organic pigments produced is exported. The industry has grown at ~10% p.a. between FY07 and FY12 with exports growth at 14.5% p.a. Exports are estimated to grow to \$4.9 billion by 2017.

2) ASIA PACIFIC REGION TO REMAIN FASTEST GROWING

Asia-Pacific accounts for almost half of global consumption of pigments already and is expected to increase its share of the market even further. This region will continue to be the growth motor of the pigments industry, as China and India in particular are substantially increasing demand for pigments. Eastern Europe, the Middle East and South America will see demand rise by more than 3% p.a. each as well and thus contribute to the positive development of the pigment industry. The rather saturated markets in Western Europe and North America will slowly return onto a growth path after they suffered losses in the past couple of years. The Asia Pacific pigments market revenue is expected to reach market size of over USD 6.4 billion by 2018 (Source : Crersana).

3) ORGANIC PIGMENT DEMAND OUTPACE DYE CONSUMPTION

For their part, organic pigments find increasing use in inks and coatings due to their ability to provide intense and bright colors. However, drawbacks to the use of organic pigments include their generally higher price points than those of inorganics and their only moderate ability to provide opacity.

The best prospects are for high-performance products such as quinacridones, which will experience favourable gains as end users require more exacting properties from their coloring agents while specialized pigment grades will offer good opportunities due to their enhanced environmental acceptability and superior performance characteristics, classical or conventional grades are expected to continue to dominate the organic market. These relatively lower priced commodity organic pigments will remain widely employed in large-volume markets with less exacting performance standards for colorants, such as printing inks.

Demand and production of pigments are continually shifting from the USA, Western Europe and Japan to the emerging markets of Asia, especially China and India. This is mainly because of lower wages. Within emerging countries, especially India and China, themselves, domestic demand for consumer products containing pigments is growing. While a few large suppliers of pigments dominate the relatively saturated markets of industrialized countries, Asian markets remain fragmented.

4) INDIAN MARKET

There has been a notable transition in the global arena during the last 2-3 decades in the manufacturing base of colorants, with a shift in production from Europe, USA and Japan to Asia viz. China, India, Taiwan, Thailand and Indonesia etc. With decline in production in most of the traditional centers, non-traditional centers like India and China are now preferred sources for supply of colorants to the global market. India had a distinctive edge over other centers however based on supportive Chinese government policies the threat from Chinese manufacturers is increasing. Preference for eco-friendly products has additionally cast responsibility on the industry to be more selective and improve the product range with greater focus on R&D. This would ensure quality and performance colorants to suit the market expectations.

The Size of Indian Colorants industry is \$ 3.4 billion in FY 2011 with exports accounting for 68%. Pigment Consumption in India stood 700,000 tons in 2011 of which 115,000 tons was for color and special effect. Out of total Pigment consumption 47% accounts for Ink, 24% Coatings, 10% textiles , 10% Plastics and 9% Others. 'Indian paint industry forecast to 2015', the pigment market is expected to witness CAGR growth of 15% during FY 2012-2015.

5) AGROCHEMICALS - INDUSTRY STRUCTURE:-

There are broadly 5 categories of crop protection products:

1. Insecticides: Manage the pest population below the economic threshold level
2. Fungicides: Prevent the economic damage due to fungal attack on crops
3. Herbicides: Prevent/ inhibit/ destroy the growth of unwanted plants in a crop field
4. Bio pesticides: These are derived from natural substances like plants, animals, bacteria & certain minerals. These are non-toxic & environmental friendly
5. Plant growth regulators India's agrochemical industry can be divided into producers of technical agrochemicals - the bulk actives - and formulators who compound actives in forms that enable use.

In India, there are about 125 technical grade manufacturers (10 multinationals), 800 formulators, over 145,000 distributors. 60 technical grade pesticides are being manufactured indigenously.

Many technical producers are forward-integrated into formulations, unlike in the pharmaceutical industry where there are who make nothing but active pharmaceutical ingredients (APIs).

The industry can also be divided on the basis of ownership. About 10 MNCs with a portfolio comprising patented & generic molecules serve the local markets; compete with a much larger number of domestically-owned companies largely in the generics space and serving local & international markets. The manufacture of technical is mostly in the hands of the latter, as many MNCs prefer outsourcing of actives from India, or increasingly China.

