Corp. Office: Sai Hira, Survey No. 93,
Mundhwa, Pune - 411 036, India.
Tel: +91 (20) 6645 8000

DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED

1st October , 2018

The Secretary	Listing Department
BSE Limited	National Stock Exchange of India Ltd.
Phiroze Jeejeebhoy Towers,	"Exchange Plaza",
Dalal Street, Fort,	Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 001	Mumbai – 400 051

Subject: **Submission of Annual Report for the Financial Year 2017-18 pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 please find enclosed Annual Report for the Financial Year 2017-18 including Audited Standalone and Consolidated Financials for the Financial Year 2017-18 which has been approved by the Shareholders of the Company at their 38th Annual General Meeting held on 18th September 2018.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

K. Subharaman
Executive Vice President (Legal) & Company Secretary

Encl.: As Above

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

BUILDING SCALE. BUILDING STRENGTH.

ANNUAL REPORT 2017-18

Contents

Annual Report 2017-18

View Online:

Please visit www.dfpcl.com

BUILDING SCALE. BUILDING STRENGTH.

We are single-mindedly sharpening each of our business verticals through persistent innovation, geographical expansion and capacity augmentation to deliver shareholder value.
Our mission to expand the size and scale of our business continues unabated, with the aim of persevering our market leadership and seizing further growth opportunities. We remain focused on delivering higher growth across our portfolios, by drawing strengths from existing products and plant synergies; by adding new innovative product categories; and by enhancing our manufacturing capacities.

In a commodity business, capacity, scale and vertical integration define leadership. As we embark the journey of our next growth trajectory of strengthening our core, we would continue to draw strength from four decades of experience, expertise, marketing prowess and domain knowledge in our businesses.

In the Crop Nutrition business, we continue to transform ourselves from being a commodity player, to a specialty business with a rich portfolio of value-added products. In Mining Chemicals, we are the market leaders in Technical Ammonium Nitrate (TAN), with over 45% market share and being the only manufacturer of TAN in solid form. In Industrial Chemicals, we have emerged as a “one-stop shop” source in the marketplace for a wide variety of solvents. Our augmented capacities across the board, and expanded market reach, are enabling us to cater to a variety of customers.

From this vantage point, we are well prepared to produce steady, secular growth in each of our verticals, while also triggering enhanced profitability and stronger free cash flows generation. We are building on solid progress by breaking new barriers of performance. Going forward, we remain well positioned to capture the growing market opportunities that the Indian economy presents us, and fulfil steady value creation for our stakeholders.

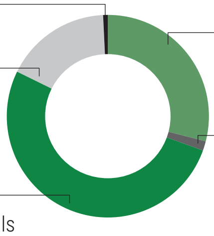
While we build on “Today”, we are investing in our “Tomorrow”.

The World of Deepak Fertilisers And Petrochemicals Corporation Limited

We are one of the largest manufacturers of Chemicals in India with strong presence in Crop Nutrition, Mining Chemicals and Industrial Chemicals. We have a balanced portfolio that includes both Commodity Chemicals and Speciality Chemicals, which ensures that we are able to derive respectable margins in a sustained manner. Our focus as far as Commodity Chemicals are concerned is on full capacity utilisation, vertical integration and driving economy of scale. Our strategy of pre-empting the growth in demand and augmenting capacities in a timely manner has helped us in staying ahead of the competition. For the value added products, the focus is on applications and providing unique and superior solutions and services to the ultimate consumers. As we grow, we will continue to shift our focus from customer orientation to consumer orientation, leading to a stronger bond of interdependency with the esteemed users of our products.

Our milestone rich journey is marked by the impactful play we have made within each of our business segments. This is the result of our continuous commitment to better productivity across our product portfolio; to bringing meaningful differentiation through our value-added products; and to achieving scale and integration to widen the value-add in everything we produce.

Contribution to Total Revenues *(In %)*
(Consolidated)



Total Capacity

Crop Nutrition Division (CNB)	Technical Ammonium Nitrate (TAN)	Industrial Chemicals (IC)
9,57,000 MTPA (Nitro Phosphate Fertiliser, NPK Fertiliser & Bentonite Sulphur)	4,84,900 MTPA (Taloja & Srikakulam)	10,77,500 MTPA (Dil. Nitric Acid, Conc. Nitric Acid, Methanol, Iso Propyl Alcohol & Liquid CO_2)

**MTPA : Metric Tonnes Per Annum*

Our Leadership Position

- Only manufacturer of NP prill 24:24:0 fertiliser in India
- Largest manufacturer of Bentonite Sulphur in India
- Market leaders in Speciality Fertilisers and Water Soluble Fertiliser sales in India
- Only manufacturer of Technical Ammonium Nitrate (TAN) Solids in India
- Only producer of Iso Propyl Alcohol (IPA) in India
- Largest manufacturer of Nitric Acid in Asia

Manufacturing Capacity (MT/Year)

	Installed	Under Expansion
Ammonia	1,28,700	5,00,000
Concentrated Nitric Acid	1,38,600	92,400
Dilute Nitric Acid	7,02,900	1,48,500
Methanol	1,00,000	-
Iso Propyl Alcohol	70,000	1,00,000
Technical Ammonium Nitrate	4,84,900	3,76,000
Liquid CO_2	66,000	-
Nitro Phosphate Fertiliser	3,00,000	-
NPK Fertiliser	6,00,000	2,00,000
Bentonite Sulphur	57,000	-

Sectors Served

Crop Nutrition Business	Technical Ammonium Nitrate	Industrial Chemicals	Value Added Real Estate
Agriculture	Mining	Pharmaceuticals	Home & Interior Buyers
	Infrastructure	Nitro Aromatics	Architects & Interior Designers
	Explosives	Paints & Coatings	Food, Entertainment & Culture Enthusiasts
	Pharmaceuticals	Steel	
		Inks	
		Explosives	
		Dyes	
		Agrochemicals	
		Cosmetics	
		Adhesives	

Strong Performance and Progress

We delivered commendable performance during the year FY2018, reflecting higher volume, revenue and profit growth across all our business segments. Committed to long-term value creation, we continue to strive for quality top-line growth, while working on improving our operating profit margin through increased capacity, scale and efficiency.

Recent Key Strategic Initiatives:

a. *Commissioned a ₹750 crore investment in the fertiliser sector, to triple NPK capacities with technologies to allow unique product differentiation.*

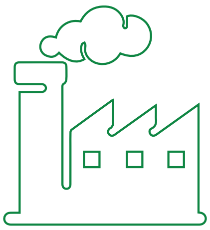
b. *Undertook a ₹550 crore investment to become Asia's largest acid complex to serve the growing specialty chemicals sector.*

c. *To strategically support the downstream sectors already in operations, a world scale Ammonia facility of 1,500 TPD is being planned as a backward integration at Taloja at the cost of approximately ₹2,950 crore.*

d. *Planning Capacity expansion of IPA (at taloja) and TAN (in Odisha) with capex outlay of ₹2,350 crore.*

Operational Highlights of FY2018

Industrial Chemicals



- In order to maintain our leadership position in Nitric Acid, we are setting up a plant at Dahej that will produce 1,48,500 MTPA of Dilute Nitric Acid and 92,400 MTPA of Concentrated Nitric Acid. The plant is expected to commence production towards end of 2018.
- Our Solvent trading portfolio crossed ₹ 2,000 crore to make us a preferred partner to the pharma sector.

Crop Nutrition

- Our new NPK plant, with innovative and differentiated technology, was made operational in February 2017, adding 6,00,000 MTPA capacity.
- We soft-launched unique and differentiated NPK products under the brand “SMARTEK” during the Rabi season, receiving wide acceptance in the marketplace due to its enhanced nutrient use efficiency.
- We ramped up overall market share in NPK in home state Maharashtra from 12% to 20% and enhanced our overall margins by garnering better pricing.
- We expanded our market presence into the states of Telangana, Andhra Pradesh, Tamil Nadu, Madhya Pradesh, Chhattisgarh and North India.
- We operationalised the new Bensulf plant at Panipat, Haryana with 32,000 MTPA effective capacity.
- We worked on bringing “fast dispersion” sulphur product to enable superior value proposition for farmers and maintain our leadership position in the speciality fertiliser segment.
- Our pull activities included hiring Market Development Officers for technical sales and to increase awareness of unique product features, improved farm-level yield and in turn pull from farmers in our core command areas.
- With the exponential growth in the use of new technologies, we leveraged various digital platforms to engage farmers and disseminate information.

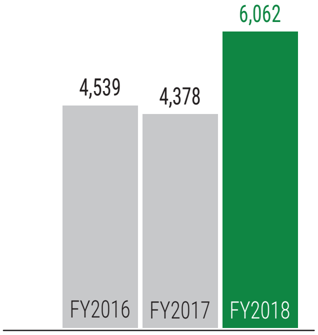
Mining Chemicals

- We raised the product keeping qualities under tougher climate, temperature & logistics challenges in our drive for sustained customer satisfaction.
- With a single-minded vision of expanding our export revenue, we augmented and strengthened our presence in the key markets of Africa and Asia.
- We added new geographies within India in Raipur, Tata Nagar and NCR.
- We bagged a US$ 60 million mining services contract in Australia for 3 years.

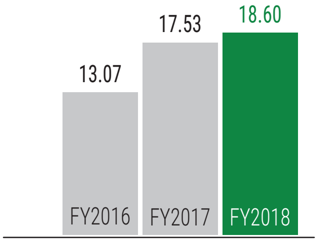
Our Financial Record

(Consolidated)

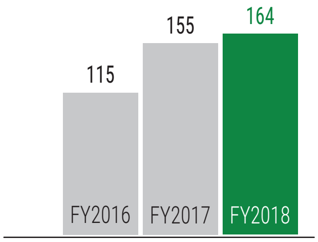
Income from Operations (₹ Crore)



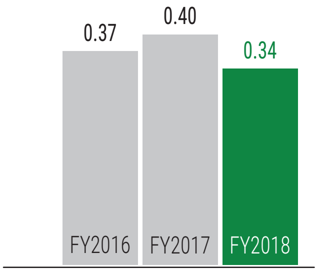
Earnings Per Share (₹)



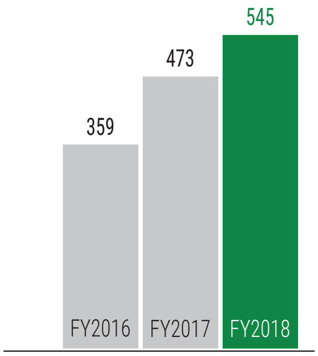
Net Profit (₹ Crore)



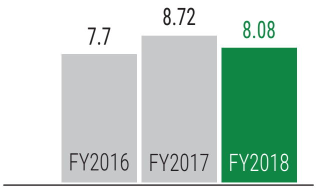
Long-Term Debt to Equity Ratio (%)



EBITDA (₹ Crore)



Return on Net Worth (%)



Corporate Information

C. K. Mehta
Chairman Emeritus

Board of Directors

S. C. Mehta
Chairman & Managing Director

Partha Bhattacharyya

R. A. Shah

M. P. Shinde

U. P. Jhaveri

S. R. Wadhwa

Smt. Parul S. Mehta

Anil Sachdev

Pranay Vakil

Anil Singhvi
(w.e.f. 7th July, 2017)

Mahesh Chhabria
(w.e.f. 7th July, 2017)

Ashok Kumar Purwaha
(w.e.f. 7th July, 2017)

Berjis Desai
(w.e.f. 7th July, 2017)

Company Secretary and Compliance Officer

K. Subharaman
Executive Vice President (Legal) & Company Secretary

Management Team

Mahesh Girdhar
President – Crop Nutrition Business

Pandurang Landge
President – Projects

Naresh Kumar Pinisetti
President – Human Resources

Raghunath Kelkar
President – Chemicals & Business Development

Shyam Narayan Sharma
President – TAN

Amitabh Bhargava
President – Finance & CFO

D. S. Ravindra Raju
President – Manufacturing

Bankers

State Bank of India
Bank of Baroda
HDFC Bank
IDFC Bank
Axis Bank
ICICI Bank Limited
Yes Bank Limited
Kotak Mahindra Bank Limited
IDBI Bank Limited
EXIM Bank

Solicitors

Crawford Bayley & Co.
Agarwal Law Associates
Zeus Law Associates

Auditors

B S R & Associates, LLP
Chartered Accountants

Secretarial Auditor

SVD & Associates

Cost Auditor

Y R Doshi & Company

Internal Auditor

Ernst & Young

Registered Office

Opp. Golf Course, Shastri Nagar,
Yerawada, Pune - 411 006.
CIN: L24121MH1979PLC021360
E-mail: investorgrievance@dfpcl.com
Website: www.dfpcl.com
Phone: +91 - 20 - 2668 8117
Fax: +91 - 20 - 2668 3723

Corporate Office

Sai Hira, Survey No. 93, Mundhwa,
Pune - 411 036.
Phone : +91 - 20 - 6645 8000

Plants

Plot K1, K7-K8,
MIDC Industrial Area,
Taloja, A.V. - 410 208,
District Raigad, Maharashtra.
Phone: +91 - 22 - 6768 4000, 6149 5001
Fax: +91 - 22 - 2741 2413, 6149 5151

Village Ponnada,
Etcherla Mandalam,
Srikakulam,
Andhra Pradesh – 532 408

Plot No. 47,
HSIIDC Industrial Estate,
Refinery Road, Panipat,
Haryana – 132 140

Awards & Recognition

Our overall performance has been widely recognised and honoured through several awards and accolades during FY2018. In particular, we have been appreciated for our best practices, business excellence, safety and our contribution towards society.

Times Power Women Pune Award - 2017

The Times Group recently celebrated the invaluable contribution of women by introducing The Times Power Woman 2017 (Pune) awards. These awards were initiated to celebrate the victories of women who have been a great source of inspiration. These awards focused on the women of Pune and the prestigious list included 34 select women with power, supremacy, command and control.

Mrs. Parul Mehta Trustee – IsFon received the Times Power Women Pune Award 2017 under the category of 'Philanthropy'. The event was graced by chief guest Dilip Kamble, Minister of State Social Justice and Special Assistance – Government of Maharashtra and Evelyn Sharma, Model & Actress. The program held at Hotel Westin, Koregaon Park, Pune saw felicitation of women to acknowledge their contribution towards society in the field of education, health, sports, fashion, writing, film, philanthropy, art, modelling among others.

FICCI CSR Award

Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL) received the Special Jury Commendation FICCI CSR Award for FY2017 under the category of "Education, Skill Development and Livelihood". The aim of the award is to identify and recognise the efforts of companies in integrating and internalising Corporate Social Responsibility.

The assessment is done based on identification of key communities and target beneficiaries, identification of community needs, action plan, expected output, indicators for assessing the program's progress, implementation structure, budget, success stories, impact, sustainability, scale-up and replication and evaluation by external evaluator. The award was presented by Mr. P.P. Chowdhury-Minister of State for Corporate Affairs, Law and Justice – GOI and Padma Bhushan Mrs. Rajashree Birla. The award was received by Mr. S.R. Wadhwa Sr. Director - DFPCL and Ms. Bindu Nair from Ishanya Foundation.

Received the Bronze Award in the Annual Report category from Public Relations Council of India at the 8th Annual Corporate Collateral Awards 2018.

The Crop Nutrition Division received the Best Digital Marketing Campaign Award at the Mobile & Digital Marketing Summit.

Received the Gold Award and citation from ACEF (Asian Customer Engagement Forum) for the HR Best Practice – Managers as Culture Change Agents in DFPCL in September, 2017.

Received the Global Marketing Excellence Award - 2017 for its Motha Swapna Bagha campaign under the Rural Category.

Received the Silver Award and citation from ACEF (Asian Customer Engagement Forum) for Best Industrial Relations Practice – Building a Collaborative Work Culture in September, 2017.

Received the Bronze Award for Corporate Advertising Campaign (Motha Swapna Bagha) from Public Relations Council of India at the 8th Annual Corporate Collateral Awards 2018 for the Crop Nutrition Division.

Mahadhan received the bronze award in the category 'Rural Marketing – Best Integrated Program of the Year' by Asian Customer Engagement Forum (ACEF). Founded in 2012-13, the ACEF program is organised by a team of professionals from India, Sri Lanka and UAE and is guided by the advisory members from branding, marketing and creative agencies based in India, US, Australia, Singapore, UAE and Sri Lanka.

Received the Certificate of Appreciation from NSCI Safety Awards – 2017 (Manufacturing Sector) in recognition of appreciable achievement in Occupational Safety and Health (OSH). The objective of the NSCI Awards is to recognise industrial undertakings (Manufacturing Sector) for their consistent and meritorious OSH performance and implementing effective OSH Management Systems, practices and procedures.

Chairman & Managing Director's Message

> "The secret of change is to focus all your energies not on fighting the old, but on building the new."
> – *Socrates*

S. C. Mehta
Chairman & Managing Director

Dear Shareholders,

Customer to Consumer - a transformative journey……

From a Gas based chemical complex mindset of over 35 years, last year we took an outside-in strategic deep dive to create a vision for our next decade into covering the four sectors we find ourselves in, namely:

- Crop Nutrition
- Performance Chemicals
- Mining Chemicals
- Lifestyle Mall

What will give us sustained strength… what will create shareholder value…Drawing from the deep-rooted, soul-searching, emerged a confluence of the classical two ends of strategies

- Commoditisation

- Customisation

Commoditisation, as is typically known to be, relies on the strength of size, scale, efficiencies and back-ward integrations for delivering sustained results. The outcomes would bring:

- Market Shares

- Cost Optimisation

- Risk Mitigation

- Industry benchmarked returns

Customisation, as is typically known to be, relies on the strength of segmentation, focus, value addition and holistic offerings. The outcomes would bring:

- Premium positioning & value pricing

- Entry barriers

- Brand creation

- Sky-high innovation scope

Commoditisation and customisation do sit at contradictory ends, requiring mindset allocations of different kinds, namely - High capital management v/s intense empathy, narrow product range v/s holistic soultions approach, cost optimisation v/s Value-enhancement.

What has now emerged as our game plan for the next decade is a happy convergence of the two ends and the beginning of a transformative journey from customers to consumers.

Our thrust on distilling the advantages of commoditisation is reflected in:

a) With the trippling our capacities of the NPK Fertilisers commissioned last year that has helped climb our market share in Maharashtra from 12% to over 20% this year. In the year ahead, we plan to further enhance the cost optimisation drive as we spread our sharpened fixed costs over more volumes.

b) With the new Acid capacities soon to be commissioned at Dahej, now we will scale up to probably be Asia's largest Acid complex serving three unique end industries.

c) With the effective steps taken to double our manufactured IPA capacities and combining with strategic trading in solvents, we plan to be a holistic and favoured supplier to the Pharma Sector.

d) With the acquisition of world-class ready unused assets, we will scale up our TAN capacities by another 75% and inch-up to become among the Global top three merchant TAN suppliers to the Mining Sector.

e) Above all, again the advantageous acquisition of a world class Kellog-Brown-Root unused facilities for Ammonia, will provide at one-go a 100% backward integration to our ready Chemical, TAN and Fertiliser downstreams mitigating the risks of timely availability of cost effective life-line Raw Material.

Despite the large capex plan we see a Risk Mitigation enfold since:

A] For every single capex plan, we are advantageously relying on our 40 years of proven strengths in Raw Material Sourcing, Manufacturing, Energy management, Safety, Pollution norms, Logistics, Sales, Distribution, Collections and Regulatory environment management.

B] For each of the Capex Plan we have captured cost effective top class assets en-block which will not only give us lower capital costs but also a head start in project delivery schedules as well as simpler project management.

C] The capex plan being in the very same products where we already have strong market presence, we see the lowest gestation phase to ramp up from commissioning to rated capacity utilization which could otherwise have been a typical painful initial phase in any capex cycle.

D] Based on current operations we are already putting in place various Business Excellence initiatives encompassing IT, logistics and operation efficiency systems that will make us future ready and customised to the needs saving precious ramp up time.

However, the strengthening and scaling up on the commodity strategy is only half the story.

The other half is the transformative journey towards the consumers by way of customising. While we have begun that exciting journey too, should we not leave that story for next time…

Warm Regards,

S. C. Mehta

Chairman & Managing Director

Creating a Net Positive Society

Corporate Social Responsibility is an integral part of the business philosophy and strategic planning at Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL). We are committed towards the economic and social development of the geographies around plant sites to make the world a better living place and function as a responsible corporate citizen.

An aim of empowering lives, and enabling livelihoods and self-reliance of the people around us receives the highest importance in our CSR endeavours. We are keen on maintaining a relationship of pride and not pity, with our project beneficiaries. Our initiatives in Vocational Training, Diary, Horticulture and cloth products-based income generation have been a reflection of our CSR principles.

Touched 11,538 deserving lives through Ishanya Foundation

Corporate Social Responsibility (CSR) forms an integral part of our philosophy and overall ethos. We actively work in the areas of social welfare and community development through the Ishanya Foundation and Deepak Foundation. For over three decades, we have been driving social change by creating sustainable communities across various urban and rural areas of Maharashtra and Gujarat through numerous projects.

Ishanya Foundation (IsFon)

We aspire to create a more employable workforce and improve the skills of youth and women with the aim of enhancing their earning potential. The focus of these programs is to improve their livelihoods through skill building and empowerment. Our socio-economic initiatives focus on three key areas of development – Women Empowerment and Livelihood, Health and Education.

URBAN INITIATIVES

Vocational Skills Development with Health and Education (VSDHE)

Students undergoing technical training in IT

Individuals from financially challenged communities are enrolled and trained at the Foundation Centre, in collaboration with reputed technical and knowledge partners. This is aimed towards becoming self-dependent and improving their standard of living to ensure sustainability.

Spoken English, Soft Skills & Personality Development Training and a one-on-one mentoring during the entire duration of each certification course, makes these initiatives much sought after by aspirants from communities we work in.

Aspirants Enrolled: **222**

Courses Offered: **Beautician, IT, BCF, PB B.Sc nursing, Banking & Finance, Optometry and BPO**

Placement Percentage: **70%**

Starting Salary: **₹ 5,000/- to ₹ 25,000/-**

Lives Impacted: **1,332**

Health Camps

Six camps were conducted during the year, in collaboration with the Aundh Government Hospital, K. K. Eye Institute and Symbiosis College of Nursing. Free medicines were distributed during these health camps. The Spherule Foundation distributed sanitary napkins, while Sundara distributed soaps as a part of the hygiene campaign, covering a total of 1,279 patients.

Number of patients covered under the Pathological Diagnosis Investigation: **584**

Mentoring

The spouses of DFPCL employees, along with prominent people in Pune, spent time with aspirants, and provided solutions in making a real difference to their lives through continuous engagement.

Number of students mentored during FY2018: **93**

Livelihood Enhancement through Entrepreneurship Development (LEED)

Muskaan - more reasons to smile

Muskaan Parees is an innovative and successful initiative focussing on empowering financially challenged women. Brand Ambassadors of IsFon collect pre-owned garments and accessories periodically on behalf of the Foundation. Post quality checks, these products are provided to Muskaan Parees to be sold at nominal prices, enabling them to earn an additional income.

Total Sale (Regular): **₹ 2,80,101/-**

Total Muskaan Parees: **12**

Purchaser Beneficiaries: **4,283**

Income Generation - Handcrafted for a Cause

Financially challenged women are trained to make exquisite handcrafted products which are sold at exhibitions across Pune and Mumbai. The proceeds from the sale enable these women to financially support the needs of their families. During the year, the Foundation undertook the Yerwada Prison project, where 10 women were trained to stitch cloth bags.

Total Sale: **₹ 5,02,200/-**

Aspirants: **82**

Number of Products: **35**

Cost Range: **₹ 10/- to ₹ 1,300/-**

Women displaying exquisite handcrafted products made by them

The Yellow Ribbon NGO & Artisan Fair:

Inauguration Ceremony of YRNF 2017 (L-R) Special Guest Alka Padha (DGM, NABARD), Chief Guest Nawaz Modi Singhania (Fitness Professional), Parul Mehta (Trustee-IsFon) & Guest of Honor Mr. Manoj Srivastava (GM – NABARD)

The Foundation organises an annual fair, the Yellow Ribbon NGO & Artisan Fair, supported by NABARD. It provides NGOs, SHGs (Self Help Groups) and artisans across India a platform in recognising their individuality, taking pride in their craft, generating awareness on the causes they support, and empowering them to become self-sufficient.

NGOs/SHGs/Artisan Stalls: ***103***

Food Stalls: ***7***

Total Stalls: ***110***

Participating NGOs/SHGs States: ***Maharashtra, Gujarat, Orissa, West Bengal, Karnataka, Bihar and Delhi***

Footfalls: ***5,178***

Gift Hamper Sale: ***₹4.10 lakhs (12 NGOs benefitted;*** *Corporates such as Suzlon and Sandvik Asia ordered Gift Hampers)*

Sales Turnover of Participating Stall Holders: ***₹ 47.8 lakhs***

Sponsorship/Grant: NABARD: ***₹ 5.80 lakhs,***

Hospitality Partner: ***CONRAD***

Entrepreneurship YRNF

Om MahilaBachat Gat from Matheran are famous for making chappals. IsFon added value to their business by adding current trends like pompoms for their Kolhapuri chappals. Special laces, idea of creating platform heels and the method for calculating costing was given by IsFon. All these factors helped Om MahilaBachat Gat to increase their sales and income.

RURAL INITIATIVES - TALOJA

Wadi, Health & Women Development

The project encourages families to take up intensive land development and plantation on half an acre of wasteland or marginal land. The land is then converted into a productive forestry plantation and orchard (WADI) through an inclusive program of mobilisation within the communities, plantation of fruit and forestry trees, development of eroded wasteland through soil and water conservation, water resource development, cultivation of suitable improved intercrops, capacity building, community health activities and women empowerment training programs.

Families Covered: ***408 (ST: 80.40% & OBC: 19.60%)***

Villages & Hamlets Covered: ***19***

No. of Farmers for Vegetable Cultivation: ***288***

Total Income from Vegetable Sale: ***₹ 78.28 lakhs***

Kitchen gardens were also encouraged to ensure healthy living and well-being of these farmers.

- *Number of kitchen gardens developed:* ***520***

Dairy Development Project

This is a sustainable and long-term impact project that empowers women across villages of Taloja. The women are provided two cross-breed cows for generating additional income through dairy farming. The program provides holistic support in the form of dairy management training, vaccination, assistance in development of fodder plots, and artificial insemination (AI), along with an opportunity to earn an additional income of about ₹ 8,000/- to ₹ 12,000/- per month through the sale of surplus milk and cow dung.

A happy beneficiary of the Dairy Development Project seen with her family

Number of Cows: ***267***
Total Milk Produced: ***3,79,460 litres***
Milk Consumed by Calves: ***57,495 litres***
Milk Consumed at Home: ***72,755 litres***
Milk Sold: ***2,49,210 litres***
Additional Income Through Sale of Milk: ***₹ 83,63,487***
No. of Families Benefitted: ***497***
No. of AI: ***602***
Cow Dung Produced to Improve Soil Health: ***87.46 MT***
Number of Fodder Plots: ***12***
Asset of 449 Female Calves towards Farmers
(Approx. ₹ 38.30 Lakhs)

Health Camps

General health check-up camps, in association with MGM Hospital, Kalamboli in Raigad district, were conducted. Severe cases requiring in-hospital medical treatment were referred to this hospital.

General Check-up Camp: ***2***
Patients Screened & Provided Free Medicines: ***119***
Referred for Further Treatment: ***26*** *(Free Treatment)*

Eye Check-up Camp: ***2***
Patients Screened: ***961***
Cataract Operations: ***107***
Spectacle Distribution: ***476***

Community Development - Paradeep, Orissa

- Solar Street Lights were installed in 5 villages of Paradeep (Kothi, Seju, Bagadia, Rangiagarh and Mangarajpur / Jhimani) to enhance community development.
- The project benefited 300 families.

A patient undergoing eye testing at the Eye Camp

Success Stories

1. Dhanaji Bairagi

On having completed his graduation, Dhanaji Bairagi passed the CCIT course from its 9th batch at IsFon. He is now placed at IBM, Pune, at a salary of ₹ 10,500/- p.m. which will be revised to ₹ 15,000/- p.m. after three months. While Dhanaji stays at Wadgaonsheri, his father works in the cloth shop.

2. Poonam Ovhal

On having completed her 12 th class examination, Poonam passed CCIT course from its 9th batch at IsFon. She is now placed at Tech Mahindra, Pune, at a monthly salary of ₹ 10,500/-. She stays at Lohegaon with her husband, who is a driver, and her additional income helps them meet their family needs comfortably.

3. Changya Pardhi and Bebi Pardhi

Changya Pardhi, with his wife Bebi, resides at Kambeli in Raigad district. He owns half an acre of land which gives an average yield of 1,850 bags and earns an average income of ₹ 37,000/-.

4. Lalita Vithhal Keni and Vithhal Dharma Keni

Lalita and Vitthal Keni, who live at Pethali in Raigad district, are landless labourers. IsFon provided 2 cows, medicine kit, training and exposure. They have created an asset of 2 female calf valuing ₹ 25,000/-, which provide 20 litres of milk on an averge and earning them of ₹ 24,000/- per month.

5. **Sandya Sanjay Bolande**

Sandya Sanjay Bolande is a housewife and always had a dream to learn tailoring and earn so that she could support the financial needs of her family. IsFon has been conducting tailoring class at Pale and she joined the course. She has completed the course due to which she now earns on an average ₹ 9,500/- per month. Due to the demand from customers she has also purchased a fall bidding machine. She says that her dream has come true due to IsFon.

Deepak Foundation

The CSR activities of Deepak Foundation are rooted in the knowledge that businesses have a duty to enable all the living beings to get a fair share of the planet's resources. CSR is a critical mission that is at the heart of everything we do. We are committed to integrating environmental, social and ethical principles into our core business, thereby enhancing long term stakeholder value and touching peoples' lives.

Healthcare Delivery

- **Comprehensive Emergency Obstetric and Newborn Care:** To improve the maternal and child survival as well as health
- **De-addiction Centre:** To provide counselling and rehabilitation services for people addicted to alcoholism and substance abuse
- **Help Desk and Medical Buggy:** To facilitate timely services to critical cases referred from various regions
- **Mobile Health Units:** To facilitate universal health coverage and provision of basic healthcare needs

Sustainable Livelihoods

- **Pradhan Mantri Fasal Bima Yojana:** To increase insurance cover and financial support to farmers and make crop insurance claim settlement process easier
- **Promotion of Farmer Producer Organisations:** To foster entrepreneurship culture and bring about sustainability, with promotion of value-addition in agricultural sector

Education

- **Adult Literacy Project:** To impart basic and functional literacy to tribal women
- **Mobile Library:** To provide library services to the underprivileged
- **Pre-school Education:** To provide quality education to children from low socio-economic background through pre-primary schools or 'Balwadi'

Skills and Capacity Building

- **Home Health Aide:** To train individuals from rural, tribal and urban areas with essential skills required to help them avail better employment opportunities
- **ASHA:** To build knowledge and develop new skills in areas of maternal and child healthcare

Children with Special Needs

- **Beti Bachao Beti Padhao:** To prevent gender-biased sex selective elimination, celebrate girl child, and enable education
- **Samaj Suraksha Sankul:** To enable complete rehabilitation of visually impaired, physically challenged and the elderly
- **Child Protection Committee:** To raise public awareness on child rights, child vulnerability, and child protection

Other CSR Initiatives

- **Paripurna:** To link agriculture and nutrition to sustainable livelihood
- **SHG Management and Cattle Care:** To empower women by building and upgrading knowledge/skills in SHG management
- **Renew Power:** To develop community infrastructure for improving education, sanitation, and providing preventive and curative health services
- **Jeevan and Saksham:** To enhance income generation capacity of women through enterprise development and to improve nutrition status of children

Management Discussion and Analysis

[Inclusive of Smartchem Technologies Ltd. (STL) Businesses]

In FY2018, the Indian economy grew by 6.7%, as compared to 7.1% in FY2017, becoming the world's fastest growing major economy. It is projected to grow at 7.4% in FY2019 and accelerate further to 7.8% in FY2020, as structural reforms raise potential output. According to the International Monetary Fund (IMF), India continues to benefit from strong private consumption and the gradual introduction of significant domestic reforms.

Economic Overview

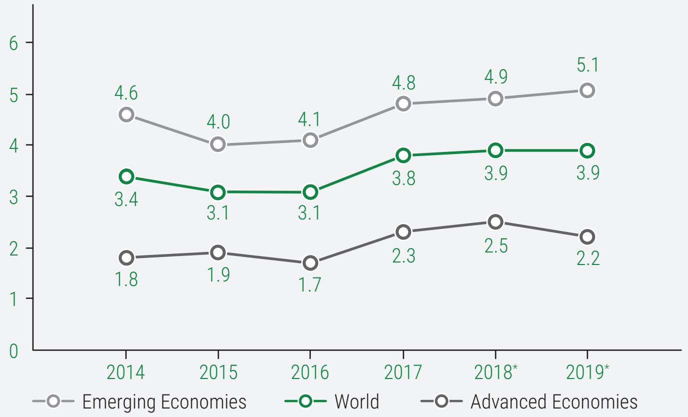
Global Economy

Global growth, which at 3.1% in 2016 was the weakest since the global financial crisis, rose to 3.7% in 2017, its fastest pace in six years. The world economy is projected to grow by 3.9% in 2018 and 2019 by the World Economic Outlook, the strongest broad-based growth since the world economy rebounded in 2010. Faster growth in US, Japan and China would largely drive global growth during 2018-19. A favourable trade and investment environment along with easing financial conditions will also positively impact global economic conditions.

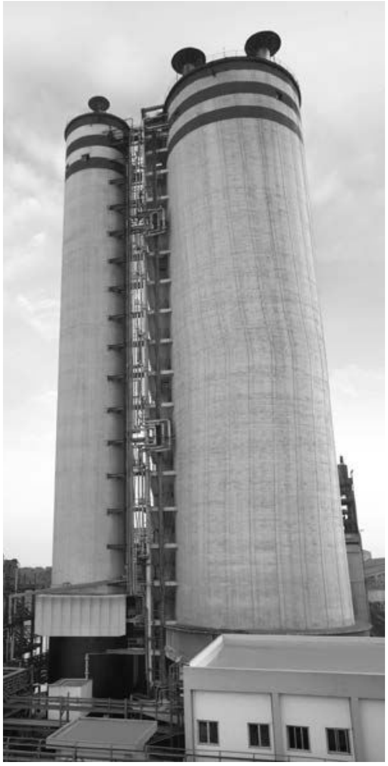
6.7%

India's Estimated GDP Growth in FY2018

Global Economic Growth (In %)



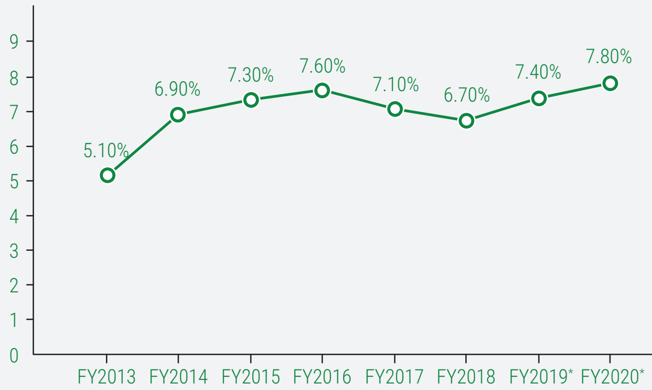
Source: World Economic Outlook, April 2018 ***(*Projected)***



Indian Economy

India's US$ 2.6 trillion economy makes it the 6th largest in the world in terms of nominal Gross Domestic Product (GDP). In FY2018, the economy grew by 6.7%, as compared to 7.1% in FY2017, becoming the world's fastest growing major economy. It is projected to grow by 7.4% in FY2019 and accelerate further to 7.8% in FY2020, as structural reforms raise potential output. According to the International Monetary Fund (IMF), India continues to benefit from strong private consumption and the gradual introduction of significant domestic reforms.

India's Rising Economic Growth (In %)



Source: Central Statistical Organisation (FY2013 to FY2018); Data for FY2019 and FY2020 are IMF projections on India's GDP Growth ***(*Projected)***

Business Overview

Crop Nutrition Business (CNB)

Industry Review

Agriculture plays a vital role in India's economy. Over 58% of the rural households depend on agriculture as their principal means of livelihood. Indian agriculture accounts for 18% of India's GDP and provides employment to 50% of the nation's workforce. However, there is an urgent need to increase crop productivity per unit area to meet future production goals. Maintaining soil fertility is one of the pre-conditions of improving the current crop yield levels in India, indicating a growing demand for crop nutrition solutions. India is the 2nd largest consumer of fertilisers in the world, next to China. Common bulk fertilisers in India are urea, di-ammonium phosphate (DAP), Muriate of potash (MOP), Single Super Phosphate (SSP) and NPK complexes containing Nitrogen (N), Phosphorous (P) and Potash (K) in various proportions.

190.6
Million MT
Estimated World Demand for Fertilisers in FY2018

In the last 4 years, sale of NP/NPK fertilisers has grown by a CAGR of 4% (FY2014 to FY2018) in India. Major consuming states for NP/NPK are Maharashtra, Karnataka, Andhra Pradesh, Telangana and Gujarat. The core market of Maharashtra, has grown by a CAGR of 6%.

The factors contributing to the increase of NPK fertiliser sales are the farmers' shift towards cash crops, gradual awareness of balanced dose of nutrients, availability of soil health reports, the market development and awareness works done by public and private industry players. Further, due to normal monsoon in FY2018, increased consumption of fertilisers at the farm level led to lesser inventory at the end of the season. Considering the prediction by the Indian Meteorological Department (IMD) of a normal monsoon during FY2019, the Company is projecting rise in the sale of NPK fertilisers and other specialty fertilisers.

Need for Value-Added Fertilisers

As the deficiency of micro-nutrients in the Indian soil rises, India's fertiliser industry needs to produce value-added fertilisers, aimed towards efficient nutrient management, higher nutrient use efficiency and improved productivity. Value-added fertiliser should optimise nutrient application, maximise output, farmer income and minimise the negative environmental impact, making Indian agriculture globally competitive. It should lead to sustainable value creation for farmers by providing higher yields, improved quality of the output and less use of resources, thus giving farmers the assurance of a good output prices for their produce.

The market for Water Soluble Fertilisers (WSF) is growing rapidly in India, owing to favourable seasonal conditions, growing awareness of water management and increased focus of the Government to improve horticulture output. The estimated market for speciality nutrients during FY2017 was ₹ 2,500 crore, with half of it accounted for by WSFs. The market for speciality nutrients is estimated to grown by 10% in FY2018.

Government Initiatives

The Government has introduced the Direct Benefit Transfer (DBT) in fertilisers which will make companies eligible for Government subsidy at the retail level. Under DBT, the sale of subsidised fertilisers will happen through the Point of Sale (POS) Machines to farmers. This would help in curbing the non-agriculture use of subsidised fertilisers thus ensuring the appropriate use of Government subsidy.

Business Overview

With the commissioning of the new NPK plant last year, the total NP/NPK capacity has got enhanced to 9 lakh MTPA and provides an opportunity to manufacture multiple grades of NP/NPKs and innovative products as well. The Company has expressed a desire to shift from commodity products and focus on value-added and innovative products. In January 2018, the Company introduced a fertiliser under the brand name Mahadhan "Smartek", which is the first-of-its-kind product in India. It has plans to introduce a crop-specific WSF grades in FY2020. To strategically support the approach of value-added products range; the Company has set up a marketing organisation to reach out to its key consumers effectively.

Expanding and Innovating

In a largely commodity environment which is predominantly dominated by me-too products, we are ramping up our strategies to move from product to solutions and from price to value. We are constantly adding value in bulk fertilisers, besides redefining the portfolio mix by adding range of specialty fertilisers in our basket of offerings. Commercial production at the new NPK (nitrogen, phosphorus and potassium) plant at Taloja has trebled our manufacturing capacity from 3 lakh tonnes earlier to 9 lakh tonnes. The new plant has the capability to manufacture multiple grades of value-added and differentiated NPK fertilisers. It is India's only fertiliser plant, with one-of-its-kind fully automated bagging facility.

Building from Advantage and Critical Capabilities

In an ongoing journey to transform ourselves into a Crop Nutrient Solution provider, we undertook holistic path of capacity and capability building of all the stakeholder farmers, dealers and inhouse team. We commissioned our NPK plant, introduced first of its kind unique and differentiated NPKs, offered holistic basket of products to our customers / consumers fully by capitalising on existing capacity, adding new capacities and expanding to new geographies to capitalise on market demand. We are the market leaders in speciality fertilisers and have introduced several new high quality products in the speciality segment. We are improving our channel efficiency and farmer connect by implementing go to market strategy with global consulting firm. We are also leveraging on digital technology and tools to connect to our customer for better insights of customer needs and acting on the insights to serve them better.

Under Direct Benefit Transfer, the sale of subsidised fertilisers will happen through the point of sale to farmers. This would help in curbing the non-agriculture use of subsidised fertilisers thus ensuring the appropriate use of Government subsidy.

In a sector that has witnessed low innovation over decade , we are carving the path of technology based innovative solutions to help the farmers improve their productivity, quality and profitability. We have gained proficiency in establishing ourselves better in the NPK market, expanding our portfolio of baseline products and manufacturing new grades of specialty and differentiated products.

The specialised facility will add to our capability of creating crop-specific solutions and differentiated products, making us the leader in India in this segment. Crop specific grades for cotton, onion and sugarcane are aimed at enhancing farm productivity and supplying micro-nutrients as per crop requirement to establish efficacy and increase in yield per hectare. The crop specific plant trials are scheduled during FY2019, with full-scale commercial production commencing in FY2020.

Smartek

With an increasing population, as the demand for food grains is increasing each year, the response ratio of crops to fertilisers is constantly declining. STL has pioneered the manufacture of inorganic and organic nutrients in chemical fertilisers. 'Smartek' is a specialised technology for NPK that involves a unique coating which enhances nutrient uptake and profusely helps the root system, thereby increasing yield significantly. It also helps in releasing the phosphorus fixed in the soil, reduces nitrogen volatisation leading to increased fertiliser availability to the crop.

'Smartek' possesses the unique ability to hold water and nutrients in the soil particles during abnormal conditions, which it slowly releases to roots of the plants, as and when needed. Over the last 3 years, regular trials have been conducted by universities and research institutes. During the 4th quarter of FY2018, STL initiated 5,000-plus field demos in the states of Maharashtra, Gujarat and Karnataka for groundnut, sugarcane, tomato, onion, banana and solanaceous vegetable crops.

Findings of Trials for 'Smartek':

a. Helps improve crop growth

b. Results in better root zone

c. Enables more fruits/ flowers per plant and more green leaves for better photosynthesis

d. Fields have increased plant height and tillers

e. Leads to improved yield of 12% to 15%

Specialty Fertilisers

Micro-nutrients are essential building blocks for crops. Primary, secondary and micro nutrients are required in balance to obtain proper growth, optimum yield and better quality of crops. While on one hand it is important to provide balanced nutrients to the crop, on the other hand, the fertiliser response ratio has continuously shown a decline over the last 40 years, thereby leading to disproportionate use of fertilisers in agriculture.

To overcome this challenge, following the principles of nutrient stewardship through micronutrients in addition to NPK, fertigation and foliar applications has evolved as the most effective method in recent times. This is being addressed at STL through our focused speciality fertiliser business.

The Company is one of the leading marketer in speciality fertilisers such as Water Soluble Fertilisers (WSFs), Chelated Micronutrient and Bentonite Sulphur, among others. The Speciality Fertiliser business has shown a healthy growth in the past 10 years. Among the range of Specialty Fertiliser products, WSFs contribute a major share, and the Company prides itself in being a leader in the WSF domain. Considering growing demand for F&V and adoption of Drip irrigation systems we expect that WSF consumption will continue grow at rapid pace in India.

To further strengthen its offerings to the farming community, the Company is introducing new crop specific grades, enriched with micro nutrients. These grades will be unique and will focus on crop specific life cycle stage. These will enable the right nutrient at the right time, in line with the nutrient stewardship principle, leading to better crop productivity.

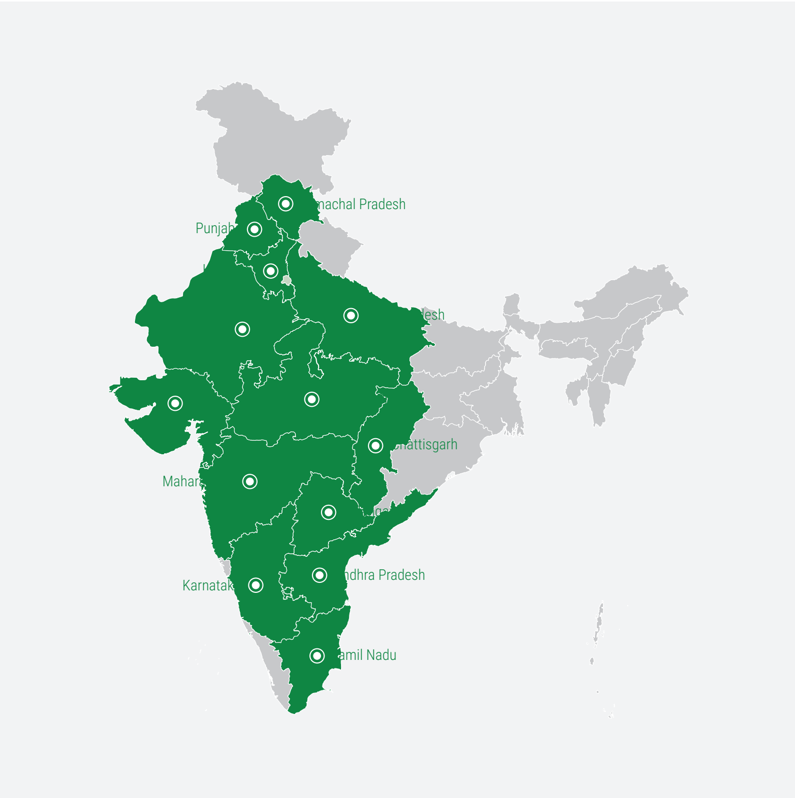
Sulphur is an essential nutrient for crop productivity. The Company is promoting Sulphur through Bentonite Sulphur (90% Sulphur). With two manufacturing facilities at Taloja and Panipat, it has one of the largest manufacturing capacity in India. The Company is a market leader in Bentonite Sulphur and strives to promote sulphur to crops through marketing activities and a range of products with micronutrients and product with fast release technology.

Improving Farmer Connectivity

We are reiterating our focus on farmers and improving connectivity with them to better substantiate our journey of capacity upgrade from 3 lakh tonnes capacity to 9 lakh tonnes. Towards this aim, we are enabling a complete over-arching "Go to Market" model for all kinds of Push and Pull activities. This will result in logistics and value chain efficiency and kick-start an optimal mode of transport and warehousing at lower costs. We are also expanding our Market Development team who will be directly in touch with farmers for technical sales especially crop solutions. The -Market Development Officer's (MDO) key task is to execute field demos with farmers so as to establish proof of concept of differentiated products.

The Company continues to maintain its leadership position in Specialty Fertilisers, especially in the category of Bensulf and Water Soluble Fertilisers. It undertook crop-specific initiatives in the regions with the maximum potential.

Pan India Presence



₹ 1,807

Crore

Revenue from Crop Nutrition Business in FY2018

We continue to maintain our leadership position in Specialty Fertilisers, especially in the category of Bentonite Sulphur and Water Soluble Fertilisers.

Year in Brief

In FY2018, the Crop Nutrition segment contributed 29% to the Company's aggregate revenues. Company earned revenues of ₹ 1,807 crore from the Crop Nutrition segment, compared to ₹ 1,180 crore in the previous year. The year under review witnessed the Company's continued journey into Specialty Fertilisers, Micro Nutrients and Water-Soluble Fertilisers. The Company continues to maintain its leadership position in Specialty Fertilisers, especially in the category of Bentonite Sulphur and Water-Soluble Fertilisers. The company test marketed Smartek in core markets. It commissioned the NPK plant in the fourth quarter of FY2017, with a capacity of 6 lakh MTPA. We expanded geographically in areas having maximum potential for our products.

New Initiatives

With an objective of developing business for new generation products that are innovative, differentiated with clear technological edge over competition and delivering more value to customers the Company has initiated setting up of research establishment - ARTIC (Applied Research, Training & Innovation Centre).

The ARTIC will develop new technologies and products that are customised to crops with specific deliverables. This includes innovative products for soil health management, precision nutrient management, post-harvest shelf life and delivering desired quality of end produce. The products delivered by the ARTIC will comprise organic, inorganic, biological and tissue culture based products as well as products of nanotechnology. These products will be highly customised to different application methods such as nutrigation, foliar spray, stem feeding, soil application etc. for crops grown in varied growing conditions of open fields, green houses and hydroponics. These products will be field evaluated for their bio-efficacy parameters and ability to deliver benefits to the customers, through scientific as well as statistical methods of evaluation.

The ARTIC team will comprise of highly qualified and experienced scientists specialised in different branches of agriculture and horticulture sciences. The research establishment will include state-of-art laboratory with most advanced instruments and equipments for chemical, microbial, pesticidal analysis among various other analytical requirements.

Outlook

In the fertilisers segment, the next financial year will witness the continuation of the Company's journey of reaching a higher level of capacity utilisation and benefit from the scale of operation close to 9 Lakh MTPA. It will be the first year when the full range of NPKs as well as differentiated NPKs will be made available. A full-scale launch of the differentiated NPKs is being targeted during Kharif 2018, supported by over 5,000 demos on farmer plots taking place in our core command areas of Maharashtra, Karnataka and Gujarat. Higher push for Bensulf from the Panipat plant will give deeper penetration for the Company in North India. During the year, a large team of about 250 Market Development Officers are expected to create a pull for the Bulk and Speciality range of Mahadhan products to maintain its leadership position in these segments. Further these MDOs will work with influencer farmer network for creating pull for our products.

980

Million MT

Coal Production expected in FY2028

Technical Ammonium Nitrate (TAN) is key ingredient in mining, explosives, pharmaceuticals and is commonly used as a raw material for the manufacture of all types of industrial explosives.

Technical Ammonium Nitrate (TAN)

Industry Review

Technical Ammonium Nitrate (TAN) is key ingredient in mining, explosives and pharmaceuticals and is commonly used as a raw material for the manufacture of all types of industrial explosives.

India has the 5th largest coal reserves in the world and is the 4th largest coal producer and produced 680 million metric tonnes in FY2018. The nation ranks 4th globally in terms of iron ore production and is the 3rd largest in steel production. In FY2018, the production of iron ore reached 210 million tonnes while the production of crude steel increased by 4.5% to 102 million metric tonnes, from 97 million metric tonnes in the preceding fiscal year. There is significant scope for new mining capacities and commercial production in coal, iron ore and bauxite.

The Infrastructure sector is a key driver for the Indian economy, enjoying intense focus from the Government for initiating policies and ensuring time-bound creation of world-class infrastructure. The Government's Bharatmala Pariyojana involves the construction of 38,400 kms of roads over five years, creating 14.2 crore jobs while under the Sagarmala program, 415 projects have been identified.

India has the 5th largest coal reserves in the world

900,000

TPA

India's Current Demand for TAN

Robust demand and steady prices of coal and iron ore are expected to provide a positive stimulus for demand in the future for countries primarily focused on the export of commodities such as Australia, Indonesia and South Africa.

According to data from the Department of Industrial Policy and Promotion (DIPP), the nation will be the 2nd largest cement producer in the world, with an installed capacity of nearly 550 million tonnes by 2025. With the Government's focus on infrastructure development, India's cement industry is projected to grow by 5% to 6% CAGR between FY2017 and FY2020, according to a report by the India Brand Equity Foundation (IBEF). Increased spending on infrastructure and construction is expected to fuel the demand for industrial explosives.

The future projections of key minerals and Infrastructure likely spend indicate a very strong and consistent demand for Industrial Explosives – hence Technical Ammonium Nitrate (TAN) in the coming 10 years.

Segment	FY2017-18	FY2027-28
Coal	688 MMT*	980 MMT
Cement	297 MMT	439 MMT
Iron Ore	210 MMT	413 MMT

**Million Metric Tonnes*

While Coal and Cement Industry demonstrate a steady CAGR @ 4%, Iron Ore and Infrastructure Segment is likely to witness a robust CAGR @ 7%. It is estimated that infrastructure spent would move from 5.97 lakh crore to 10 lakh crore plus with initiatives like "Housing for All" and "Smart Cities Mission" with the backdrop of reducing bottlenecks and impending growth in industrial growth of the nation.

Steady recovery witnessed by global mining companies associated with commodities towards the end of FY2017 continued well in FY2018 and a positive outlook indicates buoyancy in the TAN Business worldwide. In addition, robust demand and steady prices of coal and iron ore are expected to provide a positive stimulus for demand in the future for countries primarily focused on the export of commodities such as Australia, Indonesia and South Africa.

Business Overview

The Company owns India's most significant TAN complex which produces Ammonium Nitrate (AN) Melt, High-density AN and Low-density AN. The Company's world-class range of TAN products cater to Mining, Infrastructure and Pharmaceutical sectors. It is the preferred partner and a critical backbone for the mining, infrastructure and explosives-manufacturing industries in India and overseas.

Today, the Company stands tall as India's largest TAN (Solids) manufacturer and is also one of the world's top 5 largest merchant TAN manufacturers. It enjoys a 45% market share in the segment with about 85% plus capacity utilisation. The Company accounts for 45% of the domestic market and 2.5% of the global production of TAN.

Medical grade Ammonium Nitrate manufactured by the Company is widely used in manufacturing Nitrous Oxide (N_2O) that is suited to anaesthetic and analgesic applications. The Company is gradually moving into increasing its production of the high-margin Low Density Ammonium Nitrate to ensure better quality blasting.

Key Business Drivers

- Critical need for power and infrastructure drives the overall demand for coal, limestone and iron ore.
- India possesses globally significant mineral resources. Mining industry is seen growing at 5-6% per annum over the next 7-10 years.
- Growth in coal sector is expected to be 4-5% per annum for the next 10 years, and hence, there is a need to enhance coal production to reduce dependence on imports.

Our Product Range

Products	Channel to Market	Application	End use/Industry
High Density Ammonium Nitrate (HDAN)	• Explosives Manufacturer	Manufacturing Industrial Explosive	• Mining Industry • Explosive Industry
	• Manufacturer Nitrous Oxide (N_2O)	Manufacturing Anaesthesia	• Pharmaceutical
Low Density Ammonium Nitrate (LDAN)	• Direct to Customer • Explosives Manufacturer • License Holders	To manufacture N_2O	• Pharma Industry • Electronic Industry
Ammonium Nitrate Melt (ANM)	• Explosives Manufacturer	Manufacturing Industrial Explosive	• Mining Manfrastructure

Year in Brief

In FY2018, due to a robust 24% growth in volumes, the Company could sustain its overall market share in the industry, and revenue increased by 9%. The Srikakulam plant which was shut down due to repairs and maintenance, commenced operations and delivered about 50% of the capacity. This resulted in the overall better capacity utilisation for TAN Business and improved availability of the product across India.

We have entered into long-term agreements with some key customers which offer consistency in margins for the business and at the same time consistent consumption at right cost for the customer. We also ensure that there is a constant movement of all our products once they are out of the production stage as a finished good, with increased emphasis on despatch through optimal mode either through rail or road and deliver the best of efficiency in distribution.

We have been in TAN Business for over four decades, and we continue to manufacture all products according to best quality standards consistently & thereby enhance production volumes and improve the overall market share. Our strategy on value-added products is helping us increase our competencies in manufacturing and cater to the best of domestic and international customers with high-quality products in HDAN and LDAN. We utilised the services of international experts to develop the value-added products, understand market vis-à-vis value proposition gaps and facilitate market penetration and actions with the right Capex and Opex. Going forward, we foresee our market share increase in value-added product volumes beginning FY2019.

Leveraging Leadership to Capture Increased Revenue Share

With strong brands of world-class quality and a well-entrenched distribution system, our TAN Business (Mining Chemicals) is leveraging the Government's thrust on growth in mining industry, especially coal and infrastructure growth, thus scaling the business higher every financial year. The TAN Business continues to drive the value-added product strategy by ensuring focus on chosen markets thereby enhancing margins, improving production capacity of key products and ensuring value-based pricing.

Our Services

- *We can deliver essential distribution reach, services and technical knowledge through dedicated on the ground team at strategically placed warehouses and channel partners.*
- *We can provide services and the right product portfolio to private coal mines and non-coal segment.*
- *We also offer bulk mixing and delivery equipment based trucks to offer on-the-spot service.*

Our Growth Path

- *Building technology capabilities to enhance technical services and customer value.*
- *Addressing the target gaps in global markets such as East Asia, Australia and Africa.*
- *Augmenting scale with capacity expansion close to Indian mining centres.*

For establishing global footprint and enhancement of our export revenue, we augmented and strengthened our presence in the key markets of Africa and Asia, through better services. Our continuous aim is to enhance our export volumes to double over a two-year time. In the domestic market, our focus has been on expanding the target geographies to reach the end-users through a solid distribution network through the addition of new zones in Raipur, Tata Nagar and NCR in FY2018 followed by North-East, Salem and Rajkot in FY2019.

Exports

In FY2018, the Company reported a modest growth of 16% in exports to East Africa, Middle East, West Africa, South East Asia and South Africa.

Outlook

In the mining chemicals business, the key priorities will be in driving the value-added product strategy, with better reach and focus on key market penetration activities. The Company's single-minded focus will be on achieving scale, leveraging the untapped potential and driving the LDAN strategy. The Company would endeavour to increase its capacity utilisation from 85% presently to 100% by FY2019.

Coal India Limited and Singareni Collieries Company Limited are targeting to increase coal production and reduce wastages which would help to sustain growth of TAN in FY2019. This will be largely driven by the end of destocking cycle and substitution of coal and pet coke imports. This signals well for the domestic demand of TAN in FY2019. The Limestone segment, driven by demand for cement, is largely driven by the "Pradhan Mantri Awas Yojana" (Housing for All) drive and is set for modest growth of 6-7% with capacity addition and expansion planned in South and East India.

The export of Iron Ore is likely to see growth with the Government abolishing the export duty on export of low-grade iron ore (up to 58% Fe) and additional incentives. With safe and reliable delivery network system in place, the Company continues to focus on building additional melt facilities, warehouse capacity and state-of-the-art compliance system to drive market leadership.

Subsidiary / Joint Ventures

Platinum Blasting Services Pty. Ltd. (PBS), a joint venture in Australia and a subsidiary of the Company's wholly owned subsidiary STL, successfully completed its 4th year of operations. During the year, through its value-added blasting service offerings to the mining industry in Australia, it bagged 3 blasting services contracts and 4 top-up services contracts. PBS continues to drive value leadership position in the Australian mining industry and is well poised to secure further blasting contracts with medium-sized mining companies in the year ahead.

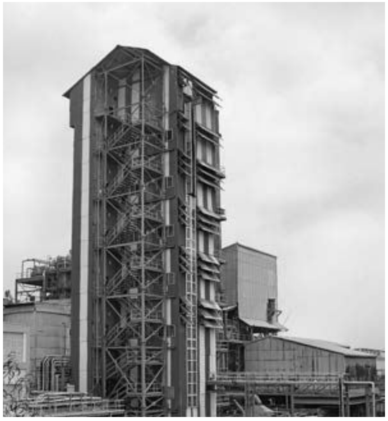
Industrial Chemicals

Industry Review

The chemical industry in India is a key constituent of the country's economy, accounting for 4 to 5% of its GDP. The specialty chemical market in India is expected to reach US$ 70 billion by 2020.The Company has a substantial stake in the pharma sector by virtue of multiple product offering into this segment. The Indian pharmaceutical industry is the 3rd largest producer in Asia and 7th by output in the world. It is an Active Pharmaceutical Ingredient (API) and formulations industry. The pharmaceutical industry is directly dependent on the chemical industry for production of many drugs and medicines and for the production of pharmaceutical formulations. With India's pharmaceutical industry projected to grow to US$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanisation and rising healthcare awareness, demand for ingredients and chemicals will grow.