6) GLOBAL MARKET:-

The Agrochemical industry is highly consolidated and consists of insecticides, fungicides, and herbicides. Lucintel's research indicates that developing countries such as China and India are demanding higher volumes of nutritious food, which will increase demand for agrochemicals. Agrochemicals have significantly increased farm productivity in both developed and developing countries.

Growth in revenue is expected to be higher than volume, owing to the increasing cost of pesticides. Development and registration of a pesticide active ingredient is one of the biggest components of cost for a pesticide company. Presently, the cost of innovation and registration of an active ingredient is about \$200 million, which is a 25% increase from 2000. Companies spend extensively on the research and development of new chemicals and improving the performance of the existing ones.

The pressure, therefore, is for the agriculture industry to increase yields per acre, which can be achieved through increased usage of agrochemical products.

As the study indicates, a large untapped market, shrinking of arable land in recent years, increasing demand for food grain production, and increasing population are anticipated to drive the global agrochemicals industry. The industry is expected to face certain challenges such as regulatory standards to reduce toxicity, high inventory, low profit margins, and patent expirations.

The global market has been witnessing lot of technological advancements and developments over the past few years. The changing buyers' preferences, stringent environmental regulations, changing weather conditions, increased agricultural trade and improved farming practices are triggering the innovations and research efforts of the industry.

The global market, owing to its significant impact not only on human health, but also on the environment, is a highly regulated market. Major chemicals such as glyphosate (herbicide), atrazine (herbicide), chlorpyrifos (insecticide) and many others are constantly under review, and face the risk of being phased out or outright banned if more environment-friendly alternatives are available.

North America dominates the global herbicide market and has the largest market share in terms of volume and revenue. Europe is the second largest market for herbicides. North America and Europe are mature markets and are dominated by a few major players. To survive intense competition, companies in this region are focused on new product development.

The global agrochemicals industry experienced robust growth over the last five years but is expected to experience moderate CAGR of 5.4% over next five years (2012-2017) and reach approximately US \$262 billion in 2017. New product development and innovation at competitive prices are anticipated to drive the agrochemicals industry.

7) INDIAN MARKET:-

The Indian Agrochemical Market predicts, "Growing at a CAGR of about 15%, the agrochemicals sector in India is likely to cross Rs 25,000 crore mark by 2015. However, the huge potential of foreign investment in the Indian agrochemical market is undeniable.

The companies in this sector should increase their investment in the field of research and development of agrochemicals which in turn will spur the exports increasing competitiveness in the global scenario.

The demand is also seasonal. India due to its inherent strength of low cost manufacturing and qualified low cost manpower is a net exporter of pesticides to countries such as USA and some European and African Countries.

India's global rank is fourth as a supplier of agrochemicals in the global market, after USA, Japan and China thereby indicating the significance of agrochemical industries in India.

However, the consumption of agrochemicals in India is surprisingly low (0.58 kg/hectare) as compared to USA where the consumption of agrochemicals is as high as 4.5 kg/hectare and Japan with an even higher consumption of 11 kg/hectare. Paddy (one of the chief crops of India) has the maximum pesticide consumption of 28% followed by cotton (20%) of the total agrochemicals consumption. (Source 3rd National Agrochemicals conclave 2013)

India has raised the level of its export competency with a consistent quality and supply record and possession of a vast unexplored market. Chemicals manufacturers have targeted product awareness campaigns at Indian farmers, as the country's affordability has increased with the cultivation of high-value crops.

Availability of cheap labour and low processing costs offers opportunity for MNCs to setup their manufacturing hubs in India for their export markets. The sector is also driven by huge opportunity for contract manufacturing and research for Indian players due to large availability of technically skilled

Outlook for FY 2015

Raw Material Price

The volatility in foreign exchange market and the increase in raw material prices may impact on finished goods prices, as a result, our profitability is likely to be affected in 1Q FY 2015.

Market Price

The global markets for Pigment and Agrochemical products have shown signs of improvements. The Caustic Chlorine prices are cyclical

Profitability

The Group and Company revenue for FY 2014 has increased due to higher production. We expect to see the improvements in revenue once our Agro – III Plant and Dahej SEZ Plants are stabilised. The Market Dynamics are changing rapidly. While Net Profit after tax at Group and Company level has been increased in FY 2014. The Group Profitability may be affected due to unpredictable market trends, rupee/dollar exchange rate and crude oil prices. . The erratic monsoon season might have impact on the sales and profitability of Agrochemicals in 1Q FY 2015

Registrations

To date, 111 exports registrations have been received and applications for 628 registrations have been made in different parts of the world. The Company has 185 registration of Central Insecticides Board (CIB), Faridabad. The Company has 26 Trade Mark Registrations.