Domestic and External Demand Driving Growth

Total major chemicals production in India stood at 5,307 KMT in H1 of FY2018, compared to 5,087 KMT in H1 of FY2017, growing by 4.3%. Agrochemical sector is projected to grow at 7.5% per annum to reach a size of US$ 6.3 billion by FY2020. Favourable demographics and rising economic growth has been driving demand for chemicals in India, even as external demand and specialty chemicals also contributed strongly to industry's growth.



The chemical industry in India is a key constituent of the country's economy, accounting for 4 to 5% of its GDP.

70,000

TPA

Manufacturing Capacity of Iso Propyl Alcohol

Favourable demographics and rising economic growth has been driving demand for chemicals in India, even as external demand and specialty chemicals also contributed strongly to industry's growth.

Growth Value Proposition of Indian Chemicals

- Critical size of domestic market
- Customised application development
- Availability of reliable and competitive feedstock supply
- Established process know-how and strong R&D capability

Business Overview

The Company is one of the largest producers and importers of industrial chemicals in India, with Nitric Acid and Solvents being its key flagship products. Currently, the Company remains the only manufacturer of Iso Propyl Alcohol (IPA) in India, enjoying a significant leadership position with 85% market share.

The Company has a manufacturing facility at Taloja, Maharashtra, serving the needs of industries such as pharmaceuticals, aromatics, paints, dyes intermediates and pesticides. Besides manufacturing, the Company imports around 4,00,000 tons of solvents per annum in order to meet the needs of pharmaceutical and other industries. The Company has a strong distribution network of over 50 channel partners, and enjoys a strong and direct relationship with over 600 Industrial customers in India and globally.

Iso Propyl Alcohol (IPA)

The IPA market in India has been witnessing an annual growth rate of around 8-9% for the last 5-7 years. The total demand for IPA in India was around 1,59,000 TPA in FY2018. In India, consumption is mainly driven by the use of IPA as a solvent in the pharma industry, which accounts for almost 80% of the total demand. As market demand continues to grow, a significant portion of IPA demand is being met through imports, which is about 48% of the total IPA demand in India. The Company enjoys a leadership position with a manufacturing capacity of 70,000 MTPA and 100% capacity utilisation. It plans to set up its 2nd IPA plant at Taloja by deploying superior technologies, with a capacity of 1,00,000 MTPA.The Company also imports IPA and other solvents including Acetone, Toluene and MDC.

Outlook

The global rise in the pharmaceutical industry is expected to drive the demand for IPA in the coming years. The increasing demand from various other end-use industries also represents the driving factor for IPA in India. Demand is expected to grow to 1,71,000 TPA by FY2020 and will continue to grow at a similar rate in the future.

Nitric Acid

Nitric acid is used in nitro aromatics, pharmaceuticals, dyes, steel rolling industry, defence and explosive industries. The nitro-aromatic industry in India is growing consistently. DFPCL is the largest manufacturer of Nitric Acid in Asia, having the largest integrated nitric acid plant with a manufacturing capacity of around 7,00,000 MT of Diluted Nitric Acid (DNA) and 1,38,600 MT of Concentrated Nitric Acid (CNA). Technical Ammonium Nitrate (TAN) and Ammonium Nitro Phosphate (ANP) consume a significant portion of nitric acid in-house, apart from merchant sale of CNA and DNA.

Capacity Expansion

The Company is expanding its capacity by setting up a state-of-the-art manufacturing facility at Dahej with 92,400 TPA of Concentrated Nitric Acid (CNA) and 1,48,500 TPA of Dilute Nitric Acid (DNA). This will be the first step towards the development of a mega multi products site at Dahej, catering to rising demand of many intermediates and specialty chemical manufacturers. The plant is expected to commence operations towards end of 2018.

Outlook

Growth in the Nitro-aromatics industry is driving the demand for CNA.

Nitroaromatics find applications in a large variety of intermediates catering to the pharma, agro-chemicals, rubber chemicals and dye stuff industry, which are all independently displaying robust growth. On the back of expansion of Nitric acid capacity at Dahej, the major downstream industries have announced / commenced their expansion plans. The start-up of the Dahej plant will enable DFPCL to cater to the increasing demand and quickly ramp up the capacities ahead of schedule. The facility is closer to the major end-use industries and we will be able to ensure improved service levels and deliveries.

Liquid Carbon Dioxide (Food Grade CO_2)

Liquid Carbon Dioxide (LCO_2) finds application in dry ice, beverages and engineering industries as a shield gas for welding. With food grade certification, DFPCL's LCO_2 finds preference with prestigious beverage manufacturers.

Outlook

The Company has the capacity to meet the current and future demand of Liquid CO_2 in India. It has pre-empted the growth of the industry and enhanced the production capacity of LCO_2 over the years to 66,000 TPA at present. The outlook of LCO_2 continues to be positive on account of sustainability of the application industries.

Methanol

Methanol is used in the production of Formaldehyde, Tert-amyl methyl ether (TAME), Methyl derivatives such as Methyl chlorides and Methyl amines, Acetic acid, and as solvents in pharmaceutical and paint industries. The increasing use of Methanol in India's pharmaceutical sector, along with identification of novel end uses of methanol, has been contributing to the demand for methanol in India. The Company has a manufacturing capacity of 1,00,000 MT of methanol, which has been utilised only for a short period during the year, depending on favourable conditions.

Outlook

The Methanol market in India is projected to grow at a CAGR of over 7% between 2011-25. Our strategy is to commence the production of methanol at a time when the raw material pricing is favorable. However, going forward, the emerging application such as DME and blending in fuel may drive demand and result into continuity of production.

Trading Business

The Company commenced its trading business in 2012 by importing various solvents. It has grown rapidly to touch ₹ 2,000 crore in FY2018 within a short span of 6 years. The Company imports solvents such as Acetone, Toluene, IPA, Methanol, Hexane, Mixed Xylene and Phenol to cater the needs of pharmaceuticals, inks and coatings, paints, pesticides and the agrochemical industries. The Company is the key partner of solvent producers in South East Asia, Middle East, Europe and China for the import of these solvents in India.

Servicing Customer Needs

We have set up dedicated storage tanks at JNPT and leased capacities for storage at various ports such as Hazira, Kandla, Ennore and Vizag. This adds to our capability to cater to a mix of customers at different locations, besides scaling up the Industrial Chemicals business. A key growth driver for our Solvents segment has been the Government's initiative to promote the use of methanol blending. We are also exploring special electronic grades of IPA for electronic applications such as semi-conductors.

End-Users Of Industrial Chemical Business

- Pharmaceuticals
- Nitro Aromatics
- Paints & Coatings
- Steel
- Inks
- Explosives
- Dyes
- Agrochemicals
- Cosmetics
- Adhesives

Key Offerings

- Solvents
- Acids

Key Products

- Iso Propyl Alcohol (IPA)
- Methanol
- Nitric Acid (NA)
- Propane
- Liquid Carbon Dioxide (CO_2)
- Hydrogen (H_2)

Performance of Trading Business

Our trading business has grown exponentially in last 5-6 years. In FY2018, we touched business of ₹ 2,000 crore, growing by 80% over FY2017. We imported over 4 lakh MT of various solvents in FY2018, growing 73% over FY2017.

We import various chemicals such as:

- *Acetone*
- *Phenol*
- *Methanol*
- *IPA*
- *Toluene*
- *Hexane*
- *Mixed Xylene*
- *Styrene monomer*
- *MIBK*
- *Acetic acid*

Year in Brief

In FY2018, the Industrial Chemicals segment contributed around 50% to the Company's total revenues. It witnessed record volumes in Nitric Acid with full capacity utilisation in CNA. During the year, the Company dynamically migrated its product mix towards Concentrated Nitric Acid in line with the growth in major application, such as the nitroaromatics industry. In IPA, the Company maintained its market share in manufacturing and trading, becoming the key supplier to customers in various segments such as Pharma, inks and coatings and other derivatives.

Future Growth Strategies

Post commissioning of new brownfield expansion of IPA, our total manufacturing capacity for production will shoot up drastically. We are also in the process of setting up an overseas office at an appropriate location, which will enable us to conduct the trading business more efficiently by way of right sourcing and economical shipping. The strategy will also help us expand our trading into the international markets.

Raw Material

The major raw materials for the Company's manufacturing unit at Taloja are Natural Gas, Ammonia, Propylene, Phosphoric Acid, MOP, Sulphur and Sulphuric Acid.

Natural Gas

The Company had filed a case in the Hon'ble High Court of Delhi against the unfair, arbitrary and abrupt stoppage of domestic Natural Gas to the Company under a Government order. The Hon'ble High Court has given a verdict in favour of the Company and directed the Government to restore the supply of Natural Gas.As per the submissions before the Hon'ble Delhi High Court, the Inter-Ministerial Committee has recommended supply of Pooled Gas to the NPK manufacturers and the proposal will require an approval from a competent authority. Pending restoration of domestic gas, the Company is presently sourcing RLNG to run its operations.

Ammonia

As compared to previous year, global ammonia prices were lower. The Company purchases a significant volume of Ammonia from the international merchant market and the current low ammonia prices are favourable for the Company. The Company expects no shortage of availability. Further, to strategically support the downstream sectors in operations, a world scale Ammonia facility of 1,500 TPD is being planned as a backward integration at Taloja.

Phosphoric Acid

Phosphoric Acid is a key raw material for manufacturing fertilisers. The prices of the raw material have come down in the current financial year and the major contributing factors for this include supply side pressure from additional capacity and a fall in international fertiliser prices. The new NPK plant at Taloja is designed to use multiple grades of Phosphoric Acid which would reduce its dependability on a single source/grades.

Propylene

During the year, Propylene prices have remained volatile. The Company has a long-term tieup with a local refinery. The supplies have been adequate to meet our requirements during the year.

24%
Growth in average YOY occupancy

Creaticity has actively embarked on an exciting transformation into a vibrant and creative living campus that offers inspiring experiences to its customers across the three categories.

Value Added Real Estate

The Value-Added Real Estate business of the Company comprises of a lifestyle retail centre – 'Creaticity' (previously Ishanya) in Pune, with around 4,00,000 sq. ft. of retail space. Creaticity has been focused on a three-pronged category strategy comprising of Home and Living, F&B and Entertainment. Each of these "experience-led" categories are being fortified such that customers perceive true value and joy. A judicious mix of national and international brands in Home & Living are housed inside the mall. This includes world leaders, Ashley Furniture from North America, Gautier, Natuzzi Editions, M & D Casa Italia, King Koil, and India's top home retailer, @home from Nilkamal group, Tangent, Royal Oak, The Home Sukh, Houslife and Studio Pepper Fry among others.

Creaticity hosts several casual dine and fine dine F&B offerings spread over 50,000 sq. ft. of space and a couple of unique sports entertainment formats that promote the concept of group gaming. Creaticity has also undertaken an innovative foray into offering spaces for design institutions and co-working spaces. The Company is in keen and active pursuit of being recognised as knowledge leaders in the categories that it operates by strengthening its product mix backed by specialised services and curated events.

Year in Brief

In FY2018, Creaticity has actively embarked on an exciting transformation into a vibrant and creative living campus that offers inspiring experiences to its customers across the three categories of Home & Living, Food & Beverage and Entertainment. The objective of category leadership has been in central focus with introduction of several new brands, including the addition of world renowned furniture brands such as Natuzzi editions, Italy through the launch of a concept called World Homes, apart from addition of a variety of F & B outlets across Indian and International cuisines. This journey of transformation includes smart reconfiguration of the mall spaces, innovative deployment of technology and service design ideas, aimed at better navigation and circulation of the customers across the campus thereby enabling more productive and satisfied

Home & Interior Segment

- Natuzzi editions -launch of World Homes
- Royal Oak furniture
- Tree gallery
- The Mattress store
- Bubblegum furniture (for kids)

F & B Segment

- Wicked China (formerly Mandarin & Mirchi)
- Good news dhaba
- Ironbar & grill
- KK Sheesha kitchen & bar
- Publiq brewhouse
- Raasta cafe

YOY average increase in area about 40,000 sq. ft.

2,000

Metric Cube/Day

Capacity of Reverse Osmosis Plant

Process Safety Management is yet another process being implemented across all the facilities. It is a US-based business tool aimed towards safety improvement.

customers. Creaticity is heading towards optimal occupancy and improved yields in the ensuing year with dedicated and single-minded focus on both our customers and categories.

Other Significant Initiatives:

- **Total Productive Maintenance (TPM):** The Company is in the process of implementing TPM across all our manufacturing facilities. This is aimed towards increasing the Overall Equipment Effectiveness (OEE) and Overall Plant Effectiveness (OPE). The system has the potential to increase the efficiency, reliability and performance of all the plants.

- **Process Safety Management (PSM):** Process Safety Management is yet another process being implemented across all the facilities. This is a US-based business tool aimed towards safety improvement. The hazardous nature of its Taloja plants led to the installation of this Safety Management tool.

- **Environment-related Initiatives at Taloja (FY2018):**

  a. As an environmental improvement step, it has installed a Reverse Osmosis (RO) plant with capacity of 2,000 metric cube per day. Water being a key resource aimed at conservation, the plant will assist in water recycling before it is sent out to the effluent treatment plant.

  b. A Coal Fired Boiler plant is being set up with a Steam Turbine Generator to generate steam. This will partly enable consumption of captive power for the plant and result in energy saving.

  c. Initiatives to enhance green belt in and around complex.

  d. System for close monitoring of effluents and emissions.

  e. Plan for installing 300 KWp Solar power plant.

- **Quality Improvement Initiatives:**

  As part of customer quality improvement, initiatives have been taken up in the areas of Low Density Ammonium Nitrate, Water Soluble Fertilisers and Ammonium Nitophosphate Fertilisers.

Financial Overview

(Consolidated)

The Company's impetus of growth and focus on strengthening its core areas resulted in growth oriented performance and delivered the shareholder's expectations. Our Total Income from Operations stood at ₹ 6,062 crore, as compared to ₹ 4,378 crore in FY2017, up 38%.

Total Income from Crop Nutrition was ₹ 1,807 crore as against ₹ 1,180 crore in FY2017. Chemical segment (including Industrial Chemicals and TAN) registered a Total Income of ₹ 4,230 crore, up 33% from ₹ 3,181 crore in FY2017. Key growth drivers behind the performance of this segment have been conducive market conditions, competitive raw material prices, and good market realisation. Under Industrial Chemicals, the trading business witnessed a spurt of 76% YoY in revenue. Improved margins were recorded by IPA, and other traded products. The TAN segment recorded an improvement in margins owing to the efficiency of operations and competitive raw material prices.

Total EBIDTA stood at ₹ 545 crore, compared with ₹ 473 crore, a rise of 15%.

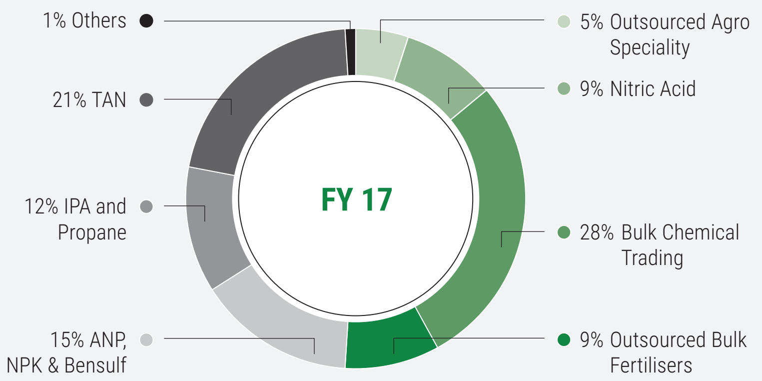
Net Profit after Tax during the year stood at ₹ 164 crore, up by 6% compared to ₹ 155 crore in FY2017. Earnings Per Share stood at ₹ 18.60 per share in FY2018, as compared with ₹ 17.53 per share in FY2017. Total Shareholders' Fund increased to ₹ 2,087 crore, as on March 31, 2018, compared with ₹ 2,024 crore as on March 31, 2017.

₹ 164

Crore

Net Profit after Tax in FY2018

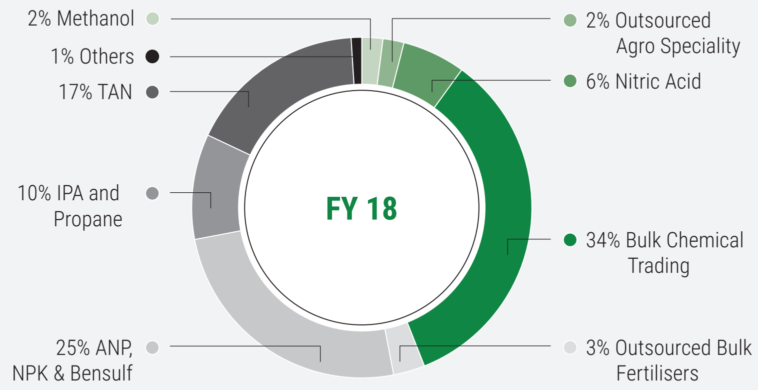
Revenue Mix for Key Products:



₹ 6,062

Crore

Total Income from Operations in FY2018



Production & Sales (MT):

	Production		Sales	
	FY2018	**FY2017**	**FY2018**	**FY2017**
Ammonia	1,12,027	66,863	-	-
Methanol	44,418	7,092	46,652	3,911
Iso Propyl Alcohol	72,331	72,469	74,100	71,125
Propane	11,729	12,464	11,670	12,438
Dilute Nitric Acid	6,11,008	5,31,752	59,315	44,935 *
Concentrated Nitric Acid	1,35,043	1,14,696	1,21,947	1,02,752
Technical Ammonium Nitrate	4,10,355	3,48,960	4,20,721	3,39,350
Bulk Fertilisers Traded	-	-	1,21,909	1,97,212
Nitro Phosphate Fertiliser	1,98,006	2,17,839	1,95,153	1,98,257
NPK Fertilisers	3,66,797	35,655	3,45,817	23,387
Bentonite Sulphur	24,678	14,692	20,762	15,872
Liquid Carbon Dioxide	53,708	23,881	53,756	23,824
Water Soluble Fertiliser	1,195	942	422	1,220
Water Soluble Fertiliser Traded	-	-	20,060	19,825
Windmill Power ('000 KWH)	15,959	16,324	14,205	15,667

**Merchant Sale, Balance captively consumed*

Human Resources

As part of a change management plan to drive the business transformation agenda, which was kick-started in the previous year, the Company focused on developing a culture road-map to help drive the desired culture change in the organisation. Several HR initiatives were launched during the year, including the development of competency mapping for unique roles, governance model for matrix reporting lines, establishment of management committees within each of the business and functional units and roll-out of TPM interventions.

The Company focused on developing a culture road-map to help drive the desired culture change in the organisation.

The year witnessed an improved focus on Leadership Development for top talents and the senior management employees in the Company. The flagship program 'Manager as Coach 2.0' was launched as part of which several senior management employees participated in the program to get themselves certified as coaches and are now ready to extend their coaching skills to employees at different levels. To ensure that managers are provided the right skills and competencies to hire the right fit, they were sensitised through an event-based behavioral interviewing skills program.

As part of the journey to usher in Digital HR, the Company launched and implemented a HR Technology platform 'Success Factors' by naming it as 'I Manage'. This automation will support the Performance Management, Learning and Development, Social Collaboration, Talent Review and Succession Planning processes in the company. This tool will also help leaders, managers and HR to use people analytics to drive business strategy alignment, team execution and maximise people performance by making data based decisions.

Internal Control Systems & their Adequacy

The Company has adequate internal control systems in place, commensurate with the size and industry in which it operates. The Company's internal control framework supports the execution of the strategy and ensures regulatory compliance. The foundation for internal control is set by the risk management framework, financial control, internal audit and supporting policies. The aim of internal control framework is to assure that operations are effective and well aligned with the strategic goals. The internal control framework is intended to ensure correct, reliable, complete and timely financial reporting and management information, safeguard of company assets and ensure efficient productivity at all levels. The framework endorses ethical values, good corporate governance and risk management practices.

The Company has an Internal Audit department and also engages the services of a global big four firm to carry out internal audit, spanning all key production units, Projects and business functional area. The internal audit function independently scrutinises critical audit areas, based on audit plans that are approved by the Audit Committee. The plans are formulated on the basis of a risk evaluation exercise, to assess relatively riskier areas. Significant Internal Audit findings are periodically reviewed by Management and Audit Committee and corrective action plan suggested by them are implemented by the respective process owner of the business units and thereby strengthen the Internal Control.

The Company has also adopted Internal Financial control framework in line with section 134(5)(e) of Companies Act, 2013 for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguard of its assets, prevention and detection of frauds and errors, accuracy and

Our internal control framework is intended to ensure correct, reliable, complete and timely financial reporting and management information, safeguard of company assets and ensure efficient productivity at all levels.

completeness of the accounting records and the timely preparation of reliable financial information. The effectiveness of Internal Financial controls is verified by independent Audit Firm and accordingly Audit reports are presented to Audit Committee. The Company has a SAP-based ERP system in place, which enables faster and informed decision-making and provides for better management control.

Cautionary Statement

The document contains statements about expected future events, financial and operating results of Deepak Fertilisers And Petrochemicals Corporation Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Deepak Fertilisers And Petrochemicals Corporation Limited's Annual Report, FY2018.

Board's Report

To the Members,

The Board of Directors have pleasure in presenting the Thirty Eighth Annual Report together with Audited Accounts of the Company for the Financial Year ended 31st March, 2018.

FINANCIAL RESULTS

The summarized financial results for the year are as under:

(₹ In Lacs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Total Revenue (including Other Operating Revenues)	3,21,421	2,15,693	6,06,155	4,37,812
Profit Before Tax (PBT)	13,093	13,701	23,288	23,276
Less: a) Current Tax (Net)	2,221	3,823	2,348	3,889
b) Deferred Tax	(417)	848	4,291	3,694
Net Profit for the year after share in (loss) of associates	11,289	9,030	16,410	15,462
Minority Interest	NA	NA	139	30
Net Profit / (Loss) for the period	11,289	9,030	16,267	15,431
Total Comprehensive Income	11,362	8,864	16,119	15,219
Add: Surplus brought forward	1,13,051	1,05,271	1,56,256	1,50,122
Amount available for Appropriations	1,24,340	1,14,301	1,72,520	1,65,555
Appropriations:				
a) Transferred to Debenture Redemption Reserve	6,250	(1,250)	6,250	(1,250)
b) Transferred to General Reserve	-	-	(55)	-
c) Dividend on Equity Shares (Net)	(5,292)	-	(5,292)	(25)
d) Tax on Proposed Dividend (Net)	(1,054)	-	(2,000)	-
Deferred Tax Adjustment	-	-	(5,560)	(8,074)
Surplus carried to Balance Sheet	1,24,244	1,13,051	1,65,863	1,56,256

STATE OF AFFAIRS OF THE COMPANY

Your Company has achieved the top line of ₹ 3,214 Crore (including ₹ 2,027 Crore from trading operations) during the year under review as against previous year's level of ₹ 2,157 Crore (including ₹ 1,139 Crore from trading operations). Profit before Tax (PBT) for the year under review was ₹ 131 Crore as against ₹ 137 Crore in the previous year. Net Profit for the current year was recorded at ₹ 113 Crore as against ₹ 90 Crore in the previous year. A Management Discussion and Analysis (MDA), which forms part of this Report, inter-alia, deals adequately with the operations and also current and future outlook of the Company.

DIVIDEND

Considering the performance of the Company, the Board of Directors of the Company recommends a dividend @ 60% i.e. ₹ 6 per Equity Share (Previous year ₹ 6 per Equity Share) of ₹ 10 each of the Company for the year ended 31st March, 2018.

The proposed dividend (including tax on proposed dividend) will absorb ₹ 64 Crore and the same is in line with the 'Dividend Distribution Policy' adopted by the Board at its meeting held on 30th June, 2017.

CHANGES IN THE BOARD OF DIRECTORS

The current term of Shri U. P. Jhaveri, Shri S. R. Wadhwa, Shri Anil Sachdev, Independent Directors is coming to an end after the conclusion of Annual General Meeting to be held for the financial year 2017-2018. i.e. on 18th September 2018.

Shri R. A Shah retires by rotation at the ensuing Annual General Meeting pursuant to provisions of Section 152 of the Companies Act, 2013 and he is not seeking reappointment in the ensuing annual general meeting in line with the retirement policy of the Company for Directors.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the year under review, eight meetings of the Board of Directors were held on 6th April, 2017, 8th May, 2017, 30th June, 2017, 10th August, 2017, 21st September, 2017, 2nd November, 2017, 8th February, 2018 and 28th March, 2018.

CHANGES IN KEY MANAGERIAL PERSONNEL (KMP)

Shri Vipin Agarwal stepped down as 'Chief Financial Officer', a Key Managerial Personnel of the Company with effect from 2nd November 2017 and Shri Amitabh Bhargava has been appointed as 'Chief Financial Officer', a Key Managerial Personnel on the same date.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / STATUTORY AUTHORITIES:

1. As disclosed in the last year's report, effective 15th May, 2014, domestic gas supply to the Company was arbitrarily stopped by the Ministry of Petroleum and Natural Gas. The Company successfully challenged the same before the Hon'ble Delhi High Court, which by its Orders dated 07th July, 2015 and 19th October, 2015 directed the Government of India (GoI) to restore the supply of gas. Review petition filed by the GoI, challenging the said Orders was rejected by the said Court. Further the GoI also filed the Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against the Order of Hon'ble Delhi High Court, which was disposed of last year without granting any relief to the GoI. The GoI has filed an affidavit before the Hon'ble Delhi High Court stating that Inter Ministerial Committee (IMC) has decided to recommend supply of pooled gas to the Company, subject to approval of the Competent Authority. GoI has further filed an application in the Hon'ble Delhi High Court seeking dismissal of the matter. The Company is contesting the said application since the Competent Authority has not decided based on the recommendation of the said IMC and the application so filed is pre- mature.

2. The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, had withheld subsidy due to the Company in accordance with applicable Nutrient Based Subsidy (NBS) Scheme of the Government of India (GoI), alleging undue gain arising to the Company on account of supply of cheap domestic gas. The Company had filed a Writ Petition in the Hon'ble High Court of Judicature at Bombay, challenging the withholding of subsidy. Based on the directive of the High Court, the GoI released the subsidy amounting to ₹ 463 Crore and subsidy amounting to ₹ 310 Crore was withheld pending final decision. On the request of the Company, the DoF has released subsidy amounting to ₹ 310 Crore against a Bank Guarantee pending final decision.

INDIAN ACCOUNTING STANDARDS, 2015

The annexed financial statements for the Financial Year 2017-18 and corresponding figures of 2016-17 comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

CONSOLIDATED FINANCIAL STATEMENTS

The Board presents the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries, and as prepared in compliance with the Companies Act, 2013, applicable Accounting Standards and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A separate statement containing the salient features of its subsidiaries in the prescribed form AOC-1 is annexed separately.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

i) in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii) the accounting policies had been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year on 31st March, 2018 and of the profit and loss of the Company for that period;

iii) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the annual accounts had been prepared on a going concern basis;

v) internal financial controls, to be followed by the Company are duly laid down and these controls are adequate and were operating effectively; and

vi) systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

STATUTORY AUDITORS AND THEIR REPORT

The Shareholders of the Company in their Thirty Seventh Annual General Meeting held on 21st September, 2017 had accorded their approval pursuant to the provisions of Sections 139, 141 and other applicable provisions of Companies Act, 2013 and Rules made thereunder to appoint, M/s. B S R & Associates LLP (Chartered Accountants) (Firm Registration number: 11623IW/W-100024), as the Statutory Auditors of the Company for the period of five years commencing from the conclusion of Thirty Seventh Annual General Meeting until the conclusion of Forty Second Annual General Meeting.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

SECRETARIAL AUDITORS

The Secretarial Auditors, M/s. SVD & Associates, Company Secretaries, has issued Secretarial Audit Report for the Financial Year 2017-18 pursuant to Section 204 of the Companies Act, 2013, which is annexed to this Board's Report. **(Refer Annexure-1)**

The observations of the secretarial auditors in their report are self- explanatory and therefore, the Board of Directors do not have any further comments to offer on the same.

COST AUDITORS

Your Board had appointed M/s Y. R. Doshi & Company, Cost Accountants, as the Cost Auditors for the Financial Year 2017-18. M/s Y. R. Doshi & Company, Cost Accountants will submit the cost audit report along with annexure to the Central Government (Ministry of Corporate Affairs) in the prescribed form within specified time and at the same time forward a copy of such report to your Company.

The Cost Audit Report for the Financial Year ended 31st March, 2017 was duly filed with the Central Government (Ministry of Corporate Affairs).

Pursuant to the provisions of Section 148 of Companies Act, 2013, the Board of Directors of the Company has appointed M/s Y. R. Doshi & Company, Cost Accountants, for conducting Cost Audit of the Company for the Financial Year ending 31st March, 2019 at a remuneration, of ₹ 3,00,000/- (Rupees Three Lacs only) plus GST as applicable and reimbursement of actual travel and out-of-pocket expenses, which shall be subject to the approval of the shareholders at the ensuing Annual General Meeting.

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

Details of investments made and loans advanced and guarantees given by the Company have been given in notes to the Financial Statement.

RELATED PARTY TRANSACTIONS

The Company has entered into contract / arrangements with the related parties in the ordinary course of business and at an arm's length basis. Thus provisions of Section 188(1) of the Companies Act, 2013 are not applicable.

CORPORATE GOVERNANCE

Pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate section titled 'Corporate Governance' is attached to this Annual Report.

- ## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

  Report on the performance and financial position of subsidiaries, associates and joint venture companies in specified format is annexed to Board's Report. **(Refer Annexure-2).**

- ## AWARDS AND ACCOLADES

  Please refer to section "Awards and Accolades" in this Annual Report for details of the awards received by the Company during the year under review.

- ## NOMINATION AND REMUNERATION COMMITTEE

  The Board of Directors of the Company has constituted Nomination and Remuneration Committee and also has approved the Nomination and Remuneration (NRC) Policy which inter alia contains appointment criteria, qualifications, positive attributes and independence of Directors, removal, retirement and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company.

  Nomination and Remuneration Policy is available on the website of the Company on the following weblink : http://www.dfpcl.com/DFPCL/company-policies.asp. There is no change in the Nomination and Remuneration Policy during the year under review. The Nomination and Remuneration Policy is provided in **Annexure - 3** of the Board's Report.

- ## RISK MANAGEMENT COMMITTEE

  The Board of Directors of the company has constituted a Risk Management Committee to assess risks in the operations of business units of the Company, to mitigate and minimize risks assessed in the operations of business units, periodic monitoring of risks in the operations of business units and other matters delegated to the Committee by Board of Directors of the Company from time to time.

  Information on the development and implementation of a Risk Management Policy for the Company including identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company is given in the Corporate Governance Report.

- ## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

  The Board of Directors of the Company has constituted Corporate Social Responsibility (CSR) Committee having following members as on 31st March, 2018;

1.	Shri Pranay Vakil	Chairman
2.	Smt. Parul Mehta	Member
4.	Shri S R Wadhwa	Member

Your Company is engaged in concerted CSR initiatives through Ishanya Foundation and with the introduction of statutory requirements for CSR initiatives as per the Companies Act, 2013, the CSR initiatives of your Company have been reaffirmed and the entire approach has become more structured. The Board of Directors of the Company has approved a comprehensive CSR Policy which is available on the website of the Company at www.dfpcl.com

The details of the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure forming part of this Board's Report. **(Refer Annexure-4)**

- ## ANNUAL RETURN

  The extract of Annual Return is annexed to Board's Report. **(Refer Annexure-5).**

- ## PERFORMANCE EVALUATION OF CHAIRMAN, DIRECTORS, BOARD AND COMMITTEES

  Information on the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual directors is given in the Corporate Governance Report.

- ## INDEPENDENCE OF DIRECTORS

  Independent Directors have given declaration that they meet the criteria of independence as provided under sub-section (6) of Section 149 of the Companies Act, 2013.

- ## FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

  The Company has practice of conducting familiarization program of the independent directors as detailed in the Corporate Governance Report which forms part of the Annual Report.

- ## WHISTLE BLOWER POLICY

  The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical conduct. The Company has a Whistle Blower Policy under which the employees are free to report violations of the applicable laws and regulations and the Code of Conduct.

  Whistle Blower Policy is available on the website of the Company at the following weblink :

  http://www.dfpcl.com/DFPCL/company-policies.asp

- ## ADEQUACY OF INTERNAL FINANCIAL CONTROLS

  Your Company's internal financial control systems are commensurate with the nature, size, and complexity of the businesses and operations. These are periodically tested and certified by Statutory as well as Internal Auditors. Significant audit observations and the follow up actions are reported to the Audit Committee.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to the provisions of Section 136(1) of the Act and as advised, the statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be available for inspection at the Registered Office of the Company during working hours. Members interested in obtaining a copy of the same may write to the Company Secretary and the same will be furnished on request. Hence, the Annual Report is being sent to all the Members of the Company excluding the aforesaid information.

FIXED DEPOSITS

Your Company has not accepted any deposits, covered under Chapter V of the Companies Act, 2013 and hence no details pursuant to Rules 8 (v) and 8 (vi) of the Companies (Accounts) Rules, 2014 are reported.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said act has confirmed that no complaint/case has been filed/ pending with the Company during the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required by the Companies (Accounts) Rules, 2014 the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed to Board's Report. **(Refer Annexure-6).**

SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

BUSINESS RESPONSIBILITY REPORT

The business responsibility report is attached as **(Annexure-7)** to this report.

ACKNOWLEDGEMENT

Your Board of Directors wish to place on record their sincere appreciation to the Company's bankers, customers, vendors, investors and all other stakeholders for their continued support during the year. Your Board of Directors are also pleased to record their appreciation for the dedicated and committed contribution made by employees at all levels who through their competence and hard work have enabled your Company to achieve good performance amidst challenging times and look forward to their support in the future as well.

For and on behalf of the Board,

Mumbai
Dated :30th May, 2018

S. C. MEHTA
Chairman & Managing Director

ANNEXURE-1

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Deepak Fertilisers And Petrochemicals Corporation Limited
CIN: L24121MH1979PLC021360

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Deepak Fertilisers And Petrochemicals Corporation Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013, the Companies Amendment Act, 2017 (the Act) and the rules made thereunder (in so far as they are made applicable);

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the Company during the Audit Period);**

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(not applicable to the Company during the Audit Period);**

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(not applicable to the Company during the Audit Period);**

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(not applicable to the Company during the Audit Period);** and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(not applicable to the Company during the Audit Period);**

(vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on their sector/industry are:

   a) Petroleum Act, 1944 and Rules, 2002;

b) Foreign Trade Development & Regulation Act, 1992;

c) The Competition Act, 2002;

d) Explosive Substance Act, 1908;

e) Inflammable Substance Act, 1952;

f) The Manufacturing, Storage and Import of Hazardous Chemicals Rules, 1989;

g) Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008;

h) Ammonium Nitrate Rules, 2012;

i) Fertilizer Control Order, 1985;

j) Petroleum and Minerals Pipelines (Acquisition of Right Users in Land) Act, 1962

We have also examined compliance with the applicable clauses and regulations of the following:

(i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and

(ii) The Listing Agreement entered into by the Company with Stock Exchanges pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

The Audited Financial statements and Financial Results for the year ended on 31st March, 2017 were submitted to the Stock Exchanges beyond the time period prescribed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequently the Stock Exchanges have levied fine which was paid by the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:-

a) The Mumbai Bench of the National Company Law Tribunal (NCLT), vide its Order dated 30th March, 2017 (a certified copy has been received on 13th April, 2017) has approved the Scheme of Arrangement amongst the Company, SCM Fertichem Limited (SCM Fertichem) and Smartchem Technologies Limited (Smartchem) and their respective shareholders and creditors. A certified copy of the Order passed by the NCLT was filed with the Registrar of Companies, Pune, Maharashtra on 1st May, 2017. Thus, the Scheme of Arrangement has become effective from 1st May, 2017 in terms of the provision of the said Scheme of Arrangement.

b) The National Company Law Tribunal, vide its Order dated 22nd June, 2017, has approved the "Scheme of Amalgamation" providing for amalgamation of SCM Soilfert Limited, a Wholly Owned Subsidiary of the Company, with the Company. The Appointed Date for the said Scheme is 1st April, 2015. A certified copy of the Order passed by the NCLT was filed with the Registrar of Companies, Pune, Maharashtra on 24th July, 2017. Thus, the Scheme of Arrangement has become effective from 24th July, 2017 in terms of the provision of the said Scheme of Arrangement.

c) The Listed 2500, 9.71% Secured Redeemable Non-convertible Debentures of ₹ 10 Lakhs each of the Company were redeemed on the due date, i.e. 18th January, 2018.

d) The Company had during the year repaid the final installment on 30th June, 2017 of External Commercial Borrowings (ECB) of US $ three million taken from Bank of Baroda.

e) The Approval of the Shareholders was sought to offer or invite subscriptions for secured redeemable non-convertible debentures aggregating to ₹ 250 crores with an option to raise additional amount upto ₹ 250 crores as Green Shoe Option on private Placement basis vide Postal Ballot which was passed/declared on 22nd December, 2017.

f) In the Annual General Meeting of the Company held on 21st September, 2017, Special Resolutions were passed for below event:

   1 Adoption of new set of Articles of Association

   2. Re-appointment of Independent Directors for II Term

g) Domestic gas supply to the Company was stopped by the Ministry of Petroleum and Natural Gas w.e.f 15th May, 2014. The Company has challenged the same before the Hon'ble Delhi High Court, which by its Orders dated 7th July, 2015 and 19th October, 2015 directed the Government of India (GoI) to restore the supply of gas. Review petition filed by the GoI, challenging the said Orders was rejected by the Court. Further the GoI also filed the Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against the Order of Hon'ble Delhi High Court, which was disposed of last year without granting any relief to the GoI. The GoI has filed an affidavit before the Hon'ble Delhi High Court stating that Inter Ministerial Committee (IMC) has decided to recommend supply of pooled gas to the Company, subject to approval of the Competent Authority. GoI has further filed an application in the Hon'ble Delhi High Court seeking dismissal of the matter. The Company is contesting the said application since the Competent Authority has not decided based on the recommendation of the said IMC and the application so filed is pre- mature.

h) The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, had withheld subsidy due to the Company in accordance with applicable Nutrient Based Subsidy (NBS) Scheme of the Government of India (GoI), alleging undue gain arising to the Company on account of supply of cheap domestic gas. The Company had filed a Writ Petition in the Hon'ble High Court of Judicature at Bombay, challenging the withholding of subsidy. Based on the directive of the High Court, the GoI released the subsidy amounting to ₹ 463 Crore and subsidy amounting to ₹ 310 Crore was withheld pending final decision. On the request of the Company, the DoF has released subsidy amounting to ₹ 310 Crore during January 2018 against a Bank Guarantee of equal amount.

i) GAIL has claimed a sum of ₹ 357 Crores in respect of supply of domestic natural gas for the period July 2006 to May 2014, alleging usage for manufacture of products other than Urea. As per two contracts entered into 2006 and 2010 between Company and GAIL, the purchase of gas was clearly intended, supplied and utilised for industrial applications. It has been in the full knowledge of the Department of Fertilisers, Government of India that the Company; as per the Industrial License, since its inception was never engaged in the manufacture of Urea and the dispute was referred to Arbitration Accepting Company's stand, the Arbitration Tribunal has rejected the claim of GAIL. However, GAIL has preferred an appeal before Hon'ble Delhi High Court.

For **SVD & ASSOCIATES**
Company Secretaries

SRIDHAR MUDALIAR
Partner
FCS No: 6156
C P No: 2664

Place: Pune
Date: 30th May, 2018

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE A

To,
The Members,
Deepak Fertilisers And Petrochemicals Corporation Ltd.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & ASSOCIATES**
Company Secretaries

SRIDHAR MUDALIAR
Partner
FCS No: 6156
C P No: 2664

Place: Pune
Date: 30th May, 2018

ANNEXURE-2

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rules 5 of the Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part-"A": Subsidiaries

(₹ in Lacs)

		Details of Subsidiaries								
Sl. No.	**Name of Subsidiary**	**Smartchem Technologies Limited#**	**Platinum Blasting Services Pty. Limited#$1**	**Australian Mining Explosives Pty. Limited#$2**	**Performance Chemiserve Private Limited$1**	**SCM Fertichem Limited#**	**Deepak Mining Services Private Limited#**	**Deepak Nitrochem Pty Limited#**	**Runge Pincock Minarco India Private Limited# $3**	**Yerrowda Investments Limited#**
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees	AUD 1 AUD = 50.03	AUD 1 AUD = 50.03	Indian Rupees	Indian Rupees	Indian Rupees	AUD 1 AUD = 50.03	Indian Rupees	Indian Rupees
3	Share Capital	1,705.00	4,721.66	-	4.47	5.00	1.00	81.14	28.72	24.00
4	Reserves & Surplus	258,638.61	-855.50	319.01	13,397.10	-22.40	-25.25	-55.36	0.96	3,857.04
5	Total Assets	502,457.52	9,789.20	1,904.35	67,997.76	1.35	16.81	25.78	31.23	3,973.78
6	Total Liabilities	242,113.92	5,923.04	1,585.34	54,596.18	18.75	41.06	0.00	1.55	92.74
7	Investments	14,735.91	-	-	9,335.57	-	14.64	-	-	1.00
8	Turnover*	307,070.45	7,390.95	905.59	285.08	-	-	-	-	-
9	Profit / (Loss) before taxation	8,129.12	75.67	139.81	714.35	-19.63	-2.00	-2.54	-0.79	-62.05
10	Provision for taxation	2,669.80	2.09	29.64	162.85	-	-	-	-	-
11	Profit / (Loss) after taxation	5,459.33	73.58	110.17	551.51	-19.63	-2.00	-2.54	-0.79	-62.05
12	Proposed Dividend and Corporate Dividend Tax	5,463.69	-	-	-	-	-	-	-	-
13	% of shareholding	100.00%	71.50%	71.50%	76.02%	100.00%	100.00%	100.00%	100.00%	85.00%

Standalone Figures
$1 Subsidiary of Smatchem Technolgies Limited
$2 Subsidiary of Platinum Blasting Services Pty. Limited
$3 Subsidiary of Deepak Mining Services Private Limited
* Turnover excludes other income of ` 781 Lacs of Smartchem Technologies Limited, 113.98 Lacs of Yerrowda Investments Ltd.
+ Share capital of Australian Mining Explosives Pty. Limited consists of 1 ordinary share of $1 which is held by Platinum Blasting Services Pty. Limited.

1. **Smartchem Technologies Limited (STL)**
   The Company, is a wholly owned subsidiary of your Company, is in the business of manufacturing Technical Grade Ammonium Nitrate and manufacturer and trading of fertilisers. The Company achieved a turnover of ₹ 3070.70 crores (excluding other income) and profit before tax of ₹ 81.29 crores.
2. **Platinum Blasting Services Pty. Limited, Australia**
   Platinum Blasting Services Pty. Limited is a joint venture (JV) between your Company's wholly owned subsidiary Smartchem Technologies Ltd. (STL) with local Australian partners having vast experience in providing value-added blasting services and operational expertise to mining and explosives industries in Australia. This is part of your Company's forward integration initiative. Your Company has supplied Technical Ammonium Nitrate to the JV. The JV is now evaluating setting up emulsion facilities, which will significantly improve margins in future.
3. **Australian Mining Explosives Pty. Limited**
   Australian Mining Explosives Pty. Limited (AME), an Australian company, is a wholly owned subsidiary of Platinum Blasting Services Pty. Ltd. (a subsidiary of Smartchem Technologies Limited, which is a wholly owned subsidiary of the Company) and is engaged in the business of storage and handling of Technical Ammonium Nitrate. Controlling interest in AME by Platinum Blasting Services Pty. Ltd. was acquired during the financial year 15-16 at ₹ 18.5 Crores (AUD 3.7 mn).
4. **Performance Chemiserve Private Limited (PCPL)**
   Performance Chemiserve Private LImtied is a subsidiary Company of Smartchem Technologies Limited (STL). STL is holding 76.02% of the Equity share capital of PCPL.
5. **Deepak Mining Services Pvt Limited**
   Deepak Mining Services Pvt Limited is a wholly owned subsidiary of your Company and in the business of providing consultancy to mining companies in India. It provides consultancy in the entire value chain of the mining business. With the private coal mining segment opening up, it has great potential to mature into a high growth profitable business. The current year was challenging in view of the lull in the sector emanating out of the re-auctioning of the coal blocks.
6. **Runge Pincock Minarco India Co. Ltd. (RPM)**
   Runge Pincock Minarco India Co. Ltd. is a joint venture between Deepak Mining Services Pvt Ltd and Runge Pincock Minarco (RPM) Co. Ltd., Australia, a global leader in mine consultancy and provider of advanced mining software. The JV will help in bringing global best practices to the Indian mining industries and has good potential to capture the emerging opportunity in mining business. The current year was challenging in view of the lull in the sector emanating out of the re-auctioning of the coal blocks.
7. **Yerrowda Investments Limited**
   Yerrowda Investments Limited(YIL), a subsidiary of your Company, is operating in real estate sector and owns immovable property in Pune. YIL has legal title for the land and buildings located at Deepak Complex, Pune owned by your Company. YIL is jointly controlled entity according to the Provisions of Indian Accounting Standards.
8. **To capture any emerging business opportunity, the Company has following subsidiary Companies focussed at respective sectors**:
   a) SCM Fertichem Limited – Agri sector
   b) Deepak Nitrochem Pty Limited – TAN, Australia

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rules 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part-“B”: Associates and Joint Ventures

(₹ in Lacs)

S. No.	Particulars	Details of Associates & Joint Venture			
1	**Name of the Associates and Joint Ventures**	**Ishanya Brand Services Limited#**	**Ishanya Realty Corporation Limited#**	**Desai Fruits and Vegetables Private Limited#**	**Mumbai Modern Terminal Market Complex Private Limited#**
2	Latest audited balance Sheet Date	01/04/2017 to 31/3/2018	01/04/2017 to 31/3/2018	01/04/2017 to 31/3/2018	01/04/2017 to 31/3/2018
3	No. Shares of Associate / Joint Ventures held by the Company on the year end	49,994	49,994	5,081,363	4,000
	- Amount of Investment in Associate/ Joint Venture	5.00	5.00	2,356.09	0.40
	- Extend of Holding %	49.99%	49.99%	31.90%	40.00%
4	Description of how there is significant influence	DFPCL is holding more than threshold limit of 20%	DFPCL is holding more than threshold limit of 20%	DFPCL is holding more than threshold limit of 20%	DFPCL is holding more than threshold limit of 20%
5	Reason why the associate/ joint venture is not consolidated	There is no transaction during the year and on basis of materiality and capital base the amount is negligible.	There is no transaction during the year and on basis of materiality and capital base the amount is negligible.	N/A (it is consolidated)	There is no transaction during the year and on basis of materiality and capital base the amount is negligible.
6	Net-worth attributable to Shareholding as per latest audited Balance Sheet	4.28	1.29	259.67	0.19
7	Profit/ (Loss) for the year	0.28	(0.27)	(699.98)	(0.10)
8	Considered in Consolidation	-	-	(238.55)	-
9	Not Considered in Consolidation	0.28	(0.27)	(461.43)	(0.10)

Standalone Figures

1. **Desai Fruits and Vegetables Private Limited**
   This is a assciate company, which is focussed on growing banana plantation and supplies to domestic as well as international market. During the financial year, the JV achieved a turnover of ₹ 4,300.22 Lacs and its loss is ₹ 699.98Lacs (turnover excludes other income of ₹ 1.48 Lacs). Investment is net of impairment.

2. **To capture any emerging business opportunity, the Company has following Associate Companies focussed at respective sectors:**
   a) Ishanya Brand Services Limited – Realty sector
   b) Ishanya Realty Corporation Limited– Realty sector
   c) Mumbai Modern Terminal Market Complex Private Limited

ANNEXURE-3

Nomination and Remuneration Policy

1. Introduction

In terms of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors vide circular resolution dated 29th December, 2014. This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel & Senior Management.

2. Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and applicable regulations under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

a) To recommend to the Board appointment and removal of Directors, Key Managerial Personnel and Senior Management in accordance with criteria laid down.

b) To recommend to the Board a policy including following:

 (i) determining qualifications, positive attributes and independence of a director;

 (ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;

 (iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

 (iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

 (v) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

 (vi) Performance evaluation of Independent Directors and the Board; and

 (vii) Board diversity.

3. Definitions

"Act" means Companies Act, 2013 and rules thereunder.

"Board" means Board of Directors of the Company

"Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"Company" means Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL).

"Independent Director" means a Director of the Company, not being in whole time employment and who is neither a promoter nor belongs to the promoter group of the Company and who satisfies the criteria for independence as prescribed under Section 149 of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

"Key Managerial Personnel" means Key managerial personnel as defined under the Companies Act, 2013 and includes:

i. Managing Director or Executive Director or Chief Executive Officer or Manager;

ii. Whole-time Director;

iii. Company Secretary;

iv. Chief Financial Officer; and

v. such other officer as may be prescribed.

"Policy" means Nomination and Remuneration Policy.

"Senior Management" means personnel of the Company who are members of its core management team (Internal Board) excluding the Board of Directors.

4. Functions of Committee:

The Nomination and Remuneration Committee shall, inter-alia, perform the following functions:

a) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

b) To recommend to the Board a policy for following:

(i) Determining qualifications, positive attributes and independence of a director;

(ii) Remuneration for the Directors, Key Managerial Personnel and Senior Management;

(iii) Remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(iv) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

(v) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

(vi) Performance evaluation of Independent Directors and the Board; and

(vii) Board diversity.

The Chairperson of the Nomination and Remuneration Committee or, in his absence, any other member of the committee authorised by the Chairperson in this behalf shall attend the general meetings of the Company.

Provided that Nomination and Remuneration Committee shall set up mechanism to carry out its functions and is further authorized to delegate any / all of its powers to any of the Directors and / or officers of the Company, as deemed necessary for proper and expeditious execution.

5. Membership

i. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

ii. The quorum shall be either two members or one third of the members of the Committee whichever is higher.

iii. Membership of the Committee shall be disclosed in the Annual Report.

iv. Term of the Committee shall be continued unless terminated by the Board of Directors.

6. Chairperson

i. Chairperson of the Committee shall be an Independent Director.

ii. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

iii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

7. Frequency of Meeting

The meeting of the Committee shall be held at such regular intervals as may be required.

8. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

9. Minutes of Committee Meeting

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

10. Policy for appointment and removal of Director, KMP and Senior Management

(A) Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The Committee shall devise a policy on Board diversity after reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board which will facilitate the Committee to recommend on any proposed changes to the Board to complement the Company's corporate strategy.

(B) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(C) Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

11. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

(A) General

a) The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Act.

c) Term / Tenure of the Directors shall be as per Company's policy and subject to the provisions of the Act.

(B) Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel

a) Fixed pay

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/the Person authorized by the Board and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

(C) Remuneration to Non-Executive / Independent Director

a) Remuneration / Commission

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

b) Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall be decided by the Board and subject to the limit as provided in the Act.

c) Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

12. Amendments

This Policy may be amended by the Board at any time and is subject to (i) amendments to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

ANNEXURE-4

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2017-18

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken as per CSR Policy and projects or programs.

For over three decades as a socially responsible Company, Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL), has engaged in community work through Ishanya Foundation at Taloja and Pune in Maharashtra and Deepak Foundation in Vadodara in Gujarat. The Ishanya Foundation has been conducting several outreach programmes, in and around Pune and also in villages around Taloja in Panvel Taluka in Raigad District. These programmes are in the areas of:

a) Women empowerment through vocational training (skill development) and livelihood programmes

b) Health and

c) Education

The underlying objectives are aimed at making people self-reliant through economic and social empowerment, providing employable skills and social entrepreneurship opportunities to youth, women and marginal farmers to ensure livelihood for economic betterment and social development of themselves and their families instilling pride and confidence (in the target population) to take on future challenges.

Health initiatives, farmer support programs, culture and heritage support programs have also formed DFPCL's ancillary focus areas. Improving the quality and infrastructure in the educational institutions has also been the Company's priorities.

2. The Composition of the CSR Committee

Sr. No.	Name of Director	Chairman / Member
1.	Shri Pranay Vakil	Chairman
2.	Smt. Parul Mehta	Member
3.	Shri S R Wadhwa	Member

3. Average net profit of the Company for last three financial years: ₹ 17,271 Lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 345 Lacs

5. Details of CSR spent during the financial year:

a) Minimum total amount to be spent for the financial year: ₹ 345 Lacs

b) Amount unspent, if any: ₹ 170.86 Lacs

c) Manner in which the amount spent during the financial year is detailed below:

(₹ In Lacs)

Sr. No.	CSR project or Activity Identified	Sector in which the Project is covered	Project or programs		Amount outlay (budget) project or program wise	Amount spent on the projects or programs for the FY 2017-18		Cumulative expenditure for upto the reporting period starting from April, 2014	Amount spent: Direct or through implementing Agency
			Local Area or other	State or District where Project or Programs was undertaken		Direct Expenditure on project	Overheads		
1	Dairy Development	Livelihood enhancement through Entreprrnurship	Taloja	Maharashtra	22.24	17.64	0.66	101.47	Implementing Agency- Ishanya Foundation
2	Establishment of Private Industrial Training Institute / Contribution for promotion of education	Employment enhancing vocational skills	Taloja	Maharashtra	769.37	118.03	1.08	184.63	Implementing Agency- Ishanya Foundation
3	Horticulture Development / Contribution for environmental protection	Ensuring Environmental sustainability, ecological balance, protection of flora and fauna	Taloja	Maharashtra	47.40	35.71	1.13	134.86	Implementing Agency- Ishanya Foundation

Sr. No.	CSR project or Activity Identified	Sector in which the Project is covered	Project or programs		Amount outlay (budget) project or program wise	Amount spent on the projects or programs for the FY 2017-18		Cumulative expenditure for upto the reporting period starting from April, 2014	Amount spent: Direct or through implementing Agency
			Local Area or other	State or District where Project or Programs was undertaken		Direct Expenditure on project	Overheads		
4	Job Oriented, Vocational Training and Health	Vocational Training Courses for women General Health check up	Pune / Taloja	Maharashtra	65.96	52.39	1.79	183.23	Implementing Agency- Ishanya Foundation
5	Promotion of Art and Culture	Promotion and development of Traditional Arts and Handicrafts	Pune	Maharashtra	22.05	00.96	0.24	24.51	Implementing Agency- Ishanya Foundation
6	Livelihood Generation Activity/ Yellow Ribbon NGO Fair/ Development of Web Based Compendium	Livelihood enhancement through Entrepreneurship	Pune	Maharashtra	22.55	20.13	1.03	72.71	Implementing Agency- Ishanya Foundation
7.	Community Development				29.29	32.77	00.51	33.28	Implementing Agency Ishanya Foundation
8.	Promotion of Road Safety	Promoting vocational And educational skills	Taloja	Maharashtra	-	-	-	00.20	Implementing Agency- Ishanya foundation
9.	Contribution for Medical assistance and drought relief	Eradication of hunger, Poverty, & malnutrition Promoting healthcare	Other	Maharashtra	20.00	25.26	-	31.36	Direct by the Company
	Total				**978.88**	**277.65**	**06.45**	**766.25**	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

During the year under review, the Company has identified projects for its CSR initiatives, which included the ongoing project to put up an ITI near its factory at Taloja for imparting vocational skills and training to deserving youths.

Accordingly, the Company contributed ₹ 1.53 crore to Ishanya Foundation, the implementing agency for such projects including the said ITI.

In the light of uncertainties created by delay in announcing revised Government Policy for recognition of ITI as also declaration of authority for the implementation, the said ITI project has been delayed, being one of the major reasons for shortfall in funds spent during the year. However, such unspent amount is intended to be spent in future on suitable projects identified within the Company's CSR Policy.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objective and Policy of the Company.