11. Dividend

(a) Current Financial Period Reported on

Any dividend declared for the financial period reported on? Yes

Name of the dividend:	Proposed Final Dividend
Dividend Type	Cash
Dividend amount per Share (IN INR)	Rs. 0.10 Per Share
Par value of Share	Rs. 1/- per ordinary share

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of the dividend:	Final Dividend
Dividend Type	Cash
Dividend amount per Share (IN INR)	Rs. 0.10 Per Share
Par value of Share	Rs. 1/- per ordinary share

(c) Date payable: The date payable for the proposed dividend will be announced at a later date.

(d) Books closure date: The books closure date will be announced at a later date

12. If no dividend has been declared/recommended, a statement to that effect.

Not Applicable.

13. The aggregate value of IPTs as per Rule 920(1)(a)(ii) if a general mandate from shareholders for IPTs had been obtained. If no IPT mandate has been obtained, a statement to that effect. In this regard, please make the requisite disclosure to comply with the requirements of Appendix 7.2(13) of the Listing Manual.

Pursuant to Appendix 7.2 (13) of the Listing Manual read together with Rule 920(1)(a)(ii), the Company has not obtained any IPT mandate from its shareholders.

14. Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual of the SGX-ST.

Not applicable

15. Managerial Position :

Name	Age	Family Relationship	Current Position and duties of the year of position held	Details of changes in duty and position held
Ms. Deval Soparkar	35	Daughter of Mr. A N Soparkar - MD	Head – Corporate Communication	No
Mr. Karana Patel	32	Son of Mr. R M Patel - ED	Manager-Operation	No
Mr. Ankit Patel	28	Son of Mr. N M Patel – MD	Manager – Agro Business	No
Mr. Darshan Patel	27	Son of Mr. A I Patel – ED	Manager – Pigment	No

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1,Q2,Q3 or Half Year Results)

16. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements , with comparative information for the immediately preceding year .

Segment Results – Group

a) **Analysis by business segment**

Financial year ended March 31, 2014

	<u>Pigments</u>	<u>Agro chemicals</u>	<u>Basic chemicals</u>	<u>Others*</u>	<u>Eliminations</u>	<u>Total</u>
Revenue:						
External Sales	3,332,511	3,967,144	2,623,583	1,646,212	-	11,569,450
Sales to Subsidiaries	616,084	7,120	205,321	13,195	(841,720)	-
Total Revenue	3,948,595	3,974,264	2,828,904	1,659,407	(841,720)	11,569,450
Results						
Segment results	229,913	322,299	717,646	(34,660)	13,225	1,248,423
Unallocated Expenses						-
Profit from Operations						1,248,423
Finance Costs						(711,414)
Income from Investments						30
Profit before Tax						537,039
Income Tax						(182,345)
Minority Interest						(126,652)
Profit after Tax						228,042

	<u>Pigments</u>	<u>Agro chemicals</u>	<u>Basic chemicals</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
Other information:						
Capital additions	608,249	167,586	108,663	23,273	-	907,771
Depreciation	(119,837)	(187,888)	(493,856)	(29,367)	28,561	(802,387)
Balance Sheet:						
Segment assets	4,694,570	5,034,108	5,814,239	1,138,199	(2,304,347)	14,376,769
Unallocated						
Corporate assets						2,217,760
Total assets						16,594,529
Segment liabilities	1,562,134	992,655	3,530,479	886,943	(787,816)	6,184,395
Unallocated						3,403,631
Corporate liabilities						500,000
Deferred Tax Liabilities						369,977
Total liabilities						10,458,003

*Others includes trading activity and Power generation

Segment Results – Group

Financial year ended March 31, 2013

	<u>Pigments</u>	<u>Agro chemicals</u>	<u>Basic chemicals</u>	<u>Others*</u>	<u>Eliminations</u>	<u>Total</u>
Revenue:						
External Sales	2,608,738	3,397,781	2,885,180	1,510,532	-	10,402,231
Sales to Subsidiaries	759,845	29,534	166,554	21,319	(977,252)	-
Total Revenue	3,368,583	3,427,315	3,051,734	1,531,851	(977,252)	10,402,231
Results						
Segment results	240,424	173,706	855,959	(39,348)	41,012	1,271,753
Unallocated Expenses						-
Profit from Operations						1,271,753
Finance Costs						(688,735)
Income from Investments						30
Profit before Tax						583,048
Income Tax						(300,117)
Minority Interest						(110,762)
Profit after Tax						172,169