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

PRANAY VAKIL	**PARUL S. MEHTA**
(Chairman - CSR Committee)	*(Director)*

ANNEXURE-5

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

for the financial year ended on 31st March, 2018

Pursuant to section 92 of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

I. Registration Details

1.	**CIN**	L24121MH1979PLC021360
2.	**Registration Date**	31st May, 1979
3.	**Name of the Company**	Deepak Fertilisers And Petrochemicals Corporation Ltd
4.	**Category / Sub-Category of the Company**	Company Limited by Shares / Indian Non- Government Company
5.	**Address of the Registered office and contact details**	Opp Golf Course, Shastri Nagar, Yerawada, Pune – 411006 Phone : (020) 6645 8000, 26688117 Fax : (020) 26683727 Email : investorgrievance@dfpcl.com Website : www.dfpcl.com
6.	**Whether listed company Yes / No**	Yes
7.	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Phone : (040) 6716 2222/67161571 Fax : (040) 2342 0814 Contact Person : Mr. S. V. Raju Designation : Dy. General Manager Email id : einward.ris@karvy.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Iso Propyl Alcohol	20119	16.18%
2.	Nitric Acid	20123	12.10%
3.	Wholesale of Industrial Chemicals	46691	63.01%

III. Particulars of Holding, Subsidiary And Associate Companies

Sr. No	Name and Address of the Company	NIC Code of the Product/ service	CIN/GLN	Holding/ Subsidiary/ Associate	% of Share held	Applicable section
1.	Smartchem Technologies Limited	20123	U67120PN1987PLC166034	Subsidiary	100	2 (87)
2.	SCM Fertichem Limited	-	U24211PN2012PLC145023	Subsidiary	100	2 (87)
3.	Deepak Mining Services Private Limited	09900	U14100PN2008PTC132562	Subsidiary	100	2 (87)
4.	RungePincockMinarco India Private Limited #	09900	U14200PN2012PTC145300	Subsidiary	51.00	2 (87)
5.	Yerrowda Investments Limited	-	U65990MH1954PLC009228	Subsidiary	85.00	2 (87)
6.	Ishanya Brand Services Limited	-	U74900PN2008PLC131967	Associate	49.99	2(6)
7.	Ishanya Realty Corporation Limited	-	U70101PN2008PLC131330	Associate	49.99	2(6)
8.	Mumbai Modern Terminal Complex Private Limited	-	U45201MH2014PTC257412	Associate	40.00	2(6)
9.	Desai Fruits and Vegetables Limited	-	U63020GJ1999PTC035377	Associate	31.90	2(6)
10.	Performance Chemiserve Private Limited##	21009	U24239PN2006PTC022101	Subsidiary	76.02	2(87)
11.	Deepak Nitrochem Pty. Limited	-	-	Subsidiary	100	2 (87)
12.	Platinum Blasting Services Pty Limited ##	-	-	Subsidiary	71.50	2 (87)
13.	Australian Mining Explosives Pty Limited ###	-	-	Subsidiary	71.50	2 (87)

@ Amalgamated w.e.f. 24th July, 2017 pursuant to Order of NCLT

\# Subsidiary of Deepak Mining Services Private Limited

\## Subsidiaries of Smartchem Technologies Limited

\### Subsidiary of Platinum Blasting Services Pty Limited

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i. Category wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	10,67,005	-	10,67,005	1.21	7,67,005	-	7,67,005	0.87	0.34
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4,39,82,372	-	4,39,82,372	49.86	4,42,82,372	-	4,42,82,372	50.20	0.34
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**4,50,49,377**	**-**	**4,50,49,377**	**51.07**	**4,50,49,377**	**-**	**4,50,49,377**	**51.07**	**0.00**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**4,50,49,377**	**-**	**4,50,49,377**	**51.07**	**4,50,49,377**	**-**	**4,50,49,377**	**51.07**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	15,31,795	-	15,31,795	1.74	23,77,964	0.00	23,77,964	2.70	0.96
b) Banks / FI	32,346	17,075	49,421	0.06	6,97,101	15,250	7,12,351	0.81	0.75
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-		-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
Other	1,266	-	1,266	0.00	-	-	-	-	-
Insurance Companies	11,22,584	750	11,23,334	1.27	9,72,584	600	9,73,184	1.10	0.17
Foreign Institutional Investor	1,17,15,278	-	1,17,15,278	13.28	59,24,818	-	59,24,818	6.72	6.56
Foreign Portfolio- Corp	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**1,44,03,269**	**17,825**	**1,44,21,094**	**16.35**	**99,72,467**	**15,850**	**99,88,317**	**11.32**	**5.02**
2. Non-Institutions									
a) Bodies Corp.	69,75,104	32,706	70,07,810	7.94	86,53,069	25,181	86,78,250	9.84	1.89
b) **Individuals**									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,06,56,420	48,28,509	1,54,84,929	17.56	1,23,91,495	4,214,395	1,66,05,890	18.83	1.26
i) Individual shareholders holding nominal share capital more than Rs. 1 lakh	32,37,810	66,950	33,04,760	3.75	41,40,579	66,950	4,20,75,29	4.77	1.02
c) **Others (Specify**	-	-	-	-	-	-	-	-	-
Clearing Members	1,12,260	-	1,12,260	0.13	1,26,700	-	1,26,700	0.14	0.01
HUF	5,20,039	-	5,20,039	0.59	7,19,481	-	7,19,481	0.82	0.23
IEPF	-	-	-	-	4,73,490	-	4,73,490	0.54	0.54
Non Resident Indian	6,60,281	14,50,125	21,10,406	2.39	5,28,508	14,06,625	19,35,133	2.19	0.20
NRI Non-Repatriation	-	-	-	-	2,11,970	0	2,11,970	0.24	0.00
Non Domestic Companies	-	1,84,750	1,84,750	0.21	-	1,84,750	1,84,750	0.21	0.00
Trust	9,518	-	9,518	0.01	24,056	-	24,056	0.03	0.02
Sub-total (B)(2):-	**2,21,71,432**	**65,63,040**	**2,87,34,472**	**32.58**	**2,72,69,348**	**58,97,901**	**3,31,67,240**	**37.60**	**5.02**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**3,65,74,701**	**65,80,865**	**4,31,55,566**	**48.93**	**3,72,41,815**	**59,13,751**	**4,31,55,566**	**48.93**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**8,16,24,078**	**65,80,865**	**8,82,04,493**	**100**	**8,22,91,192**	**59,13,751**	**8,82,04,943**	**100**	**-**

ii. Share Holding of Promoter

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Sailesh C Mehta	1,506	0.00	-	1,506	0.00	-	0.00
2.	Nova Synthetic Ltd	4,25,94,071	48.29	-	4,25,94,071	48.29	-	0.00
3.	Chimanlal Khimchand Mehta	10,64,273	1.21	-	7,64,273	0.87	-	0.34
4.	Parul Sailesh Mehta	1,226	0.00	-	1,226	0.00	-	0.00
5.	Sofotel Infra Pvt Ltd	13,88,301	1.57	-	16,88,301	1.91	-	0.34

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Sailesh C Mehta**				
	At the beginning of the year	1,506	0.00	1,506	0.00
	At the end of the year	-	-	1,506	0.00
2.	**Nova Synthetic Ltd**				
	At the beginning of the year	4,25,94,071	48.29	4,25,94,071	48.29
	At the end of the year	-	-	4,25,94,071	48.29
3.	**Chimanlal Khimchand Mehta**				
	At the beginning of the year	10,64,273	1.21	10,64,273	1.21
	Sale of Shares on 28.04.2017	3,00,000	0.34	3,00,000	0.34
	At the end of the year	-	-	7,64,273	0.87
4.	**Parul Sailesh Mehta**				
	At the beginning of the year	1,226	0.00	1,226	0.00
	At the end of the year	-	-	1,226	0.00
5.	**Sofotel Infra Pvt Ltd**				
	At the beginning of the year	13,88,301	1.57	13,88,301	1.57
	Purchase of Shares on 05.05.2017	3,00,000	0.34	3,00,000	0.34
	At the end of the year	-	-	16,88,301	1.91

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund**				
	At the beginning of the year	72,00,000	8.16	72,00,000	8.16
	Sale of Shares on 07.04.2017	98,753	0.11	71,01,247	8.05
	Sale of Shares on 14.04.2017	1,96,180	0.22	69,05,067	7.83
	Sale of Shares on 21.04.2017	2,03,490	0.23	67,01,577	7.60
	Sale of Shares on 28.04.2017	1,16,150	0.13	65,85,427	7.47
	Sale of Shares on 05.05.2017	1,38,607	0.16	6,446,820	7.31
	Sale of Shares on 12.05.2017	1,14,865	0.13	63,31,955	7.18
	Sale of Shares on 19.05.2017	2,01,332	0.23	61,30,623	6.95
	Sale of Shares on 26.05.2017	22,434	0.03	61,08,189	6.92
	Sale of Shares on 02.06.2017	38,355	0.04	60,69,834	6.88
	Sale of Shares on 09.06.2017	51,517	0.06	60,183,17	6.82
	Sale of Shares on 16.06.2017	18,317	0.02	60,00,000	6.80
	Sale of Shares on 18.08.2017	5,00,000	0.56	55,00,000	6.24
	Sale of Shares on 25.08.2017	2,00,000	0.23	53,00,000	6.01
	Sale of Shares on 01.09.2017	2,09,784	0.24	50,90,216	5.77
	Sale of Shares on 08.09.2017	1,96,415	0.22	48,93,801	5.55
	Sale of Shares on 15.09.2017	2,42,889	0.28	46,50,912	5.27
	Sale of Shares on 22.09.2017	1,50,912	0.17	45,00,000	5.10
	Sale of Shares on 10.11.2017	27,946	0.03	44,72,054	5.07
	Sale of Shares on 17.11.2017	72,054	0.08	44,00,000	4.99
	Sale of Shares on 08.12.2017	62,671	0.07	43,37,329	4.92
	Sale of Shares on 15.12.2017	2,12,261	0.24	41,25,068	4.68
	Sale of Shares on 22.12.2017	1,25,068	0.14	40,00,000	4.53
	Sale of Shares on 12.01.2018	63,673	0.07	39,36,327	4.46
	Sale of Shares on 19.01.2018	95,162	0.11	38,41,165	4.35
	Sale of Shares on 26.01.2018	2,43,227	0.28	35,97,938	4.08
	Sale of Shares on 02.02.2018	1,81,359	0.21	34,16,579	3.87
	Sale of Shares on 09.02.2018	4,16,579	0.47	30,00,000	3.40
	Sale of Shares on 16.02.2018	28,940	0.03	29,71,060	3.37
	Sale of Shares on 23.02.2018	48,646	0.06	29,22,414	3.31
	Sale of Shares on 02.03.2018	1,01,204	0.11	28,21,210	3.20
	Sale of Shares on 09.03.2018	2,24,231	0.25	25,96,979	2.94
	Sale of Shares on 16.03.2018	1,32,669	0.15	24,64,310	2.79
	Sale of Shares on 23.03.2018	52,894	0.06	24,11,416	2.73
	Sale of Shares on 30.03.2018	26,513	0.03	23,84,903	2.70
	At the end of the year (or on the date of separation, if separated during the year)	-	-	23,84,903	2.70
2	**ICICI Lombard General Insurance Company Ltd**				
	At the beginning of the year	20,80,211	2.36	20,80,211	2.36
	Sale of Shares on 28.04.2017	1,83,227	0.21	18,96,984	2.15
	Sale of Shares on 05.05.2017	3,70,976	0.42	15,26,008	1.73
	Sale of Shares on 12.05.2017	3,50,790	0.40	11,75,218	1.33
	Sale of Shares on 19.05.2017	1,12,863	0.13	10,62,355	1.20
	Sale of Shares on 26.05.2017	93,024	0.11	9,69,331	1.10
	Sale of Shares on 07.07.2017	2,71,300	0.31	6,98,031	0.79
	Sale of Shares on 14.07.2017	89,500	0.10	6,08,531	0.69
	Sale of Shares on 21.07.2017	3,92,100	0.45	2,16,431	0.25
	Sale of Shares on 28.07.2017	2,16,431	0.25	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	-	-	0	0.00

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3.	**ICICI Prudential Life Insurance Company Ltd**				
	At the beginning of the year	15,65,033	1.77	15,65,033	1.77
	Purchase of Shares on 07.04.2017	245	0.00	15,65,278	1.77
	Purchase of Shares on 14.04.2017	598	0.00	15,65,876	1.78
	Purchase of Shares on 21.04.2017	133	0.00	15,66,009	1.78
	Purchase of Shares on 28.04.2017	45	0.00	15,66,054	1.78
	Purchase of Shares on 12.05.2017	249	0.00	15,66,303	1.78
	Purchase of Shares on 19.05.2017	142	0.00	15,66,445	1.78
	Purchase of Shares on 26.05.2017	123	0.00	15,66,568	1.78
	Purchase of Shares on 02.06.2017	363	0.00	15,66,931	1.78
	Sale of Shares on 09.06.2017	524	0.00	15,66,407	1.78
	Purchase of Shares on 16.06.2017	15,701	0.01	15,82,108	1.79
	Purchase of Shares on 23.06.2017	11,328	0.01	15,93,436	1.81
	Purchase of Shares on 30.06.2017	9,920	0.01	16,03,356	1.82
	Purchase of Shares on 07.07.2017	13,961	0.02	16,17,317	1.83
	Purchase of Shares on 14.07.2017	4,226	0.00	16,21,543	1.84
	Purchase of Shares on 21.07.2017	6,451	0.01	16,27,994	1.85
	Purchase of Shares on 28.07.2017	2,44,810	0.28	18,72,804	2.12
	Purchase of Shares on 04.08.2017	35,219	0.04	19,08,023	2.16
	Purchase of Shares on 11.08.2017	6,960	0.01	19,14,983	2.17
	Purchase of Shares on 18.08.2017	2,49,365	0.28	21,64,348	2.45
	Purchase of Shares on 25.08.2017	10,70,575	1.21	32,34,923	3.67
	Purchase of Shares on 01.09.2017	19,107	0.02	32,54,030	3.69
	Purchase of Shares on 08.09.2017	1,05,021	0.12	33,59,051	3.81
	Purchase of Shares on 15.09.2017	50,394	0.06	34,09,445	3.87
	Purchase of Shares on 22.09.2017	72,074	0.08	34,81,519	3.95
	Purchase of Shares on 29.09.2017	25,173	0.03	35,06,692	3.98
	Sale of Shares on 06.10.2017	3,36,781	0.38	31,69,911	3.59
	Purchase of Shares on 13.10.2017	3,86,380	0.44	35,56,291	4.03
	Purchase of Shares on 20.10.2017	1,343	0.00	35,57,634	4.03
	Purchase of Shares on 27.10.2017	3,754	0.00	35,61,388	4.04
	Purchase of Shares on 31.10.2017	2,522	0.00	35,63,910	4.04
	Purchase of Shares on 03.11.2017	2,889	0.00	35,66,799	4.04
	Purchase of Shares on 10.11.2017	5,107	0.00	35,71,906	4.05
	Purchase of Shares on 01.12.2017	5,145	0.00	35,77,051	4.06
	Purchase of Shares on 08.12.2017	8,485	0.01	35,85,536	4.07
	Purchase of Shares on 15.12.2017	6,580	0.01	35,92,116	4.07
	Purchase of Shares on 22.12.2017	11,639	0.01	36,03,755	4.09
	Purchase of Shares on 29.12.2017	3,990	0.00	36,07,745	4.09
	Purchase of Shares on 05.01.2018	9,420	0.01	36,17,165	4.10
	Purchase of Shares on 12.01.2018	1,462	0.00	36,18,627	4.10
	Purchase of Shares on 19.01.2018	95,521	0.11	37,14,148	4.21
	Purchase of Shares on 26.01.2018	2,503	0.00	37,16,651	4.21
	Purchase of Shares on 02.02.2018	5,674	0.01	37,22,325	4.22
	Purchase of Shares on 09.02.2018	1,00,026	0.11	38,22,351	4.33
	Purchase of Shares on 16.02.2018	1,910	0.00	38,24,261	4.34
	Purchase of Shares on 23.02.2018	3,945	0.00	38,28,206	4.34
	Purchase of Shares on 09.03.2018	9,371	0.01	38,37,577	4.35
	Purchase of Shares on 16.03.2018	620	0.00	38,38,197	4.35
	At the end of the year (or on the date of separation, if separated during the year)	-	-	38,38,197	4.35
4.	**Fidelity Northstar Fund**				
	At the beginning of the year	11,00,000	1.25	11,00,000	1.25

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Sale of Shares on 19.05.2017	14,068	0.01	10,85,932	1.23
	Sale of Shares on 26.05.2017	3,778	0.00	10,82,154	1.23
	Sale of Shares on 02.06.2017	6,918	0.01	10,75,236	1.22
	Sale of Shares on 09.06.2017	10,772	0.01	10,64,464	1.21
	Sale of Shares on 16.06.2017	64,464	0.07	10,00,000	1.13
	Sale of Shares on 01.09.2017	21,725	0.02	9,78,275	1.11
	Sale of Shares on 08.09.2017	37,749	0.04	9,40,526	1.07
	Sale of Shares on 15.09.2017	64,110	0.07	8,76,416	0.99
	Sale of Shares on 22.09.2017	76,416	0.09	8,00,000	0.91
	Sale of Shares on 10.01.2017	98933	0.11	7,01,067	0.79
	Sale of Shares on 17.11.2017	30,397	0.03	6,70,670	0.76
	Sale of Shares on 24.11.2017	1,64,546	0.19	5,06,124	0.57
	Sale of Shares on 01.12.2017	56,909	0.06	4,49,215	0.51
	Sale of Shares on 08.12.2017	52907	0.06	3,96,308	0.45
	Sale of Shares on 15.12.2017	20,002	0.02	3,76,306	0.43
	Sale of Shares on 22.12.2017	1,15,916	0.13	2,60,390	0.30
	Sale of Shares on 29.12.2017	2,60,390	0.30	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)			0	0.00
5.	**Dimensional Emerging Markets Value Fund**				
	At the beginning of the year	6,37,792	0.72	6,37,792	0.72
	Sale of Shares on 07.04.2017	6,728	0.01	6,31,064	0.72
	Sale of Shares on 28.04.2017	14,142	0.02	6,16,922	0.70
	Sale of Shares on 05.05.2017	10,940	0.01	6,05,982	0.69
	Sale of Shares on 12.05.2017	15,741	0.02	5,90,241	0.67
	Sale of Shares on 19.05.2017	20,126	0.02	5,70,115	0.65
	Sale of Shares on 26.05.2017	20,748	0.02	5,49,367	0.62
	Sale of Shares on 30.06.2017	7,033	0.01	5,42,334	0.61
	Sale of Shares on 07.07.2017	4,163	0.00	5,38,171	0.61
	Sale of Shares on 14.07.2017	4,308	0.00	5,33,863	0.61
	Sale of Shares on 21.07.2017	9,439	0.01	5,24,424	0.59
	Sale of Shares on 29.09.2017	4,437	0.01	5,19,987	0.59
	Sale of Shares on 06.10.2017	10,178	0.01	5,09,809	0.58
	Sale of Shares on 09.02.2018	8,737	0.01	5,01,072	0.57
	Sale of Shares on 16.02.2018	2,831	0.00	4,98,241	0.56
	Sale of Shares on 02.03.2018	11,320	0.01	4,86,921	0.55
	Sale of Shares on 30.03.2018	3,545	0.00	4,83,376	0.55
	At the end of the year (or on the date of separation, if separated during the year)	-	-	4,83,376	0.55
6.	**Runner Marketing Pvt. Ltd.**				
	At the beginning of the year	3,00,000	0.34	3,00,000	0.34
	Purchase of Shares on 19.05.2017	3,00,000	0.34	6,00,000	0.68
	At the end of the year (or on the date of separation, if separated during the year)	-	-	6,00,000	0.68
7.	**BNP Paribas MID CAP FUND**				
	At the beginning of the year	5,70,136	0.65	5,70,136	0.65
	Purchase of Shares on 21.04.2017	23,700	0.03	5,93,836	0.67
	Sale of Shares on 28.04.2017	28,000	0.03	5,65,836	0.64
	Purchase of Shares on 12.05.2017	28,500	0.03	5,94,336	0.67
	Purchase of Shares on 19.05.2017	25,000	0.03	6,19,336	0.70
	Purchase of Shares on 26.05.2017	9,400	0.01	6,28,736	0.71
	Purchase of Shares on 14.07.2017	35,000	0.04	6,63,736	0.75
	Purchase of Shares on 21.07.2017	10,000	0.01	6,73,736	0.76

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Sale of Shares on 28.07.2017	15,000	0.02	6,58,736	0.75
	Purchase of Shares on 11.08.2017	10,000	0.01	6,68,736	0.76
	Sale of Shares on 18.08.2017	10,000	0.01	6,58,736	0.75
	Sale of Shares on 06.10.2017	24,000	0.03	6,34,736	0.72
	Sale of Shares on 13.10.2017	33,500	0.04	6,01,236	0.68
	Purchase of Shares on 10.11.2017	21,375	0.02	6,22,611	0.71
	Purchase of Shares on 17.11.2017	17,500	0.02	6,40,111	0.73
	Purchase of Shares on 24.11.2017	20,000	0.02	6,60,111	0.75
	Purchase of Shares on 19.01.2017	10,000	0.01	6,70,111	0.76
	Purchase of Shares on 23.02.2017	11,240	0.01	6,81,351	0.77
	At the end of the year (or on the date of separation, if separated during the year)			6,81,351	0.77
8.	**UNION BANK OF INDIA**				
	At the beginning of the year	0.00	0.0	0.00	0.0
	Purchase of Shares on26.05.2017	31,209	0.04	31,209	0.04
	Purchase of Shares on 02.06.2017	1,03,215	0.12	1,34,424	0.15
	Purchase of Shares on 09.06.2017	51,822	0.06	1,86,246	0.21
	Purchase of Shares on 16.06.2017	72,385	0.08	2,58,631	0.29
	Purchase of Shares on 23.06.2017	28,621	0.03	2,87,252	0.33
	Purchase of Shares on 30.06.2017	85,377	0.10	3,72,629	0.42
	Purchase of Shares on 07.07.2017	6,893	0.01	3,79,522	0.43
	Purchase of Shares on 21.07.2017	30,252	0.03	4,09,774	0.46
	Sale of Shares on 28.07.2017	30,000	0.03	3,79,774	0.43
	Purchase of Shares on 04.08.2017	20,000	0.02	3,99,774	0.45
	Purchase of Shares on 18.08.2017	46,497	0.05	4,46,271	0.51
	Purchase of Shares on 22.09.2017	1,00,156	0.11	5,46,427	0.62
	Purchase of Shares on 10.11.2017	32,000	0.04	5,78,427	0.66
	Sale of Shares on 17.11.2017	73,642	0.08	5,04,785	0.57
	Sale of Shares on 24.11.2017	77,132	0.09	4,27,653	0.48
	Sale of Shares on 01.12.2017	29,140	0.03	3,98,513	0.45
	Sale of Shares on 08.12.2017	64,847	0.07	3,33,666	0.38
	Sale of Shares on 15.12.2017	14,053	0.02	3,19,613	0.36
	Purchase of Shares on 22.12.2017	30,462	0.03	3,50,075	0.40
	Purchase of Shares on 19.01.2018	51,328	0.06	4,01,403	0.46
	Purchase of Shares on 26.01.2018	1,65,885	0.19	5,67,288	0.64
	At the end of the year (or on the date of separation, if separated during the year)			5,67,288	0.64
9.	**General Insurance Corporation of India**				
	At the beginning of the year	5,00,151	0.57	5,00,151	0.57
	At the end of the year (or on the date of separation, if separated during the year)	-	-	5,00,151	0.57
10.	**Vibgyor Investors And Developers Pvt. Ltd.**				
	At the beginning of the year	3,00,000	0.34	3,00,000	0.34
	Purchase of Shares on 19.05.2017	1,00,000	0.01	4,00,000	0.45
	Purchase of Shares on 13.10.2017	1,00,000	0.01	5,00,000	0.57
	At the end of the year (or on the date of separation, if separated during the year)	-	-	5,00,000	0.57

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	**Sailesh C Mehta**				
	At the beginning of the year	1,506	0.00	1,506	0.00
	At the end of the year	-	-	1,506	0.00
2.	**Partha Bhattacharyya**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
3.	**R A Shah**				
	At the beginning of the year	37,800	0.04	37,800	0.04
	At the end of the year	-	-	37,800	0.04
4.	**D Basu**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
5.	**N C Singhal**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
6.	**U P Jhaveri**				
	At the beginning of the year	900	0.00	900	0.00
	At the end of the year	-	-	900	0.00
7.	**S R Wadhwa**				
	At the beginning of the year	1,000	0.001	1,000	0.001
	At the end of the year	-	-	1,000	0.001
8.	**Dr. S. Rama Iyer**				
	At the beginning of the year	15,000	0.02	15,000	0.02
	Sold during the year	15,000	0.02	0	0.00
	At the end of the year	-	-	0	0.00
9.	**Parul Sailesh Mehta**				
	At the beginning of the year	1,226	0.00	1,226	0.00
	At the end of the year	-	-	1,226	0.00
10.	**Anil Sachdev**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
11.	**Pranay Vakil**				
	At the beginning of the year	4,475	0.005	4,475	0.005
	At the end of the year	-	-	4,475	0.005
12.	**Madhumilan P. Shinde**				
	At the beginning of the year	350	0.00	350	0.00
	Purchase of Shares on 08.12.2017	150	0.00	500	0.00
	At the end of the year	-	-	500	0.00
13.	**Anil Singhvi**				
	At the beginning of the year	0	0.00	0	0.00
	Purchase on 26.05.2017	35,000	0.04	35,000	0.04
	At the end of the year	-	-	35,000	0.04
14.	**Mahesh Chhabria**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
15.	**A K Purwaha**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
16.	**Berjis Minoo Desai**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	
17.	**Vipin Agarwal**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
18.	**Amitabh Bhargava**				
	At the beginning of the year	-	-	-	-
	Purchase of Shares on 26.07.2017	2,950	0.00	2,950	0.00
	At the end of the year	-	-	2,950	0.00
19.	**K Subharaman**				
	At the beginning of the year	100	0.00	100	0.00
	Purchase of shares on 30.03.2018	400	0.00	400	0.00
	At the end of the year	-	-	500	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lacs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal Amount	68,416.11	64,478.09	-	132,894.20
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	540.03		-	540.03
Total (i+ii+iii)	68,956.14	64,478.09	-	133,434.23
Change in Indebtedness during the financial year				
• Addition	34,710.97	8,021.91	-	42,732.88
• Reduction	-39,138.99	-	-	-39,138.99
Net Change	-4,428.02	8,021.91	-	3,593.89
Indebtedness at the end of the financial year				
i) Principal Amount	64,323.49	72,500.00	-	136,823.49
ii) Interest due but not paid	0	0	-	0.00
iii) Interest accrued but not due	204.63	0	-	204.63
Total (i+ii+iii)	**64,528.12**	**72,500.00**	**-**	**137,028.12**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole-time Directors and/ or Manager

Sr No	Particulars of Remuneration	Name of Chairman & Managing Director	Total Amount
		Shri S.C. Mehta	
1	Gross Salary		
	(a) Salary as per provisions contained section 17(1) of the Income Tax Act, 1961		2,54,87,769
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		62,66,891
	(c) Profits in lieu of salary under section 17 (3) of income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission*		8,72,90,000
	-as % of profit		
	-Others, specify		
5	Others, Please specify (PF and Superannuation)		26,70,000
	Total (A)		**12,17,14,660**
	Ceiling as per the Act		**6,56,45,000**

* Commission calculated on profit of Financial Year 2016-17 but paid in Financial Year 2017-18.

Remuneration paid to Managing Director is within the limits as provided under Section 197 of the Companies Act, 2013

B. Remuneration to other Directors

Sr No	Particulars of Remuneration	Name of Directors				Total Amount
1.	**Independent Director**	**Shri D Basu**	**Shri U P Jhaveri**	**Dr S Rama Iyer**	**Shri Pranay Vakil**	
	Sitting Fees	50,000	6,20,000	90,000	8,90,000	16,50,000
	Commission*	25,00,000	9,50,000	13,00,000	10,00,000	57,50,000
	Total (1)	**25,50,000**	**15,70,000**	**13,90,000**	**18,90,000**	**74,00,000**
	Independent Director	**Shri N C Singhal**	**Shri S R Wadhwa**	**Shri Anil Sachdev**	**Shri Ashok Kumar Purwaha**	**Total Amount**
	Sitting Fees	90,000	8,70,000	4,20,000	2,80,000	16,60,000
	Commission*	13,00,000	12,50,000	10,00,000		35,50,000
	Total (1)	**13,90,000**	**21,20,000**	**14,20,000**	**2,80,000**	**52,10,000**
	Independent Director	**Shri Anil Singhvi**	**Shri Mahesh R Chhabaria**			**Total Amount**
	Sitting Fees	2,00,000	4,90,000			6,90,000
	Commission*					0
	Total (1)	**2,00,000**	**4,90,000**			**6,90,000**
2.	**Other Non-Excecutive Director**	**Smt. Parul Mehta**	**Shri Partha Sarthi Bhattacharyya**	**Shri R A Shah**	**Shri Barjis Desai**	**Total Amount**
	Sitting Fees	3,80,000	3,40,000	4,40,000	2,00,000	13,60,000
	Commission*	5,75,000	9,50,000	7,25,000		22,50,000
	Total (2)	**9,55,000**	**12,90,000**	**11,65,000**	**2,00,000**	**36,10,000**
	Other Non-Excecutive Director	**Shri Madhumilan P Shinde**				**Total Amount**
	Sitting Fees	4,30,000				4,30,000
	Commission*	2,50,000				2,50,000
	Total (2)	**6,80,000**				**6,80,000**
	Total (B)=(1+2)					**1,75,90,000**
	Total Managerial Reunueration (A+B)$					13,93,04,660
	Overall Ceiling as per the Act #					**7,87,74,000**

* Commission relates to Financial Year 2016-17 but paid in Financial Year 2017-18

$ Total remuneration to Chairman and Managing Director and other Directors (being the total of A and B)

Remuneration paid to Managing Director and other Directors are within the limits as provided under Section 197 of the Companies Act, 2013

C Remuneration to Key Managerial Personeel other than MD/ Manager/ WTD

Sr No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Chief Financial Officer	**Chief Financial Officer**	**Company Secretary**	
		Vipin Agarwal (KMP upto 1st November, 2017)	**Amitabh Bhargava (KMP w.e.f. 2nd November, 2017)**	**K. Subharaman**	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1)of the Income Tax Act, 1961	91,31,308	72,07,462	65,75,554	2,29,14,324
	(b) Value of Perquisite	1,00,633	38,490	64,940	2,04,063
	(c) Profits in lieu of salary under section 17 (3) of income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission	-	-	-	
	-as % of profit				
	-Others, specify				
5	Others, Please specify (PF and Superannuation)	4,72,314	3,68,088	1,68,575	10,08,977
	Total	**97,04,256**	**76,14,039**	**68,09,069**	**2,41,27,364**

* Resigned as Chief Financial Officer w.e.f. 2nd November, 2017

#Appointed as Chief Financial Officer w.e.f. 2nd November, 2017

VII. Penalties / Punishment/ Compounding of Offences: NIL

ANNEXURE-6

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134(3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy:

1. For increasing concentration of WNA 3 plant, it is proposed to bypass extra 2 MT/hr saturated steam from Steam drum to CNA plant, which result in maintaining steam drum pressure as per PFD value. This modification will improve compressor RPM and concentration of WNA 3 plant. Proposed modification is expected to give ₹ 33 lakhs per annum saving for 0.2% increase in concentration of WNA & increase in production of 2 MT/day.
2. Above ground fire water piping of around 1.5 KM is under progress for methanol and IPA plant. This will help to minimize existing underground fire water line water leakages. This will reduce the water wastage and less power involved in maintaining the fire water system. Total saving is expected to be ₹ 44 lakhs per annum (₹ 34 lacs for water savings + ₹ 8 lacs for jockey pump power saving + ₹ 2 lacs for repair cost).
3. Changing drive of one fire water pump from diesel engine to electric motor to minimize diesel engine maintenance cost is under progress. Maintenance cost saving of ₹ 0.625 lacs also reliability improvement & legal requirement of Tariff Advisory Committee.
4. In IPA plant column installed & commissioned for the recovery of organic from effluent stream. This has helped to reduce the organic effluent load on ETP & also recover the organics.
5. In CNA 1 plant, Column ceramic packing replaced, which improved nitric acid concentration, acidity in waste water stream and steam consumption. It increased 30 MT/day of CNA production which is about 3.96 Cr per annum.

(ii) The steps taken by the Company for utilizing alternate sources of energy

No major investment planned.

(iii) The capital investment on energy conservation equipment

K-1 complex-DCS systems of various plants to be Integrated at one common location and integrating with SAP system for getting production Dashboards, Advance soft modules for process analytics and Energy management system.

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

All the plants technologies have been fully absorbed and are being operated efficiently in K1 – complex.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

The qualities of products are globally accepted.