	<u>Pigments</u>	<u>Agro chemicals</u>	<u>Basic chemicals</u>	<u>Others</u>	<u>Eliminations</u>	<u>Total</u>
Other information:						
Capital additions	156,327	185,929	78,688	16,198	-	437,142
Depreciation	(94,371)	(163,398)	(481,836)	(29,349)	17,741	(751,213)
Balance Sheet:						
Segment assets	3,651,714	4,837,275	5,785,842	1,224,740	(2,394,459)	13,105,112
Unallocated						
Corporate assets						2,323,837
Total assets						15,428,949
Segment liabilities	502,655	1,182,560	3,944,486	869,219	(890,905)	5,608,015
Unallocated						
Corporate liabilities						3,770,611
Deferred Tax Liabilities						201,578
Total liabilities						9,580,204

*Others includes trading activity and Power generation

b) Analysis by geographical segment

Segment revenue:

Segment revenue is analysed based on the location of customers regardless of where the goods are produced. The following provides an analysis of the Group's sales by geographical markets:

Continent	2014	2013
	Rs'000	Rs'000
Africa	541,570	399,234
Asia	2,636,200	1,151,958
Australia	102,628	148,550
Europe	842,178	963,700
India	4,449,129	4,263,054
North America	1,714,820	2,512,492
South America	1,282,925	963,243
Total	11,569,450	10,402,231

17. In the review of performance, the factors leading to any material changes in contributions to turnover and earning by the business or geographical segments.

Please refer Point No. 8 above

18. A breakdown of sales:

	FY 2014 Rs.'000	FY 2013 Rs.'000	% Increase (Decrease)
Sales			
a) Sales reported for first Quarter	2,516,341	2,710,462	-7.2
b) Sales reported for second Quarter	3,208,014	2,510,498	27.8
c) Sales reported for third Quarter	2,878,557	2,387,730	20.6
d) Sales reported for fourth Quarter	2,966,538	2,793,541	6.2
Total Sales	11,569,450	10,402,231	11.2
Profit after tax			
a) Profit after tax reported for first Quarter	-36320	69,919	-151.9
b) Profit after tax reported for second Quarter	83,861	47,330	77.2
c) Profit after tax reported for third Quarter	144,882	17,644	721.1
d) Profit after tax reported for fourth Quarter	35,619	37,276	-4.4
Total Profit after tax	228,042	172,169	32.5

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year:

Total Annual Dividend (Refer to Para 16 of Appendix 7.2 for the required details)

(Rs. '000)

	FY 2014	FY 2013
Ordinary	29,753	29,753
Preference	-	-
Total	29,753	29,753

20. Interested Person Transactions:

Particulars of interested person transactions for the year ended 31 March, 2014 are as under:

Name of Interested Person	Nature of Transactions	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 (equivalent to approximately Rs 4,000,000) and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)
Meghmani Pigments	Purchase of Goods	Rs. 119,215,094
Meghmani Dyes & Intermediates Limited	Purchase of Goods	Rs. 20,466,000
Meghmani Finechem Limited	Purchase of Goods	Rs. 256,027,102
Tapsheel Enterprises	Sales of goods	Rs. 4,270,242
Vidhi Global Chemicals Ltd.	Sales of goods	Rs. 8,259,700
Ashish Chemicals (EOU)	Sales of goods	Rs. 52,185,000
Meghmani Europe BVBA	Sales of goods	Rs. 203,547,874
Meghmani organics Inc. USA	Sales of goods	Rs. 416,294,814
Meghmani Dyes & Intermediates Limited	Sales of goods	Rs. 9,509,200
Meghmani Chemicals Ltd.	Sales of goods	Rs. 7,161,822

21. Annual General Meeting :

The Annual General Meeting of the group will be held on 28 July, 2014 at Ahmedabad, Gujarat, India

- 22.** The Company has been granted waiver by SGX ST in compliance with Rule 220 (1) of the listing manual and the Company is allowed to release its periodical finance report as well as annual report under the Indian GAAP. Provided it is accompanied by a reconciliation of statement to IFRS of the materially affected line items. The Board is of the view that the variance of the profit reported under the quarter ended **31st March 2014** is not material.

BY ORDER OF THE BOARD

Kamlesh Dinkerray Mehta

Company Secretary

Date :27.05.2014