(iii) The expenditure incurred on Research and Development

Sr. No	Description	Expenditure (in ₹)
1.	EGNA (Electronic grade Nitric acid)	~ 60.0 lacs
2.	DIPE (Di-Isopropyl Ether)	~150.0 lacs
3.	Pharma Intermediate product	~ 10.0 lacs

Details of the products on which expenditure is incurred;

1. DIPE (Value addition to IPA plant)– Established purification process for Di-Isopropyl ether (DIPE) with required yield & purity at R&D scale. After requisite results from R & D Trial, the Special project team at K1 aims to set up commercial purification plant. A design firm is involved for establishing Pilot batches for scale up and sizing of equipment and being leading supplier for glass lined equipment and having owned Sulfuric acid purification Technology. Project schedule for Commercial Plant is last quarter of FY 2019-20. Commercial Grade DIPE throughput from the proposed plant will be ~1200 TPA. The current Market Potential is ~3000-4000 TPA based on prevailing Imports mainly from China, Taiwan etc.

Though the commercial plant is expected in last quarter of FY 2019-20, The team is also working on outsource facility whereby Commercial grade DIPE will be brought to market in FY 18-19. With positive contribution expected to the tune of ₹ 9.0 Crore, a detailed techno-commercial study is being carried out.

2. EGNA (Electronic Grade Nitric Acid, Value addition to Nitric Acid Basket)- Process & Quality established in lab scale suitable for Electronic grade industry applications. Pilot plant setup is ready and first commercial Batch is expected at plant level by 1st Week of July 2018 and a sample consignment is expected by End of July 2018.

3. Intermediate product for Pharmaceutical Industry as a Import Substitute established in R&D at Kg Basis (Pilot Plant). Product approved by customer. Plant scale detailing and Business case proposal is in progress.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Details with respect to foreign exchange earnings and outgo are as under:

EARNING IN FOREIGN CURRENCY ₹ in Lacs

	31st March, 2018	31st March, 2017
Export of goods (on FOB basis)	3,830.55	11,688.62
Other Income	595.17	1,124.59
Total	**4,425.72**	**12,813.21**

EXPENDITURE IN FOREIGN CURRENCY ₹ in Lacs

	31st March, 2018	31st March, 2017
Interest and repayment of Loans	482.59	705.32
Technical fees to Foreign Vendors	11.15	1,612.23
Foreign Travels	57.02	35.21
Others (Net of Reimbursements)	4,128.47	4,236.00
Total	**4,679.24**	**6,588.76**

For and on behalf of the Board of Directors,

Mumbai
Dated 30th May, 2018

S. C. MEHTA
Chairman & Managing Director

ANNEXURE-7

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company:L24121MH1979PLC021360
2. Name of the Company: Deepak Fertilisers And Petrochemicals Corporation Limited
3. Registered Address:
   Opp. Golf Course, Shastri nagar,
   Yerawada, Pune- 411006
4. Website:www.dfpcl.com
5. E-mail:investorsgrievance@dfpcl.com
6. Financial Year Period: 2017 -2018
7. Sector(s) that company is engaged in (industrial activity code-wise):
   Industrial Chemicals
8. List three key products/services that the Company manufactures/ provides (as in balance sheet):
   (i) Iso Propyl Alcohol (IPA)
   (ii) Nitric Acid
   (iii) Methenol
9. Total number of locations where business activity is undertaken by the Company:
   a) Number of locations: 5
      1. Registered Office: Opposite Golf course, Shastrinagar, Yearawada, Pune- 411006
      2. Corporate Office: Sai Hira, Survey No. 93, Mundhwa, Pune- 411036
      3. MIDC Industrial Area, Taloja, Maharashtra

      Plants of Subsidiary:

      4. Village Ponnada, Etchelra Mandalam, Srikakulam, Andra Pradesh - 532408
      5. Plot No. 47, HSIIDC, Industrial Estate, Refinary Road, Panipat, Haryana - 132 140
10. Markets served by the Company (Local / State / National / International): **National and International**

Section B: Financial Details of the Company

1. Paid up Capital: ₹ **88.20 Crore**
2. Total Turnover: ₹ **3280.89 Crore (including other non-operating income)**
3. Total Profit after Taxes : ₹ **112.89 Crore**
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

   Please refer to the CSR Report
5. List of activities in which expenditure in 4 above has been incurred:

   Please refer to the CSR Report

Section C: Other Details

1. **Does the Company have any Subsidiary Company / Companies?**

   Yes.

2. Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).

Yes, the Subsidiary Company viz. Smartchem Technologies Limited has commenced participating in Business Responsibility activities of the Company.

3. Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]

Business responsibility related activities are limited to its own business of the Company.

Section D: Business Responsibility Information

1. (a) Details of Director / Directors responsible for the implementation of Business Responsibility Policy :

DIN	00128204
Name	S.C.Mehta
Designation	Chairman and Managing Director

(b) Details of Business Responsibility Head:

DIN	Not Applicable
Name	Amitabh Bhargava
Designation	Chief Financial Officer
Phone	020- 66458000
Email Id	amitabh.bhargava@dfpcl.com

2. Principle wise BR policies: Included in this report

3. Governance related to BR: Included in this report

Section E:

Principle wise Performance : Included in this report :

Preface:

As per the Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and circulars issued by SEBI, annual report of top 500 listed entities based on market capitalization calculated as on March 31 of every year shall contain, Business Responsibility Report (BRR) describing the initiatives taken by them from an environmental, social and governance perspective.

The business responsibility reporting requirement is in line with “National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business” notified by Ministry of Corporate Affairs, Government of India, in July 2011.

Principle wise BR Policies

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

DFPCL is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has in place the Code of Conduct (“Code”) for its Directors and Senior Management Personnel and their confirmations to the Code is obtained by the Company on periodical basis. No Complaints linked to the Code of Conduct adherence were received in the reporting year.

This Policy is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. The objective is to encourage the highest standards of ethical conduct, transparency and accountability while dealing with the stakeholders.

DFPCL has put in place a Whistle Blower Policy, which lays down the process to report any unethical behaviour or violation of the Code of Conduct. Employees can report to the Management any instances of unethical behaviour, or suspected fraud or violation of the Code of Conduct or ethics policy. Adequate measures are in place to ensure safeguards against victimisation for employees who report any unethical behaviour.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

DFPCL believes that aligning business actions with sustainability goals ensures a long term growth for the Company. DFPCL is committed to make use of environment friendly and cost effective technology/process to reduce energy intensity, toxicity and waste. It also always strives to make the products which are safe for use. Energy consumption is constantly monitored at the plants with a view to achieve overall reduction in its use. The processes are also reviewed and modified so as to reduce the requirement of water from time to time.

Principle 3: Businesses should promote the well-being of all employees

DFPCL is committed to professional development and growth of employees through selecting the right candidate for right job, monitoring performance for optimum utilization of their potential, providing growth opportunities and inculcating the culture of mutual faith and accountability. DFPCL is also committed to the holistic growth of employees by motivating them to perform at the peak of their potential by imparting necessary guidance and training at all levels and providing them with opportunities for enhancing their knowledge and honing their skills.

The policies and procedures in the Company are aligned to meet employees' well-being, diversity, non-discrimination, safety and health so as to have a healthy, cordial and harmonious relationships and value enhancement at all levels.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

DFPCL remain deeply concerned about the healthy engagement with its various stakeholders like employees, suppliers, stockists, dealers, customers, shareholders / investors, communities surrounding the operations and government / regulatory authorities. The Company continues its engagement with them through various mechanisms such as supplier/vendor meets, customer/employee satisfaction surveys, investor forums, consultations with local communities etc. The Company endevours to encourage there is no discrimination against socially disadvantaged sections in the work place. The Company makes best efforts to balance between needs of multiple stakeholders in the best possible manner.

Principle 5: Businesses should respect and promote human rights

DFPCL believes that human rights are fundamental, inherent, universal, indivisible and interdependent in nature and hence, continuously strive to balance the employees' basic human rights as a part of its holistic concern for all its stakeholders.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

DFPCL is committed to safety and preservation of environment and also believes in conservation of natural resources and minimizing hazardous impact on the ecological environment. The Company always believes in using natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste. The Company shall continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

DFPCL believes that to protect overall interest of its business and the diverse stakeholders, the Company has to express its fair views, opinions, representations, concerns etc on the policies framed by the competent authorities. The Company, may either itself or through various association/forums/chambers make such representations etc. before the competent authorities. The Company's engagement with the relevant association/forums/chambers etc. is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders.

Principle 8: Businesses should support inclusive growth and equitable development

DFPCL's philosophy for delineating its responsibility as a corporate citizen is covered through its CSR policy which encompasses guidelines and mechanism for undertaking socially relevant programs for welfare and sustainable development of the community at large.

The Company has in place a Corporate Social Responsibility Policy framed as per the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 and is carrying out various CSR Activities in accordance with the Schedule VII of the Companies Act, 2013.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Customers are one of the most important stakeholders. The foundation of the Company is based on the trust, satisfaction and loyalty of our consumers across the world. The Company continuously strives to make available its products that are safe and competitively priced for the benefits of its customers / end users. The Company actively interacts with its customers through a variety of platforms such as dealers meet.

Corporate Governance

The Company firmly believes that business is built on ethical values and principles of transparency. Good Governance is an essential ingredient of any business, a way of life rather than a mere legal compulsion. The Company's philosophy of good Corporate Governance aims at establishing a system which will assist the management to fulfill its corporate objectives as well as to serve the best interest of the stakeholders at large viz. Shareholders, Customers, Employees, Society, Suppliers, Lenders etc.

BOARD OF DIRECTORS

Composition and Category of Directors as on 31st March, 2018

Sr. No.	Category	Name of Director	
I.	Promoter and Executive Director	Shri S. C. Mehta, Chairman & Managing Director	
	Promoter and Non-Executive Director	Smt. Parul S. Mehta	
	Non Executive & Non Independent Directors	Shri R. A. Shah Shri Partha Sarathi Bhattacharyya Shri M. P. Shinde	
II.	Independent Directors	Shri U. P. Jhaveri Shri S. R. Wadhwa Shri Pranay Vakil Shri Anil Sachdev	Shri Ashok Purwaha Shri Mahesh Chhabria Shri Berjis Desai Shri Anil Singhvi

Attendance of Directors at the Meetings of Board of Directors held during the Financial Year 2017-18 and the Annual General Meeting (AGM) held on 21st September, 2017 are as follows:

Eight Board Meetings were held during the Financial Year 2017-18. These meetings were held on 6th April, 2017, 8th May, 2017, 30th June, 2017, 10th August, 2017, 21st September, 2017 (adjourned to 22nd September, 2017), 2nd November, 2017, 8th February, 2018 and 28th March, 2018.

The record of attendance of Directors and Directorships of Public Limited Companies and Membership / Chairmanship of Board Committees:

Name of Director	No. of Board Meetings attended	Attendance at the AGM	No. of Directorships of other Companies $	No. of Membership of other Board Committees #	No. of Chairmanship of other Board Committees #
Shri S. C. Mehta	7	Yes	4	1	-
Shri Partha Sarathi Bhattacharyya	5	Yes	6	-	1
Shri D. Basu @	1	No	1	1	-
Shri N. C. Singhal@@	1	No	4	2	2
Shri U. P. Jhaveri	8	Yes	1	1	-
Shri S. R. Wadhwa	8	Yes	1	-	1
Smt. Parul S. Mehta	7	Yes	2	1	-
Dr. S. Rama Iyer @@@	1	No	1	1	0
Shri Anil Sachdev	5	Yes	1	-	-
Shri Pranay Vakil	7	Yes	2	2	-
Shri R. A. Shah	7	Yes	9	4	4
Shri M. P. Shinde	8	Yes	1	-	-
Shri Ashok Purwaha*	5	Yes	-	-	-
Shri Mahesh Chhabria*	5	Yes	4	1	-
Shri Berjis Desai*	4	Yes	9	4	2
Shri Anil Singhvi*	4	No	5	2	2

$ Excludes alternate directorships / directorships of private companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

Includes only Audit Committee and Stakeholders' Relationship Committee.

@ Resigned as a director w.e.f. 8th June 2017

@@ Resigned as a director w.e.f .7th May 2017

@@@ Resigned as a director w.e.f 2nd June 2017.

* Appointed as an Additional Director w.e.f. 7th July 2017

COMMITTEES OF BOARD OF DIRECTORS

AUDIT COMMITTEE

Brief description of terms of reference:

The terms of reference of Audit Committee is in accordance with Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and Section 177 of Companies Act, 2013 which, inter alia, includes to oversee the Company's financial reporting process, to review Directors' Responsibility Statement, changes, if any, in accounting policies and reasons for the same, qualifications in the draft audit report, performance and independence of statutory and internal auditors, reports of the Company's internal auditors, cost auditor and financial statements audited by the statutory auditors and also to review the information relating to Management Discussion and Analysis of financial statements and results of operations, statement of significant related party transactions and internal control systems.

- Constitution : Constituted By The Board Of Directors Of The Company At Its Meeting Held On 24th January, 2000.
- Composition, Names Of Members And Record of attendance during the year : Comprises of Independent Directors and details as provided under:

During the year, twelve Committee Meetings were held on 6th April, 2017, 8th May, 2017, 29th June, 2017, 24th July, 2017, 10th August, 2017, 22nd September, 2017, 2nd November, 2017, 18th December, 2017, 19th December, 2017, 8th February, 2018, 19th March, 2018 and 27th March, 2018. The attendance of the Members was as follows :

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Shri N. C. Singhal, Chairman*	1	1
Shri S. R. Wadhwa, Chairman#	12	12
Shri Pranay Vakil^	11	10
Shri U. P. Jhaveri^	4	4
Shri Mahesh Chhabria##	7	7
Dr. S. Rama Iyer**	2	1

* Shri N.C.Singhal has ceased to be the committee Chairman & member w.e.f .7th May 2017

** Dr. S.Rama Iyer has ceased to the committee member w.e.f. 2nd June 2017

\# Shri S.R.Wadhwa has been appointed as a Chairman of the Committee w.e.f 8th May 2017.

^ Shri Pranay Vakil and Shri.U.P.Jhaveri have been inducted as the Committee members w.e.f 8th May 2017 and Shri U. P. Jhaveri ceased to be the committee member w.e.f. 10th August, 2017

\## Shri Mahesh Chhabria has been appointed as the Member of the Committee w.e.f. 10th August 2017.

Besides the above, Chairman and Managing Director and CFO are permanent invitees to Audit Committee Meeting. The representatives of Statutory Auditor, Internal Auditor and Cost Auditor attend such meeting of the Audit Committee where matters concerning them are discussed at length.

The Chairman of the Audit Committee was present at the Annual General Meeting held on 21st September, 2017.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Brief description of terms of reference:

To specifically look into redressal of complaints related to transfer of shares, non-receipt of dividends, non-receipt of annual report, etc. received from shareholders and improve the efficiency in service to shareholders.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 22nd January, 2001.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

During the year, one Committee Meeting was held on 7th February, 2018. The attendance of the Members was as follows:

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Shri R. A. Shah, Chairman*	1	1
Shri Partha Sarathi Bhattacharyya*	1	1
Shri U. P. Jhaveri*	1	1

Shri D. Basu ceased to be the Chairman & member w.e.f 8th June 2017 and Shri S. C. Mehta and Shri S. R. Wadhwa ceased to be the member w.e.f 10th August 2017.

* Shri R. A. Shah was appointed as a Chairman and Shri Partha Sarathi Bhattacharyya and Shri U. P. Jhaveri were appointed as the Members of the Committee w.e.f. 10th August 2017

Details of complaints received during the financial year 2017-18 :

Nature of complaints	No. of complaints received	No. of complaints not solved to the satisfaction of shareholders	No. of pending complaints
Transfer of shares	2	Nil	Nil
Non-receipt of annual report	0	Nil	Nil
Non-receipt of dividend warrants	4	Nil	Nil
Issue of duplicate share certificate	1	Nil	Nil
Others (relates to non-receipt of shares, demat, change of address, Bank details, signature, correction of name etc)	11		Nil

NOMINATION AND REMUNERATION COMMITTEE

Brief description of terms of reference:

The terms of reference of Nomination and Remuneration Committee is in accordance with Section 178 of Companies Act, 2013 and Regulation 19 of SEBI(Listing Obligation and Disclosure Requirement) Regulations 2015 which, inter alia, includes to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board of Directors their appointment/removal and shall carry out evaluation of every director's performance and to formulate the criteria for determining qualifications, positive attributes and independence of directors and recommend to the Board of Directors policy relating to remuneration for the directors, key managerial personnel and other senior officials.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 31st July, 2014.
- Composition, Names of Members and record of attendance during the year : Comprises of Independent Directors and details as provided under :

During the year, Five Committee Meetings were held on 29th June, 2017, 9th August, 2017, 1st November, 2017, 3rd January, 2018 and 4th January, 2018. The attendance of the Members was as follows:

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Shri R. A. Shah, Chairman*	2	2
Shri Berjis Desai, Chairman**	3	0
Shri Pranay Vakil	5	5
Shri Anil Sachdev	5	4

Shri D. Basu ceased to be the Chairman of the Committee w.e.f 8th June 2017.

* Shri R. A. Shah was inducted as the Chairman of the Committee w.e.f.12th June 2017 and ceased to be the Chairman and member w.e.f 10th August 2017.

**Shri Berjis Desai was appointed as the Chairman of the Committee w.e.f 10th August 2017.

Shri S. C. Mehta ceased to be the committee member w.e.f. 12th June 2017.

Nomination and Remuneration Policy is available on the website of the Company www.dfpcl.com.

PROJECT & FUNDING COMMITTEE

Brief description of terms of reference:

The nomenclature of 'Project Committee' has been changed to Project & Funding Committee w.e.f. 10th August, 2017. The terms of reference of Project & Funding Committee, inter alia, includes, to evaluate periodically projects proposed to be taken up by the Company, to review ongoing projects, consider proposals for funding of the projects and recommend to the Board of Directors for consideration and approval of new projects.

- Constitution : Constituted by the Board of Directors of the Company with effect from 15th July, 2003.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

During the year, the Committee Meeting was held on 20th September, 2017. The attendance of the Members was as follows:

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Shri Partha Sarathi Bhattacharyya, Chairman*	1	1
Shri Ashok Purwaha**	1	1
Shri Anil Singhvi**	1	0

Shri D. Basu ceased to be the Committee Chairman and member w.e.f. 8th June 2017.
Shri N. C. Singhal ceased to be the committee member w.e.f. 7th May 2017
Dr. S. Rama Iyer ceased to be the Committee member w.e.f. 2nd June 2017.
Shri S. C. Mehta ceased to be the committee member w.e.f. 10th August 2017.
* Shri Partha Sarathi Bhattacharyya was appointed as the Chairman of the Committee w.e.f 10th August 2017
**Shri Ashok Kumar Parwaha and Shri Anil Singhvi were appointed as the member of the Committee w.e.f. 10th August 2017.

MANUFACTURING OPERATIONS REVIEW COMMITTEE

Brief description of terms of reference:

The terms of reference of Manufacturing Operations Review Committee, inter alia, includes, to periodically review factory operations, safety, hazard and pollution / emissions, to suggest initiatives for improving efficiencies and standards, to review internal audit reports pertaining to factory operations and to suggest corrective actions to take care of observations of the Internal Auditors.

- Constitution : Constituted by the Board of Directors of the Company with effect from 10th April, 2009.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

During the year, one Committee Meeting was held on 28th March, 2018. The attendance of the Members was as follows:

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Shri Partha Sarathi Bhattacharyya, Chairman*	1	1
Shri U. P. Jhaveri	1	1
Shri M. P. Shinde**	1	1

Dr. S. Rama Iyer ceased to be the committee member w.e.f. 2nd June 2017. Shri. S. C. Mehta ceased to be the committee member w.e.f. 10th August 2017.
*Shri Partha Sarathi Bhattacharyya was appointed as the Chairman of the Committee w.e.f 10th August 2017
**Shri M. P. Shinde was appointed as the member of the Committee w.e.f 10th August 2017.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Brief description of terms of reference:

The terms of reference of Corporate Social Responsibility Committee (CSR), inter alia, includes, formulation and recommendation to the Board of Directors, CSR Policy which shall indicate the activities to be undertaken by the Company as per the provisions of the Companies Act, 2013, approve and recommend to the Board of Directors the CSR budget for the activities referred in CSR Policy of the Company and monitor the mechanism for CSR projects or programes or activities undertaken by the Company and monitor the CSR Policy of the Company from time to time.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 21st March, 2014.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under:

During the year, one Committee Meetings was held on 27th March, 2018. The attendance of the Members was as follows:

Name of Director	No. of Meetings entitled to attend	No. of Meetings attended
Shri Pranay Vakil, Chairman	1	1
Smt. Parul Mehta	1	1
Shri S. R. Wadhwa	1	1

CSR Policy is available on the website of the Company www.dfpcl.com.

RISK MANAGEMENT COMMITTEE:

Brief description of terms of reference:

The terms of reference of Risk Management Committee, inter alia, includes, to assess risks in the operations of business units of the Company, to mitigate and minimise risks assessed in the operations of business units, periodic monitoring of risks in the operations of business units and other matters delegated to the Committee by Board of Directors of the Company from time to time.

- Constitution : Constituted by the Board of Directors of the Company at its meeting held on 4th November, 2014.
- Composition, Names of Members and record of attendance during the year : Comprises of Directors and details as provided under

Name of Director	Designation
Shri Mahesh Chhabria, Chairman*	Chairman
Shri M. P. Shinde*	Member
Shri U. P. Jhaveri*	Member

Shri S.R.Wadhwa ceased to tbe Chairman & member w.e.f. 10th August 2017 and Shri Partha Sarathi Bhattacharyya and Shri Vipin Agarwal ceased to be the member w.e.f. 10th August 2017.

*Shri Mahesh Chhabria was appointed as the Chairman and Shri M. P. Shinde and Shri U. P. Jhaveri were appointed as the members of the Committee w.e.f. 10th August 2017.

During the year, no meeting of the Committee was held.

Shri K. Subharaman, Executive Vice President (Legal) & Company Secretary acts as Secretary to all the Committees of the Board of Directors.

SHARE AND DEBENTURE TRANSFER COMMITTEE

The composition of the Share and Debenture Transfer Committee consists of a) Shri S.C. Mehta b) Smt. Parul S. Mehta c) Shri Amitabh Bhargava*; d) Shri K.Subharaman* and e) Shri Pranav Thakkar. The Committee has been constituted for considering the proposals of transfers, transmissions, transposition of names, issue of split, consolidated share certificates, rematerialisation of shares etc. During the year under review, 43 meetings of Share and Debenture Transfer Committee were held.

Shri Vipin Agarwal ceased to be the Committee member w.e.f. 31st January 2018.

* Shri Amitabh Bhargava and Shri K. Subharaman were inducted as the committee members w.e.f 28th March 2018.

Shri Amitabh Bhargava, Shri K. Subharaman and Shri Pranav Thakkar are not directors of the Company but are members of the Committtee.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, the Board has carried out the annual performance evaluation of the Chairman, Individual Directors, Board as well as its Committees for FY 2017-18. The Board at its Meeting held on 30th May, 2018, reviewed the reports on performance assessment of the Board, its Committees and individual directors.

The evaluation framework for assessing the performance of Chairman, Directors, Board as well as its Committees comprises, inter-alia, of the following criteria:

i. Directors bring an independent judgment on the Board's discussions utilizing their knowledge and experience especially on issues related to strategy, operational performance and risk management.

ii. Directors demonstrate awareness and concerns about norms relating to Corporate Governance, disclosure and legal compliances.

iii. Directors contribute new ideas/insights on business issues raised by Management.

iv. Directors anticipate and facilitate deliberations on new issues that Management and the Board should consider.

v. The Board / Committee meetings are conducted in a manner which facilitates open discussions and robust debate on all key items of the agenda.

vi. The Board receives adequate and timely information to enable discussions/ decision making during Board meetings.

vii. The Board addresses interests of all stakeholders of the Company.

viii. The Committee is delivering on the defined objectives.

ix. The Committee has the right composition to deliver its objectives.

Performance evaluation criteria for independent directors: Performance evaluation of independent directors is based on attendance in board and committee meetings, time devoted for the Company, contribution in the Board Processes and discussions and such other criteria as may be considered by the Committee from time tom time.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on 28th March, 2018 inter alia, to discuss:

1. The performance of Non-Independent Directors and the Board as a whole.
2. The performance of Executive Directors.
3. The quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors except Shri Anil Singhvi and Shri Berjis Desai were present at the Meeting.

FAMILIARISATION PROGRAMME FOR DIRECTORS

The Directors (Independent and Non-Independent) interact with Senior Management Personnel and are provided with all the information sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a constituent.

The role, rights, duties and responsibilities of Independent Directors have been incorporated in the Letters of Appointment issued to them. The amendments / updates in statutory provisions are informed from time to time.

The information with respect to the nature of industry in which the Company operates and business model of the Company, is made known through various presentations on operational performance, strategy, budgets and business forecasts, etc. to the Board of Directors.

The Company has a practice of having an Annual Strategy Meeting where all Board Members and Senior Executives participate and work out short, medium and long term strategies after deliberations, discussion and consensus.

The above initiatives help the Directors understand the Company, its business and the regulatory framework in which the Company operates to effectively fulfill their role as Directors of the Company.

The familiarisation programme for directors are posted on the website of the Company www.dfpcl.com.

INFORMATION SUPPLIED TO THE BOARD

In advance of each meeting, the Board is presented with relevant information on various matters related to the operations of the Company, status of ongoing projects which warrant attention of the Directors. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to the officers of the Company.

BOARD DIVERSITY

The Board of Directors ensures that a transparent Board nomination process is in place. The Company has various business sectors which serve different customer segments. Having members of the Board from different fields is therefore important for sustained commercial success of the Company. While selecting the Board members, the Company shall endeavour to include and make good use of diversity in the skills, qualification, age and professional and industry experience, irrespective of race, caste, creed, religion, disability or gender.

ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

REVIEW OF LEGAL COMPLIANCE REPORTS

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

DIVIDEND DISTRIBUTION POLICY

As mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company being in the top 500 companies by market capitalization, the Board at its meeting held on 30th June, 2017 adopted a Dividend Distribution Policy for the Company. The same is placed on the Company's website www.dfpcl.com.

CODE OF CONDUCT

All Directors and Senior Management personnel have affirmed compliance with the Code of Conduct for FY 2017-18. A declaration to this effect signed by the Managing Director is given in this Annual Report.

MAXIMUM TENURE OF INDEPENDENT DIRECTORS

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and regulation 25(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of remuneration paid to executive Directors for Financial Year 2017-18: (₹ in Lacs)

Name of Director	Designation	Salary and Allowances	Perks	Commission*	Others (PF and Superannuation)	Total
Shri S. C. Mehta	Chairman & Managing Director	254.87	62.66	872.90	26.70	**1217.14**

* Commission calculated on profit of Financial Year 2016-17 but paid in Financial Year 2017-18.

Details of Sitting Fees paid during the Financial Year 2017-18 and Commission* paid for Financial Year 2016-17 to Non-Executive Directors:

Sitting Fees: The Company pays sitting fees to Non-Executive Directors @ ₹ 50,000/- for attending per Board Meeting, ₹ 40,000/- for attending per Audit Committee Meeting and ₹ 30,000/- per director for attending the Meetings of all other Committees constituted by the Board.

Commission: Shri D. Basu: ₹ 25,00,000; Shri N. C. Singhal: ₹ 13,00,000, Shri U. P. Jhaveri: ₹ 9,50,000, Shri S. R. Wadhwa: ₹ 12,50,000, Dr. S. Rama Iyer: ₹ 13,00,000, Smt. Parul S. Mehta: ₹ 5,75,000, Shri Anil Sachdev: ₹ 10,00,000, Shri Pranay Vakil: ₹ 10,00,000, Shri R. A. Shah: ₹ 7,25,000, Shri Partha Sarathi Bhattacharyya: ₹ 9,50,000 and Shri M. P. Shinde: ₹ 2,50,000.

(* Commission for the year 2017-18 is yet to be paid)

The notice period for the directors is mutually agreed between the directors and the Company. No severance fees is payable to any directors. Company has not issued any stock options to any directors.

Payments to Non-Executive directors: Payments to non-executive directors are based on attendance in the Board and Committee Meeting, time devoted for the Company and contribution made in the board processes and discussions.

Shares held by non-executive Directors as on 31st March, 2018 :

Non-Executive Director	Holding
Shri R. A. Shah	37,800 Equity Shares
Shri U. P. Jhaveri	900 Equity Shares
Shri S. R. Wadhwa	1,000 Equity Shares
Shri. Anil Singhvi	35,000 Equity Shares
Smt. Parul S. Mehta	1,226 Equity Shares
Shri Pranay Vakil	4,475 Equity Shares
Shri M. P. Shinde	500 Equity Shares

ANNUAL GENERAL MEETINGS

Details of last three annual General Meetings held:

Particulars	FY 2014-15	FY 2015-16	FY 2016-17
Day	Wednesday	Friday	Thursday
Date	5th August, 2015	12th August, 2016	21st September, 2017
Time	11.30 a.m.	11.30 a.m.	12.00 noon
Venue	Mahatma Phule Sanskrutik Bhawan, Vitthal Rao Shivarkar Road, Next to Shivarkar Garden, Fatima Nagar, Wanawadi, Pune - 411040	MDC Auditorium, Yashwantrao Chavan Academy of Development Administration (YASHADA) Campus, Rajbhavan Complex, Baner Road, Pune -411007	Opus Banquets, 6, Ishanya Mall, Off. Airport Road, Shastrinagar, Yerawada, Pune- 411006
Whether any special resolutions passed	Yes • Consent to offer or invite subscriptions for secured redeemable non-convertible bonds/ debentures aggregating upto ₹ 1,000 Crore on private placement	Yes • Consent to borrow moneys upto ₹ 2,000 Crore over and above the aggregate of the paid-up capital and free reserves. • Consent to mortgage/ charge/ hypothecate/ encumber any of the Company's movable and / or immovable properties wherever situated, both present and future or to lease or otherwise dispose of the whole or substantially the whole of the Undertaking(s) of the Company.	Yes • Consent to alter the existing Articles of Association • Consent for appointment of : • Shri U P Jhaveri • Shri S R Wadhwa • Shri Anil Sachdev • Shri Pranay Vakil As the Independent Directors

During the year 2017-18, one resolution was passed by postal ballot for seeking approval to offer or invite subscriptions for secured redeemable non-convertible debentures aggregating to Rupees 250 Crore with an option to raise additional amount up to Rupees 250 Crore as a green shoe option on private placement basis. Shri S.V.Deulkar , partner of M/s. SVD and Associates, Company Secretaries was appointed as the Scrutinizer for the postal ballot.

The resolution was passed with requisite majority.

No special resolution requiring postal ballot is being proposed for the ensuing AGM.

DISCLOSURES:

i. **Name & Designation of Compliance Officer:** Shri K. Subharaman, Executive Vice President – (Legal) & Company Secretary

ii. **Details of Directors seeking appointment / re-appointment at the annual General Meeting**

Details of the Directors seeking appointment / re-appointment at the Annual General Meeting have been given in the Notice convening the Thirty- Eighth Annual General Meeting, forming part of this Annual Report.

iii. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large:**

During the year 2017-18, the Company had transactions with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015. The basis of related party transactions were placed before the Audit Committee. All these transactions with related parties were in the ordinary course of business and at an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no material related party transactions in terms of Regulation 23 of SEBI(Listing Obligation and Disclosure Requirement) Regulations 2015 during the financial year that has a potential conflict with the interest of the Company at large. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements. The Board of Directors has approved a 'Policy on Related Party Transactions' which has been uploaded on the Company's website: www.dfpcl.com.

iv. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years:

The Company had undergone re-structuring exercise wherein the TAN and Fertiliser undertakings were transferred to its wholly owned subsidiary, Smartchem Technologies Limited and the Order from NCLT was received in April 2017 and filed with ROC on 2nd May, 2017. Therefore, the Audit of Accounts consequent to the demerger as aforesaid got delayed.

The Company had sought necessary permissions from the Stock Exchanges to this effect and the Accounts were approved only on 30th June, 2017 by the Board.

The Exchanges, without taking cognizance of the unavoidable circumstances faced by the Company levied fine of ₹ 22,60,768 which was duly paid under protest. The Company has represented the matter before SEBI.

v. Disclosures of compliance with mandatory requirements and adoption / non-adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements and has also adopted part of the non-mandatory requirements.

vi. Disclosures of relationships between Directors inter-se:

Smt. Parul S. Mehta is the wife of Shri S. C. Mehta.

Except as mentioned above, none of the other Directors have any relation inter-se.

vii. Vigil Mechanism / Whistle Blower policy:

The Company has adopted Vigil Mechanism / Whistle Blower Policy (Policy) as approved by the Board of Directors. The Policy encourages whistle blowing against unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Audit Committee and Board of Directors review periodically the complaints received by the competent authority under the Policy. The Vigil Mechanism/Whistle Blower Policy has been posted on the website of the Company www.dfpcl.com.

viii. Regulations for prevention of Insider trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider for its Directors, Officers and Specified Employees.

Shri K. Subharaman, Executive Vice President (Legal) & Company Secretary is the Compliance Officer under the said Policy.

ix. Material Subsidiaries

The Company have Smartchem Technologies Ltd. as the material subsidiary as defined under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has formulated the Material Subsidiary Policy and the same has been posted on the website of the Company www.dfpcl.com

MEANS OF COMMUNICATION

The Company publishes its financial results every quarter in leading newspapers such as Maharashtra Times and Times of India. The results are also displayed on the Company's website www.dfpcl.com. The press releases are displayed on the Company's Website.

General Shareholder Information

1.	**Annual General Meeting Day, Date, Time and Venue**	:	Tuesday, 18th September, 2018 at 11.30 a.m. Opus 1, The Cove, Level 1, Creaticity, Opp. Golf Course, Off Airport Road, Yerawada, Pune - 411 006
2.	**Financial year / Calendar**		
	-Results for first quarter ending June 30, 2018	:	Within 45 days from the end of the quarter
	-Results for second quarter ending September 30, 2018	:	Within 45 days from the end of the quarter
	-Results for third quarter ending December 31, 2018	:	Within 45 days from the end of the quarter
	-Results for financial year ending March 31, 2019	:	Within 60 days from the end of the financial year
3.	**Date of Book Closure**	:	Tuesday, 11th September, 2018 to Tuesday, 18th September 2018 (both days inclusive)
4.	**Dividend Payment Date**	:	Between Wednesday, 19th September, 2018 and 1st October, 2018
5.	**Registered Office and CIN**	:	Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411 006. CIN : L24121MH1979PLC021360
6.	**Corporate Office**	:	Sai Hira, Survey No. 93, Mundhwa, Pune – 411036
7.	**Phone, Fax, E-mail**	:	Phone : (020) 6645 8000, 26688117, Fax : (020) 26683723 Email : investorgrievance@dfpcl.com Website : www.dfpcl.com
8.	**Plant Location**	:	MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra Plants of Subsidiary: MIDC Industrial Area, Taloja, Dist. Raigad, Maharashtra Village Ponnada, Etchelra Mandalam, Srikakulam, Andra Pradesh - 532408 Plot No. 47, HSIIDC, Industrial Estate, Refinary Road, Panipat, Haryana - 132 140
9.	**Registrar & Share Transfer Agent (RTA) and Address for investors' Correspondence**	:	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032
10.	**Phone, Fax, E-mail of RTA**	:	Phone : (040) 6716 1571 Fax : (040) 2342 0814 Email : einward.ris@karvy.com
11.	**Listing on Stock Exchanges**	:	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) Annual Listing fee for financial year 2017-18 has been paid to both the Exchanges.
	Stock Code	:	BSE Limited (BSE): 500645 National Stock Exchange of India Limited (NSE) : DEEPAKFERT
	Demat ISIN in NSDL and CDSL	:	INE501A01019

12. Market Price Data for 2017-18:

MONTH	SHARE PRICE (in ₹)		BSE SENSEX	
	HIGH	LOW	HIGH	LOW
April, 2017	293.40	250.00	30,184.22	29,241.40
May, 2017	274.00	233.00	31,255.28	29,804.12
June, 2017	283.70	246.90	31,522.87	30,680.66
July, 2017	368.35	273.00	32,672.66	31,017.11
August, 2017	403.55	316.25	32,686.48	31,128.02
September, 2017	399.90	356.00	32,524.11	31,081.83
October, 2017	483.90	368.10	33,340.17	31,440.48
November, 2017	499.80	390.50	33,865.95	32,683.59
December, 2017	433.65	370.00	34,137.97	32,565.16
January, 2018	436.70	387.00	36,443.98	33,703.37
February, 2018	411.00	328.00	36,256.83	33,482.81
March, 2018	343.90	283.10	34,278.63	32,483.84

13. Distribution of Shareholding as on 31st March, 2018 : 97,544 Shareholders held 8,82,04,943 equity shares of ₹ 10/- each

Sl. No.	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1 - 5000	96,944	99.38	1,75,10,868	19.85
2	5001 - 10000	282	0.29	20,94,795	2.37
3	10001 - 20000	159	0.16	23,49,012	2.66
4	20001 - 30000	47	0.05	11,24,595	1.27
5	30001 - 40000	23	0.02	8,01,343	0.91
6	40001 - 50000	16	0.02	7,37,085	0.84
7	50001 - 100000	35	0.04	24,39,607	2.77
8	100001 and above	38	0.04	6,11,47,638	69.32
	TOTAL	**97,544**	**100.00**	**8,82,04,943**	**100.00**

14. Share Transfer System:

As the members are aware, the Company has appointed Karvy Computershare Private Limited., as Registrar & Share Transfer Agent (RTA) to handle dematerialisation of shares and physical share transfers as well as other share related activities of the Company.

The members are advised to correspond with the RTA at its office at Karvy Selenium Tower B, Plot 31-32, Gachibowli,Financial District, Nanakramguda, Hyderabad-500 032. Shares sent for transfer in physical form are registered and dispatched by our RTA within a maximum period of two weeks from receipt of the documents at its office, provided the documents are found to be in order. Shares under objection are returned within two weeks from receipt of the document.

SEBI vide its notification dated 8th June, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. According to the aforesaid notification , request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from 5th December, 2018. Therefore Registrars and Transfer Agent and Company will not be accepting any request for transfer of shares in physical form with effect from 5th December, 2018. This restriction shall not be applicable to the request received for transmission or transposition of physical shares.

15. Dematerialisation of Shares:

The shares of the Company are traded in dematerialised form. 8,22,91,192 Equity Shares (93.29% of paid-up capital) held by 55,267 shareholders (56.66% of total number of shareholders) have been dematerialised as on 31st March, 2018.

16. Outstanding GDRs, ADRs, Warrants or any Convertible Instruments etc.: Nil

17. Electronic Clearing System (ECS) / National Electronic Clearing Service (NECS):

The Company through its various communications in the past, had requested its members to furnish ECS / NECS mandate so as to enable the Company to credit the dividend directly to the shareholder's bank account. The Company has been remitting the dividend through ECS / NECS to those who had registered ECS / NECS mandate with the Company. However, in certain cases, although the members had furnished the ECS / NECS mandate, the remittance of dividend could not be effected through ECS / NECS at certain centers since adequate facility for crediting the amount was not available at those centers. In such cases, the dividend is being paid through dividend warrants with the bank account details printed on the warrants. The Company will remit the dividend through ECS / NECS whenever facilities are made available at those centers.

RBI vide its Circular dated 25th June, 2009 had introduced NECS which aims at increasing efficiency and simplification of the ECS process. RBI has also directed the member banks to update their systems and information pertaining to the bank account numbers of their customers. In view of the above, members holding shares in physical form desirous of receiving dividend electronically through NECS but have not updated / furnished mandate details are requested to obtain the prescribed mandate form from the Company's RTA and submit the same to the RTA duly filled in and signed for registration.

Investors holding shares under demat segment are requested to check NECS mandate registered with the respective Depository Participants and ensure correctness for prompt credit of dividend amount to their accounts.

Large number of shareholders still hold their shares in physical mode. The Company has been sending regular notices to shareholders requesting them to dematerialize their shares. Further, large numbers of Annual Reports are returned by postal authorities as their addresses are incorrect or have left that place. Members desirous of getting Annual Reports are requested to update their address by writing to the Registrars at Karvy Computershare Pvt. Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.

18. Unclaimed / Outstanding dividend on equity shares:

To facilitate investors who have not claimed the dividend amount for earlier years on the Equity Shares from the Company, details of the unclaimed amount are being displayed on the Ministry of Corporate Affairs (MCA) website: www.iepf.gov.in

Investors are requested to browse the said site to find out the outstanding amount, if any, and claim the same from the Company, before transfer to the Investor Education and Protection Fund (IEPF) as per the provisions of the Companies Act, 2013.

Further Section 124(6) of the Companies Act, 2013 requires that all shares in respect of which dividend has remained unpaid or unclaimed for seven years has to be transferred to IEPF.

As per MCA Circular dated 16th October, 2017 Companies were required to transfer the shares to IEPF on which dividend has been remained unpaid/unclaimed for a continuous period of seven years. Accordingly, given below is the statement of shareholders whose dividend and equity shares have been transferred to IEPF.

Category	Number of holders	No. of shares
Physical	6,811	4,68,639
NSDL	71	3,837
CDSL	32	1,014
Total	6,914	4,73,490

The dividend and shares which have been transferred to IEPF can be claimed by the shareholders. The IEPF Rules and the application (Form IEPF-5) as prescribed by the Ministry of Corporate Affairs is available on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

19. Updation of PAN and Bank details:

Shareholders who have not updated their PAN and Bank details with the Company are requested to update the same. Company has been sending communications to respective shareholders to update their PAN and Bank details.

DECLARATION

As per Regulation 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, this is to confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial year 2017-18.

Mumbai
Dated 30th May, 2018

S. C. MEHTA
Chairman & Managing Director

CERTIFICATE

To,

THE MEMBERS OF DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LTD,

We have examined the compliance of conditions of corporate governance by **Deepak Fertilisers And Petrochemicals Corporation Ltd** (hereinafter referred "the Company"), for the year ended on 31st March, 2018 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & Associates**
Company Secretaries

SRIDHAR MUDALIAR
Partner
FCS No: 6156
CP No: 2664

Pune
Dated 30th May, 2018

Independent Auditors' Report

To the Members of

Deepak Fertilisers And Petrochemicals Corporation Limited

Report on the audit of the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **Deepak Fertilisers And Petrochemicals Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as 'Standalone Ind AS financial statements').

Management's Responsibility for the Standalone Ind AS 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 Standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS 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 thereunder.

We conducted our audit of the Standalone Ind AS financial statements 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 Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 Standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 Company as at 31 March 2018, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Emphasis of matter

The Standalone Ind AS financial statements for the year ended 31 March 2017 were audited by the predecessor auditor who had expressed an unmodified opinion on those Standalone Ind AS financial statements vide their audit report dated 30 June 2017. We draw attention to note 42 of the Standalone Ind AS financial statements, which more fully explains that the comparative information for the year ended 31 March 2017 has been restated in accordance with "Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors" in the special purpose Ind AS financial statements audited by the predecessor auditor, whose audit report dated 29 May 2018 expressed an unmodified audit opinion on such special purpose Ind AS financial statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
   g) 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 has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements – Refer note 41 of the Standalone Ind AS financial statements.
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. Following is the instance of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

Year	Type of dividend	Dividend unpaid (INR in Lacs)	Status
1997-1998	Final	0.37	Not transferred to Investor Education and Protection Fund, Due to pending litigation on ownership of shares.

      iv. The disclosures in the Standalone Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the year ended 31 March 2017 have been disclosed.

For B S R & Associates LLP
Chartered Accountants
Firm registration No: 116231W/W-100024

Raajnish Desai
Partner
Membership No.: 101190

Place: Mumbai
Date: 30 May 2018

Annexure A to the Independent Auditor's Report on the Standalone Ind AS financial statements of Deepak Fertilisers And Petrochemicals Corporation Limited – 31 March 2018

With reference to Annexure A referred to in paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's Report to the Members of the Company on the Standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets, by which its fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties/ lease agreements in respect of immovable properties, are held in the name of the Company except for those immovable properties held in the name of Yerrowda Investments Limited, which is a jointly controlled operation, having book value amounting to INR 15,332 Lacs.

(ii) The inventory, except goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and there were no material discrepancies noted during such verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments, or provided any guarantees or security to which the provisions of Section 185 and 186 of the Act apply. Accordingly paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Duty of Customs, Duty of Excise, Sales Tax, Value Added Tax, Cess, Goods and Services Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been delays in case of payment of Goods and Service Tax.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Service tax, Duty of Customs, Duty of Excise, Sales tax, Wealth tax, Value Added Tax, Goods and Service Tax and other material statutory dues were in arrears as at 31 March 2018, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of Income tax, Service tax, Sales tax, Value Added Tax, Duty of Customs, Duty of Excise and Goods and Service Tax which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of the Dues	Amount (₹ In Lacs)*	Amount paid under protest (₹ In Lacs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax demands	27	27	Assessment Year 2003-2004	Bombay High Court
The Income Tax Act, 1961	Income tax demands	0.9	-	Assessment Year 1993-1994	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income tax demands	7,826	1,823	Assessment Year 1997-1998, Assessment Years 2012-2013 to 2014-2015	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income tax demands	12	-	Assessment Year 1993-1994 and 2003-2004	Assessing Officer

Name of the Statute	Nature of the Dues	Amount (₹ In Lacs)*	Amount paid under protest (₹ In Lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty demands	279	-	Financial Years 2008-2009 to 2009-2010	Supreme Court
	Excise duty demands	160	-	Financial Years 2002-2003 to 2007-2008	Bombay High Court
The Central Excise Act, 1944	Excise duty demands	2,136	-	Financial Years 2005-2006 to 2015-2016	Central Excise and Service Tax Appellate Tribunal
	Excise duty demands	0.5	-	Financial Year 2015-2016	Commissioner of Central Excise (Appeals)
Finance Act, 1994 (Service Tax)	Service tax Demands	1,907	-	Financial Years 2007-2008 to 2009-10 and Financial Year 2011-2012	Central Excise and Service Tax Appellate Tribunal
	Service tax Demands	69	-	Financial Years 2006-2007, 2007-2008 and 2009-2010	Commissioner of Appeals (Service Tax)
	Service tax Demands	16	-	Financial Years 2004-2005 and 2005-2006	Joint Commissioner (Service Tax)
The Bombay Sales Tax Act, 1959	Sales tax demands	72	-	Financial Year 2004-2005	Commissioner of Sales Tax (Appeals), Pune
The Central Sales Tax Act, 1956	Sales tax demands	775	78	Financial Years 2005-2006 to 2009-2010	Karnataka High Court
The Central Sales Tax Act, 1956	Sales tax demands	1,888	121	Financial Years 2004-2005 to 2006-07, 2010-2011	Maharashtra Sales Tax Tribunal , Mumbai
	Sales tax demands	1,414	-	Financial Years 2012-13 and 2013-14	Commissioner of Sales Tax (Appeals), Pune
The Maharashtra Sales Tax on Transfer of Right to Use any Goods for any purpose.	Lease tax on crane hire charges	0.2	-	Financial Year 1989-1990	Dy. Commissioner of Sales Tax, Pune
The Maharashtra Tax on the Entry of Goods in Local Areas of Act, 2002	Entry tax on natural gas procured from outside the Maharashtra	3,272	965	Financial Years 2012-2013 to 2015-2016	Maharashtra Sales Tax Tribunal, Mumbai
The Maharashtra Value Added Tax Act, 2002	VAT demands	226	6	Financial Years 2005-2006 and 2011-2012	Maharashtra Sales Tax Tribunal , Mumbai
	VAT demands	661	377	Financial Year 2012-2013	Commissioner of Sales Tax (Appeals), Pune
The Punjab VAT Act, 2005	VAT demands	2	-	Financial Year 2008-2009	Punjab Value Added Tax Tribunal
Custom Tariff Act, 1975	Tariff heading classification	9,347	-	Financial Years 2005-2006 to 2009-2010	Deputy Commissioner of Customs (Preventive) Alibag Division, Marine & Preventive Wing Mumbai

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or dues to debenture holders. The Company does not have any loans or borrowings from government during the year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). The money raised by way of term loans have been applied for the purposes for which they were obtained.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/ provided managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with them during the year. Accordingly paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India, 1934.

For B S R & Associates LLP
Chartered Accountants
Firm registration No: 116231W/W-100024

Raajnish Desai
Partner
Membership No.: 101190

Place: Mumbai
Date: 30 May 2018

Annexure "B" to the Independent Auditor's Report on the Standalone Ind AS financial statements of Deepak Fertilisers And Petrochemicals Corporation Limited

Referred to in paragraph 2(f) in "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's Report to the Members of Deepak Fertilisers And Petrochemicals Corporation Limited on the Standalone Ind AS financial statements for the year ended 31 March 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to financial statements of Deepak Fertilisers And Petrochemical Corporation Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S R & Associates LLP
Chartered Accountants
Firm registration No: 116231W/W-100024

Raajnish Desai
Partner
Membership No.: 101190

Place: Mumbai
Date: 30 May 2018

Balance Sheet

as at 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	As at 31 March 2018	31 March 2017 Restated (refer note 42)	1 April 2016 Restated (refer note 42)
ASSETS				
Non-current assets				
Property, plant and equipment	3	71,653	76,057	62,211
Capital work-in-progress	4	19,391	9,212	17,107
Investment property	5	51	51	51
Other intangible assets	6	165	92	148
Financial assets				
i. Investments	7	83,184	83,184	83,184
ii. Other financial assets	13	1,351	2,474	3,166
Income tax assets (net)		8,422	6,419	5,297
Other non - current assets	14	9,624	5,535	6,161
Total non-current assets		**1,93,841**	**1,83,024**	**1,77,325**
Current assets				
Inventories	15	22,722	14,797	17,781
Financial assets				
i. Investments	8	28,437	12,734	3,585
ii. Trade receivables	9	1,03,630	50,385	29,710
iii. Cash and cash equivalents	11	7,119	7,962	20,599
iv. Other bank balances	12	761	523	793
v. Loans	10	249	55,125	81,078
vi. Other financial assets	13	690	1,191	792
Other current assets	16	7,884	7,787	5,437
Total current assets		**1,71,492**	**1,50,504**	**1,59,775**
Total assets		**3,65,333**	**3,33,528**	**3,37,100**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	17	8,820	8,820	8,820
Other equity	18	1,52,761	1,47,745	1,38,882
Total equity		**1,61,581**	**1,56,565**	**1,47,702**

Balance Sheet

as at 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	As at 31 March 2018	31 March 2017 Restated (refer note 42)	1 April 2016 Restated (refer note 42)
Liabilities				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	19	19,400	-	24,981
ii. Other financial liabilities	21	-	129	183
Provisions	22	1,587	1,660	1,681
Deferred tax liabilities (net)	24	2,216	2,593	1,836
Total non-current liabilities		**23,203**	**4,382**	**28,681**
Current liabilities				
Financial liabilities				
i. Borrowings	20	1,17,424	1,07,895	1,24,458
ii. Trade payables	23	49,347	22,552	22,615
iii. Other financial liabilities	21	1,420	29,754	2,776
Other current liabilities	25	11,566	11,657	10,140
Provisions	22	312	243	248
Current tax liabilities (net)		480	480	480
Total current liabilities		**1,80,549**	**1,72,581**	**1,60,717**
Total liabilities		**2,03,752**	**1,76,963**	**1,89,398**
Total equity and liabilities		**3,65,333**	**3,33,528**	**3,37,100**
Significant accounting policies	1 - 2			
The accompanying notes form an integral part of the financial statements	3 - 49			

As per our report of even date attached

For and on behalf of Board of Directors of Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

RAAJNISH DESAI
Partner
Membership No.: 101190

S. R. WADHWA
Director
DIN : 00228201

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Mumbai
Dated: 30 May 2018

Mumbai
Dated: 30 May 2018

Statement of Profit and Loss

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended 31 March 2018	Year ended 31 March 2017 Restated (refer note 42)
Income			
Revenue from operations	26	3,21,421	2,15,693
Other income	27	6,642	1,499
Total income		**3,28,063**	**2,17,192**
Expenses			
Cost of materials consumed	28	80,430	58,873
Purchases of stock-in- trade	29	2,03,547	99,333
Changes in inventories of finished goods and stock-in-trade	30	(7,366)	4,270
Excise duty		2,694	10,031
Employee benefits expense	31	6,442	5,932
Finance costs	32	7,068	5,302
Depreciation and amortisation expense	33	5,050	5,292
Other expenses	34	17,105	14,458
Total expenses		**3,14,970**	**2,03,491**
Profit before tax		**13,093**	**13,701**
Tax expenses			
Current tax		2,221	3,823
Deferred tax (credit)/charge		(417)	848
Total tax expense		**1,804**	**4,671**
Profit for the year		**11,289**	**9,030**
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		175	(298)
Income tax relating to these items		(61)	103
Total (A)		**114**	**(196)**

Statement of Profit and Loss

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended 31 March 2018	Year ended 31 March 2017 Restated (refer note 42)
Items that will be reclassified subsequently to profit or loss			
Changes in fair value of investments other than equity shares carried at fair value through OCI		(63)	44
Income tax relating to these items		22	(15)
Total (B)		**(41)**	**29**
Other comprehensive income for the year (A+B), net of tax liability		**73**	**(166)**
Total comprehensive income for the year		**11,362**	**8,864**
Earning per Equity Share of ₹ 10 each			
i) Basic (in ₹)		12.80	10.24
ii) Diluted (in ₹)		12.80	10.24
Weighted average number of equity shares of ₹ 10 each		8,82,04,943	8,82,04,943
Significant accounting policies	1 - 2		
The accompanying notes form an integral part of the financial statements	3 - 49		

As per our report of even date attached

For and on behalf of Board of Directors of Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

RAAJNISH DESAI
Partner
Membership No.: 101190

Mumbai
Dated: 30 May 2018

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
Director
DIN : 00228201

Mumbai
Dated: 30 May 2018

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Statement of Changes in Equity

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

A. Equity Share Capital

	31 March 2018	31 March 2017	1 April 2016
Balance at the beginning of the year	8,820	8,820	8,820
Changes in equity shares capital during the year	-	-	-
Balance at the end of the year	**8,820**	**8,820**	**8,820**

B. Other Equity

	Reserves and surplus					Items of Other Comprehensive Income (OCI)		Total
	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	General Reserve	Retained earnings	Fair Value through OCI	Other Items of Comprehensive Income	
Balance as at 1 April 2016, as previously reported (refer note 42)	**10,799**	**150**	**5,000**	**17,710**	**1,14,718**	**-**	**(30)**	**1,48,347**
Impact of correction of errors (refer note 42)	-	-	-	-	(9,447)	-	(18)	(9,465)
Balance as at 1 April 2016 - Restated (refer note 42)	**10,799**	**150**	**5,000**	**17,710**	**1,05,271**	**-**	**(48)**	**1,38,882**
Profit for the year	-	-	-	-	9,030	-	-	9,030
Remeasurements of post-employment benefit obligation (net of tax)	-	-	-	-	-	-	(196)	(196)
Fair valuation of investment (net of tax)	-	-	-	-	-	29	-	29
Total comprehensive income for the year (restated)	**-**	**-**	**-**	**-**	**9,030**	**29**	**(196)**	**8,863**
Transfer to debenture redemption reserve	-	-	1,250	-	(1,250)	-	-	-
Balance as at 31 March 2017 (restated)	**10,799**	**150**	**6,250**	**17,710**	**1,13,051**	**29**	**(244)**	**1,47,745**
Profit for the year	-	-	-	-	11,289	-	-	11,289
Remeasurements of post-employment benefit obligation (net of tax)	-	-	-	-	-	-	114	114
Fair valuation of investment (net of tax)	-	-	-	-	-	(41)	-	(41)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**11,289**	**(41)**	**114**	**11,362**
Dividend paid	-	-	-	-	(5,292)	-	-	(5,292)
Tax on dividend					(1,054)	-	-	(1,054)
Utilization of debenture redemption reserve	-	-	(6,250)	-	6,250	-	-	-
Balance as at 31 March 2018	**10,799**	**150**	**-**	**17,710**	**1,24,244**	**(12)**	**(130)**	**1,52,761**

Note (1) Refer note 18 for nature and purpose of other equity.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For and on behalf of Board of Directors of Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

RAAJNISH DESAI
Partner
Membership No.: 101190

S. R. WADHWA
Director
DIN : 00228201

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Mumbai
Dated: 30 May 2018

Mumbai
Dated: 30 May 2018

Statement of Cash Flow

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017 Restated (refer note 42)
Cash flow from operating activities		
Profit before tax as per statement of profit and loss	13,093	13,701
Adjustments for		
Depreciation and amortisation expense	5,050	5,292
Loss on disposal of property, plant and equipment	112	12
Gain on sale of investments	(158)	(299)
Changes in fair value of financial assets at fair value through profit or loss	(33)	(6)
Dividend income	(4,518)	(25)
Interest income	(1,398)	(733)
Finance costs	7,068	5,302
Unrealised foreign exchange differences	713	(300)
Cash generated from operations before working capital changes		
(Increase) in trade receivables	(53,245)	(20,675)
(Increase)/decrease in inventories	(7,925)	2,984
Decrease in other financial assets	1,624	293
(Increase) in other non-current assets	(2,347)	(891)
(Increase) in other current assets	(97)	(2,350)
Increase/(decrease) in trade payables	26,795	(63)
(Decrease)/increase in other financial liabilities	(1,773)	469
Increase in provisions	45	25
Increase/(decrease) in employee benefit obligations	65	(247)
(Decrease) in derivatives	(713)	300
(Decrease)/increase in other current liabilities	(91)	1,517
Cash generated from operations	**(17,733)**	**4,306**
Income taxes paid (net)	**(4,184)**	**(5,036)**
Net cash outflow from operating activities	**(21,917)**	**(730)**
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets (including Capital work-in-progress)	(14,651)	(7,623)
Purchase of investments	(91,798)	(8,815)
Loans to related parties	(52)	(180)
Proceeds from sale of investments	76,245	-
Proceeds from sale of property, plant and equipment	1,159	62
Repayment of loans by related parties	54,928	26,133
Changes in other bank balances	(238)	270
Dividends received from a subsidiary	4,518	25
Interest received	1,398	733
Net cash inflow from investing activities	**31,509**	**10,605**

Statement of Cash Flow

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017 Restated (refer note 42)
Cash flows from financing activities		
Proceeds from borrowings - current	23,333	43,879
Proceeds from borrowings - non current	19,400	-
Repayment of borrowings - current	(38,796)	(60,431)
Interest paid	(8,026)	(5,960)
Dividends paid (including dividend distribution tax)	(6,346)	-
Net cash (outflow) from financing activities	**(10,435)**	**(22,512)**
Net (decrease) in cash and cash equivalents	(843)	(12,637)
Cash and cash equivalents at the beginning of the year (refer note 11)	7,962	20,599
Cash and cash equivalents at end of the year (refer note 11)	**7,119**	**7,962**

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

The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, ''Statement of Cash Flows''

As per our report of even date attached

For and on behalf of Board of Directors of Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

RAAJNISH DESAI
Partner
Membership No.: 101190

S. R. WADHWA
Director
DIN : 00228201

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Mumbai
Dated: 30 May 2018

Mumbai
Dated: 30 May 2018

Notes

To the financial statements for the year ended 31 March 2018

1. CORPORATE INFORMATION

Deepak Fertlisers And Petrochemicals Corporation Limited ("the Company") is a Company domiciled in India, with its registered office at Pune, Maharashtra, India. The Company has been registered under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange ("BSE") in India.

The Company is primarily engaged in the business of manufacture, trading and sale of bulk chemicals. The Company also has operations in value added real estate.

These standalone financial statements were authorized for issue in accordance with the resolution of the Directors on May 30, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act"), as amended thereafter and other relevant provisions of the Act.

The standalone financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments); and
- Employee defined benefits plans – plan assets are measured at fair value

The standalone financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency and all values are rounded off to the nearest Lacs, except when otherwise indicated. Wherever, an amount is presented as INR '0' (zero) it construe value less than ₹ 50,000.

2.2 Significant accounting estimates, assumptions and judgements

The preparation of the Company's standalone financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabiltiies within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Useful lives of Property, plant and equipment ('PPE')

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period. Factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of PPE, consequently leading to a change in the future depreciation charge.

Defined benefit plans

Employee benefit obligations are determined using independent actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual results in the future. These include the determination of the discount rate, future salary increases, experience of employee departures and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Litigations

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the charge/ expense can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcomes and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions are made for the changes in facts and circumstances.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing their fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments.

Impairment of financial assets

The Company assesses impairment based on the expected credit loss ("ECL") model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets' recoverable amount. An assets' recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cashflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators.

2.3 Summary of significant accounting policies

(a) Current verus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or

- It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current non-current classification of assets and liabilities.

(b) Revenue recognition

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is made. Revenue is recognized at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is stated inclusive of excise duty and excludes sales tax/ value added tax/ Goods and Service tax. The specific recognition criteria described below must also be met before revenue is recognized.
- <u>Sale of goods:</u> Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.
- <u>Rendering of services:</u> Income from services are recognised as and when the services are rendered. Rental income from realty business is recognised based on the contractual terms. In case of revenue sharing arrangements, the income is recognised on the basis of provisional information provided by the lessees where the final data is awaited on the date of revenue recognition.
- Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.
- Clean Development Mechanism ('CDM') benefits known as Carbon Credit for wind energy units generated and N2O reduction in its Nitric Acid plant are recognised as revenue when the revenue can be reliably measured and there are no significant uncertainties regarding ultimate collection.
- Credits on account of Duty Drawback and other benefits are accounted for on an accrual basis.
- Dividend income is accounted for when the right to receive the dividend is established, which is generally when the shareholders approve the dividend.

(c) Property, plant and equipment

Items of property, plant and equipment including capital work-in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bring the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognized in the statement of profit or loss, as incurred. In respect of additions to/ deletions from fixed assets, depreciation is provided on a pro-rata basis with reference to the month of addition/ deletion of the assets. Freehold land is carried at historical cost.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Company has also identified significant components of assets and their useful life and depreciation charge is based on an internal technical evaluation. Estimated useful life adopted in respect of the following assets is different from the useful life prescribed in Schedule II of the Companies Act, 2013. These estimated lives are based on technical assessment made by technical expert and management estimates. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Name of assets	Estimated useful life (in years)
Computers - Servers and Networks	3 – 6
End User Devices such as, desktops, laptops	3 – 6
Vehicles	4 years for employee vehicles and 6 – 7 years for others
Buildings (other than factory buildings) with RCC frame structure	61
Plant and Machinery	Various estimated lives upto 25 years. WNA III plant is depreciated at 25.88% on the WDV method
Windmill	19
Plant & Machinery used for generation of power through gas	40

Capitalised machinery spares are depreciated over the remaining useful life of the related machinery/ equipment. Leasehold Land is amortised over the lease period.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Intangible assets

Intangible assets are initially recognized at cost. Following initial recognition, intangible assets with finite useful life are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Name of assets	Estimated useful life (in years)
Computer software	3 to 4
Licence/ franchise fees	3 to 4

(e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset, that necessarily takes a substantial period of time to get ready for its intended use, are capitalised as a part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Investment income earned on the temporary investment of specific borrowings is deducted from the borrowing costs eligible for capitalisation.

(f) Foreign currency transactions and balances

Transactions in foreign currency are recorded applying the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing rates prevailing on the balance sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the statement of profit and loss. Exchange differences arising on the settlement of monetary items, at rates different from those at which they were initially recorded, during the year or reported in previous financial statements, are recognized as income or expenses in the year in which they arise. Foreign exchange difference on foreign currency borrowings, loans given, settlement gain/ loss and fair value gain/ loss on derivative contract relating to borrowings are accounted and dislosed under finance cost. Such exchange difference do not include foreign exchange difference regarded as an adjustment to the borrowing cost and capitalized with cost of fixed assets.

(g) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets: Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and b) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and b) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are carried at cost less impairment as per Ind AS 27 Consolidated and Separate Financial Statements.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified and measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Company uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets in which case they are capitalized in accordance with the Company's general policy on borrowing costs. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from an operating lease is recognized on a straight-line basis over the term of the relevant lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(i) Inventories

- Raw materials, packing materials and stores and spares are valued at the lower of cost and net realisable value. Cost is determined on the basis of moving weighted average method. The aforesaid items are valued below cost if the finished products in which they are to be incorporated are expected to be sold at a loss.
- Finished goods and by-products including those held for captive consumption are valued at the lower of cost or net realisable value. Cost is determined on actual cost basis. Cost of finished goods includes excise duty, as applicable. Variances, exclusive of abnormally low volume and operating performance, are adjused to inventory. Stock-in-trade is valued at lower of cost and net realisable value.
- Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(j) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets' recoverable amount. An assets' recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cashflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment loss no longer exist or has decreased. If such indication exists, the Company estimates the assets' or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the assets' recoverable amount, since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

(k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursements.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

(l) Employee benefits

Defined contribution schemes

Provident Fund and superannuation are defined contribution schemes. The contributions to the schemes are charged to the statement of profit and loss in the year in which the employee renders the related services.

Defined benefit schemes

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation based on the projected unit credit method made at the end of the financial year by an independent actuary. The scheme is funded with an Insurance company in the form of qualifying insurance policy.

The defined benefit obligation for post employment pension and medical benefits is also calculated at the end of the financial year by an independent actuary using the projected unit credit method.

The Company has other long term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized immediately in the balance sheet with a corresponding debit or credit through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

(m) Derivative financial instruments

The Company uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship which is designated.

Cash flow hedges that qualify for hedge accounting: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in 'other comprehensive income' in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts accumulated in equity are reclassified to the statement of profit and loss in the periods in which the hedged item affects the profit or loss (for example, when the interest expenditure is recorded).

Derivatives that are not designated as hedges: The Company enters into certain derivative contracts to hedge foreign exchange risks which are not designated as hedges. Such derivative contracts are accounted for at each reporting date at fair value through the statement of profit and loss.

(n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(o) Cash dividend

The Company recognizes a liability to make cash distributions to equity shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders of the company.

(p) Income taxes

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or in respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of temporary differences can be controlled and it is probable that the temporary differences will not reverse in the forseeble future.

Deferred tax assets on deductible temporary differences, the carry forward of unused tax credits and any unused tax losses are recognized to the extent that there is reasonably certainty that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become reasonably certain that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset or liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credits which can be carried forward and utilized when the Company will pay normal income tax during the specified period. Deferred tax asset on such tax credit is recognized to the extent that it is probable that the unused tax credit can be utilized in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(q) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purposes of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(r) Investment property

Property that is held for long-term rentals or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(s) Segment reporting

Based on the "Management approach" as defined in Ind AS 108: Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Inter-segment sales and transfers are reflected at market prices.

Segment policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements as a whole. Common allocable costs are allocated to each segment on an appropriate basis. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/expenses/ assets/ liabilities", as the case may be.

(t) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively;
- Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment

still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of a bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

(u) Contingent Liability and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of economic resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contigent liability but discloses its existence in the standalone financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the standalone financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

(v) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(w) New Standards issued but yet to be adopted

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Accounting Standards ('Ind AS') and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company is evaluating the impact of this amendment on its financial statements and will apply the standard using the cumulative effective method, with the effect of initially applying IND AS 115 being recognized as an adjustment to the opening balance of retained earnings of the annual reporting period.

Ind AS 21 – The effect of changes in Foreign Exchanges rates

The amendment has been incorporated in Ind AS 21 as Appendix B, which clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix is applicable for accounting periods beginning on or after April 1, 2018. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its standalone financial statements.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 3: PROPERTY, PLANT AND EQUIPMENT

	Free-hold Land	Lease-hold Land	Buildings	Plant and equipment	Electric installation	Furniture & fixtures	Laboratory equipments	Vehicles	Office equipments	Total
Gross carrying amount										
As at 1 April 2016 - Restated (refer note 42)	14,053	1,171	21,446	24,759	1,644	831	253	1,034	675	65,866
Additions	-	12,489	721	5,094	222	12	9	377	550	19,474
Disposals	-	-	-	(53)	-	-	(1)	(118)	(2)	(174)
Gross carrying amount as at 31 March 2017	**14,053**	**13,660**	**22,167**	**29,800**	**1,866**	**843**	**261**	**1,293**	**1,223**	**85,166**
Accumulated depreciation										
Opening accumulated depreciation	-	(17)	35	(2,707)	(328)	(107)	(87)	(279)	(165)	(3,655)
Depreciation charge for the year	-	(110)	(818)	(3,592)	(338)	(114)	(51)	(316)	(215)	(5,554)
Disposals	-	-	-	31	-	-	1	67	1	100
Accumulated depreciation as at 31 March 2017	**-**	**(127)**	**(783)**	**(6,268)**	**(666)**	**(221)**	**(137)**	**(528)**	**(379)**	**(9,109)**
Net carrying amount as at 31 March 2017	**14,053**	**13,533**	**21,384**	**23,532**	**1,200**	**622**	**124**	**765**	**844**	**76,057**
Gross carrying amount										
As at 1 April 2017	14,053	13,660	22,167	29,800	1,866	843	261	1,293	1,223	85,166
Additions	-	-	399	1,471	34	15	-	356	238	2,513
Disposals	-	-	(16)	(1,744)	-	(12)	(5)	(220)	(11)	(2,008)
Adjustment (refer footnote 1 below)	652	-	(938)	-	-	-	-	-	-	(286)
Gross carrying amount as at 31 March 2018	**14,705**	**13,660**	**21,612**	**29,527**	**1,900**	**846**	**256**	**1,429**	**1,450**	**85,385**
Accumulated depreciation										
Opening accumulated depreciation	-	(127)	(783)	(6,268)	(666)	(221)	(137)	(528)	(379)	(9,109)
Depreciation charge for the year (net of recharges - refer footnote 2 below)	-	(152)	(782)	(3,595)	(317)	(113)	(25)	(341)	(314)	(5,639)
Disposals	-	-	-	551	-	9	4	162	10	736
Adjustment	-	-	286	(6)	-	-	-	-	-	280
Accumulated depreciation as at 31 March 2018	-	(279)	(1,279)	(9,318)	(983)	(325)	(158)	(707)	(683)	(13,732)
Net carrying amount as on 31 March 2018	**14,705**	**13,381**	**20,333**	**20,209**	**917**	**521**	**98**	**722**	**767**	**71,653**

1 Buildings gross value of which is 938 Lacs has been demolished during the year and net value representing the value of the land has been transferred to freehold land.

2 Depreciation amounting to ₹ 665 Lacs (31 March 2017 : ₹ 357 Lacs) has been recharged to 100% subsidiary Smartchem Technologies Limited as sharing for common facilities.

Refer Note 19 foot note for information on Property, plant and equipment are provided as security by the Company.

Refer Note 32 for finance cost capitalized.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 4: CAPITAL WORK-IN-PROGRESS

	31 March 2018	31 March 2017	1 April 2016
Projects (Mainly comprising of building and plant & machinery) #	18,751	8,384	14,538
Others	640	828	2,569
Total	**19,391**	**9,212**	**17,107**

Includes borrowing cost of ₹ 958 Lacs (31 March 2017 ₹ 658 Lacs, 1 April 2016 ₹ NIL)

Note 5: INVESTMENT PROPERTIES

	31 March 2018	31 March 2017	1 April 2016
Gross carrying amount			
Opening gross carrying amount	51	51	51
Closing gross carrying amount	**51**	**51**	**51**
Accumulated depreciation			
Opening accumulated depreciation	-	-	-
Depreciation charge	-	-	-
Closing accumulated depreciation	-	-	-
Net carrying amount	**51**	**51**	**51**

(i) Fair value

	31 March 2018	31 March 2017	1 April 2016
Investment properties	513	513	513

Estimation of fair value

The fair values of investment properties have been determined by an external, independent property valuer, having appropriate recognised professional qualifications and relevant experience in the category of the land parcel being valued. The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used. The investment property consitute of land parcels at Panchagini, Khamgaon and Solapur.

Note 6: INTANGIBLE ASSETS

	Computer Software	License/ Franchise Fees	Total
Cost			
Opening as on 1 April 2016	**41**	**200**	**241**
Additions during the year	37	-	37
Gross carrying amount as on 31 March 2017	**78**	**200**	**278**
Additions during the year	20	129	149
Gross carrying amount as on 31 March 2018	**98**	**329**	**427**
Accumulated Amortisation			
Opening as on 1 April 2016	**18**	**75**	**93**
Amortisation charge for the year	21	72	93
Closing accumulated amortisation as at 31 March 2017	**39**	**147**	**186**
Amortisation charge for the year	25	51	76
Closing accumulated amortisation as at 31 March 2018	**64**	**198**	**262**
Net Block as at 1 April 2016	**23**	**125**	**148**
Net Block as at 31 March 2017	**39**	**53**	**92**
Net Block as at 31 March 2018	**34**	**131**	**165**

(All Amounts in ₹ Lacs unless otherwise stated)

FINANCIAL ASSET

Note 7: NON-CURRENT INVESTMENTS

	31 March 2018	31 March 2017	1 April 2016
Investments carried at cost			
Investments in equity shares (unquoted) of Subsidiaries (fully paid up)			
1,70,50,000 (31 March 2017: 1,70,50,000, 1 April 2016: 1,70,50,000) equity shares of Smartchem Technology Limited (wholly owned subsidiary) of ₹ 10 each	80,724	80,724	80,724
1,60,000 (31 March 2017: 1,60,000, 1 April 2016: 1,60,000) equity shares of Deepak Nitrochem Pty. Limited (wholly owned subsidiary) of ₹ 10 each	20	20	20
9,998 (31 March 2017: 9,998, 1 April 2016: 9,998) equity shares of Deepak Mining Services Private Limited (wholly owned subsidiary) of ₹ 10 each	1	1	1
43,350 (31 March 2017: 43,350, 1 April 2016: 43,350) equity shares of SCM Fertichem Limited (wholly owned subsidiary) of ₹ 10 each	4	4	4
Investments in equity shares (unquoted) of Associates (fully paid up)			
50,81,363 (31 March 2017: 50,81,363, 1 April 2016: 50,81,363) equity shares of Desai Fruit and Vegetables Private Limited of ₹ 10 each	2,356	2,356	2,356
49,994 (31 March 2017: 49,994, 1 April 2016: 49,994) equity shares of Ishanya Realty Corporation Limited of ₹ 10 each	5	5	5
49,994 (31 March 2017: 49,994, 1 April 2016: 49,994) equity shares of Ishanya Brand Services Limited of ₹ 10 each	5	5	5
4,000 (31 March 2017: 4,000, 1 April 2016: 4,000) equity shares of Mumbai Modern Terminal Market Complex Private Limited of ₹ 10 each	0	0	0
Investments in equity shares (unquoted) of Others (fully paid up)			
88,448 (31 March 2017: 88,448, 1 April 2016: 88,448) equity shares of Deepak International Limited of ₹ 10 each	69	69	69
Total	**83,184**	**83,184**	**83,184**
Aggregate amount of unquoted investments	83,184	83,184	83,184

Note 8: CURRENT INVESTMENTS

	31 March 2018	31 March 2017	1 April 2016
Quoted			
Investment in Debt Securities (carried at fair value through OCI)	1,636	1,647	1,635
Investment in Government Securities (carried at fair value through OCI)	1,026	1,125	1,083
Unquoted			
Investment in mutual funds (carried at fair value through profit and loss)	25,775	9,962	867
Total	**28,437**	**12,734**	**3,585**

Note 9: TRADE RECEIVABLES

	31 March 2018	31 March 2017	1 April 2016
Trade receivables (Unsecured)			
Considered good	1,03,630	50,385	29,710
Considered doubtful	229	113	101
Less: Allowance for expected credit loss	(229)	(113)	(101)
Total	**1,03,630**	**50,385**	**29,710**

Movement in allowance for expected credit loss:

	31 March 2018	31 March 2017	1 April 2016
Balance at beginning of the year	113	101	99
Add: Allowance for expected credit loss	116	12	2
Less: Reversed / utilized during the year	-	-	-
Balance as at the end of the year	**229**	**113**	**101**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 10: LOANS

	31 March 2018	31 March 2017	1 April 2016
Unsecured, considered good			
Loan to related parties (refer note 44)	-	54,907	81,005
Loan to employees	90	38	73
Other loans	159	180	-
Total	**249**	**55,125**	**81,078**

Note 11: CASH AND CASH EQUIVALENTS

	31 March 2018	31 March 2017	1 April 2016
Balances with banks			
- in current accounts	2,222	5,738	4,855
- in EEFC accounts	9	18	410
- in deposits with original maturity upto three months	3,021	1,046	15,020
Cash on hand	5	5	14
Cheques in hand	1,862	1,155	300
Total	**7,119**	**7,962**	**20,599**

Note 12: OTHER BANK BALANCES

	31 March 2018	31 March 2017	1 April 2016
Earmarked balances with banks			
Unclaimed dividend	561	466	735
Deposits with maturity upto 12 months from the reporting date	200	57	58
Total	**761**	**523**	**793**

Note 13: OTHER FINANCIAL ASSETS

	31 March 2018		31 March 2017		1 April 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
Interest receivable	519	-	1,191	-	792	-
Deposit with banks with maturity after twelve months from the reporting date(*)	-	-	-	1,159	-	1,159
Security deposits	-	1,040	-	956	-	1,542
Others	171	311	-	359	-	465
Total	**690**	**1,351**	**1,191**	**2,474**	**792**	**3,166**

* ₹ Nil (31 March 2017 : ₹ 1,159 Lacs, 1st April 2016 : ₹ 1,159 Lacs) kept as fixed deposit with Bank of Baroda, London as a lien for External Commercial Borrowings.

Note 14: OTHER NON - CURRENT ASSETS

	31 March 2018	31 March 2017	1 April 2016
Capital advances	2,474	732	2,249
Balance with government authorities	7,123	4,622	3,850
Prepaid expenses	27	181	62
Total	**9,624**	**5,535**	**6,161**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 15: INVENTORIES

	31 March 2018	31 March 2017	1 April 2016
Raw materials Includes ₹161 Lacs(31 March 2017 ₹ 114 Lacs, 1 April 2016 ₹ 92 Lacs) in transit	1,277	683	212
Finished goods	641	2,639	338
Stock-in-trade Includes ₹ 212 Lacs (31 March 2017 ₹ Nil, 1 April 2016 ₹ Nil) in transit	14,993	5,796	12,308
Stores and spares Includes ₹101 Lacs (31 March 2017 ₹ 138 Lacs, 1 April 2016 ₹ 275 Lacs) in transit	5,541	5,667	4,896
Packing material	270	12	27
Total	**22,722**	**14,797**	**17,781**

Note 16: OTHER CURRENT ASSETS

	31 March 2018	31 March 2017	1 April 2016
Advances for supply of goods and services	4,640	-	2,045
Balances with government authorities	1,407	6,488	2,633
Prepaid expenses	1,775	1,292	447
Other receivables	62	7	312
Total	**7,884**	**7,787**	**5,437**

Note 17: SHARE CAPITAL

	31 March 2018	31 March 2017	1 April 2016
Authorised			
12,50,50,000 equity shares of ₹ 10/- each.	12,505	12,500	12,500
(31 March 2017: 12,50,00,000 equity shares of ₹ 10/- each)			
(1 April 2016: 12,50,00,000 equity shares of ₹ 10/- each)			
10,00,000 Cumulative redeemable preference shares of ₹100/- each.	1,000	1,000	1,000
(31 March 2017: 10,00,000 Cumulative redeemable preference shares of ₹100/- each.)			
(1 April 2016: 10,00,000 Cumulative redeemable preference shares of ₹ 100/- each.)			
	13,505	**13,500**	**13,500**
Issued, subscribed and fully paid-up			
8,82,04,943 equity shares of ₹ 10/- each.	8,820	8,820	8,820
(31 March 2017: 8,82,04,943 equity shares of ₹ 10/- each)			
(1 April 2016: 8,82,04,943 equity shares of ₹ 10/- each)			
	8,820	**8,820**	**8,820**

(i) Reconciliation of the number of Equity Shares

	31 March 2018		31 March 2017	
Equity Shares	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Balance as at the beginning and at the end of the year	8,82,04,943	8,820	8,82,04,943	8,820
	8,82,04,943	**8,820**	**8,82,04,943**	**8,820**

Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Holder of each equity share is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees except in the case of overseas shareholders where dividend is paid in respective foreign currencies considering foreign exchange rate applied at the date of remittance. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuring Annual General Meeting.

In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding. The distribution will be in proportion to the number of equity shares held by the shareholders.

(All Amounts in ₹ Lacs unless otherwise stated)

(ii) Details of shareholders holding more than 5% shares in the company

	31 March 2018		31 March 2017		1 April 2016	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
Nova Synthetic Limited	4,25,94,071	48.29%	4,25,94,071	48.29%	1,72,67,000	19.58%
Fidelity Puriton Trust-Fidelity Low Priced Stock Fund	23,84,903	2.70%	72,00,000	8.16%	75,69,000	8.58%
Mr. S C Mehta	1,506	0.00%	1,506	0.00%	2,12,84,000	24.13%

Note 18: OTHER EQUITY

Nature and purpose of other equity

(a) **Securities premium reserve:** The amount received in excess of face value of the equity shares is recognized in securities premium reserve.

(b) **Capital redemption reserve:** The Company had issued redeemable preference shares and as per the provisions of the Act where preference shares are redeemed out of divisible profits, an amount equal to the nominal value of shares so redeemed must be transferred to capital redemption reserve, out of divisible profits.

(c) **Debenture redemption reserve:** The Company has issued non convertible debentures and as per the provisions of the Act the Company is required to create debenture redemption reserve out of the divisible profits at least equal to 25% of the nominal value of debenture issued. The debenture redemption reserve is allowed to be released to retained earnings on completion of the redemption of debentures.

(d) **General reserve:** This represents appropriation of profits by the Company and is available for distribution of dividend.

(e) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

After the reporting date, the following dividend (excluding dividend distribution tax) was proposed by the Directors subject to the approval at the Annual General Meeting; the dividends have not been recognised as a liability. Dividends would attract dividend distribution tax when declared or paid.

	31 March 2018	31 March 2017
₹ 6 per equity share (31 March 2017 : ₹ 6 per equity share)	**5,292**	**5,292**

FINANCIAL LIABILITIES

Note 19: NON-CURRENT BORROWINGS

	Maturity date	Terms of repayment	Coupon/ Interest rate	31 March 2018	31 March 2017	1 April 2016
Secured						
Debentures						
2500, 9.71% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 Jan 2018	Redeemed in single installment on 18th January, 2018	9.71% per annum payable annually.	-	24,992	24,981
Term loans						
Bank of Baroda	31 Dec 2027	Redeemable in quarterly installment starting from June 2021	9.05% per annum payable annually	9,000	-	-
Export Import Bank Of India	31 Dec 2027	Redeemable in quarterly installment starting from June 2021	9.25% per annum payable annually	10,400	-	-
Total				**19,400**	**24,992**	**24,981**
Less: Current maturities of long-term debt (included in note 21)				-	24,992	-
Total				**19,400**	**-**	**24,981**

The term loan has been availed for financing of Nitric Acid project at Dahej. The term loan is secured by pari passu charge on the land & building and hypothecation of all the present & future immovable fixed assets and intangible assets pertaining to Nitric Acid project at Dahej.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 20: CURRENT BORROWINGS

	31 March 2018	31 March 2017	1 April 2016
Loans repayable on demand			
From banks			
Secured			
-Buyer's credit	32,437	27,126	15,048
-Short term loan	10,000	-	9,251
-Cash credit facilities (refer note below)	-	396	985
Bills discounting	2,487	15,895	-
Unsecured			
Commercial paper	72,500	64,478	99,174
Total	**1,17,424**	**1,07,895**	**1,24,458**

Buyer's credits are generally due within 180 days and carry variable rate of interest (Average Interest rate for the year 1.73 % (31 March 2017 - 1.17%, 1 April 2016 - 0.77%) and are secured by a first charge by way of hypothecation of stocks of raw materials, finished goods, consumable stores and book debts.

Short term loan from bank is repayable on 24 May 2018, carries interest rate of 7.90% (1 April 2016 - 9.45%) and is secured by a first charge by way of hypothecation of stock of raw materials, finished goods and consumable stores and book debts.

Cash credit is repayable on demand and carries variable rate of interest (Average interest rate for the year is 8.39% (31 March 2017 - 9.44%, 1 April 2016 - 9.93%). Cash credit facilities sanctioned by banks including working capital demand loans and are secured by a first charge by way of hypothecation of stocks of raw materials, finished goods, consumable stores and book debts.

Commercial paper borrowings carry variable interest rate. Average rate for the year is 6.77% (31 March 2017 - 7.38% , 1 April 16 - 8.51%).

Debtors bill discounting is availed at interest rate of 8.5% and is secured by hypothecation of debtors and stocks.

Note 21: OTHER FINANCIAL LIABILITIES

	31 March 2018	31 March 2017	1 April 2016
Non-current			
Security deposits	-	26	85
Retention money	-	81	30
Others	-	22	68
Total	**-**	**129**	**183**
Current			
Current maturities of long-term debt	-	24,992	-
Interest accrued	221	588	642
Security deposits	377	351	486
Capital creditors	335	2,033	570
Due to related parties	462	1,023	758
Foreign-exchange forward contracts payables(net)	25	767	320
Total	**1,420**	**29,754**	**2,776**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 22: PROVISIONS

	31 March 2018		31 March 2017		1 April 2016	
	Current	Non- Current	Current	Non-Current	Current	Non-Current
Provision for employee benefits						
Gratuity	-	-	-	269	-	160
Compensated absences	244	1,128	205	965	238	1,044
Defined pension benefits	68	86	38	98	10	174
Total (A)	**312**	**1,214**	**243**	**1,332**	**248**	**1,378**
Other provisions						
Provision for site restoration (refer note below)	-	373	-	328	-	303
Total (B)	**-**	**373**	**-**	**328**	**-**	**303**
Total (A+B)	**312**	**1,587**	**243**	**1,660**	**248**	**1,681**

Movement in provision for site restoration	
As at 1 April 2016	**303**
Additional provisions recognised	25
As at 31 March 2017	**328**
Additional provisions recognised	45
As at 31 March 2018	**373**

(A) Defined Contribution Plans

The Company has defined contribution plans such as provident fund, employee state insurance, employee pension scheme, employee superannuation fund wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:

Particulars	**31 March 2018**	**31 March 2017**
Employer's contribution to provident fund	188	168
Employer's contribution to employee's pension scheme	53	53
Employer's contribution to superannuation fund	191	151
Employer's contribution to employee state insurance	1	1

(B) Defined Benefit Plans

i. Gratuity

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.50% p.a. (31 March 2017: 7.80% p.a.;1 April 2016: 8.00% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 60 years (31 March 2017: 60 years; 1 April 2016: 60 years) and mortality table is as per IALM (2006-08) (31 March 2017: IALM (2006-08); 1 April 2016: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 5% p.a. (31 March 2017: 5% p.a.; 1 April 2016: 5% p.a.), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company, hence not disclosed. The expected rate of return on plan assets is 7.50% p.a. (31 March 2017: 7.80% p.a.; 1 April 2016: 8.00% p.a.).

(All Amounts in ₹ Lacs unless otherwise stated)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Particulars	31 March 2018	31 March 2017	1 April 2016
Present value of obligation at the beginning of the year	3,565	3,045	2,699
Current service cost	285	247	247
Interest cost	256	226	208
Actuarial (gain)/loss	(145)	350	101
Benefits paid	(311)	(303)	(210)
Present value of obligation at the end of the year	3,650	3,565	3,045

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

Particulars	31 March 2018	31 March 2017	1 April 2016
Present value of obligation at the end of the year	3,650	3,565	3,045
Fair value of plan assets at the end of the year	3,820	3,296	2,885
Net (asset)/liabilities recognised in the Balance Sheet	(170)	269	160

Fair value of plan assets :

Particulars	31 March 2018	31 March 2017
Plan assets at the beginning of the year	3,296	2,885
Expected return on plan assets	266	96
Contribution by employer	569	618
Actual benfits paid	(311)	(303)
Acturial gain/(loss)	-	-
Plan assets at the end of the year	3,820	3,296

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

Particulars	31 March 2018	31 March 2017
Current service cost	285	247
Interest cost	256	226
Expense recognised in the Statement of Profit and Loss	541	473

Amount recognised in the other comprehensive income:

Particulars	31 March 2018	31 March 2017
Remeasurements cost/(credit)	(145)	340
Actuarial (gain)/loss on plan assets	(9)	-
Amount recognised in the Other Comprehensive Income	(154)	340

Sensitivity analysis :

Particulars	As at 31 March 2018		As at 31 March 2018	
Assumptions	Discount rate		Future salary increase	
Sensitivity level	1.00% increase	1.00% decrease	1.00% increase	1.00% decrease
Impact on defined benefit (decrease)/increase	(179)	197	165	(153)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

(All Amounts in ₹ Lacs unless otherwise stated)

ii. Defined pension benefits

The Company has a Post Retirement Benefit plan, which is a defined benefit retirement plan, according to which executives superannuating from the service after ten years of service are eligible for certain benefits like medical, fuel expenses, telephone reimbursement, club membership etc. for specified number of years. The liability is provided for on the basis of an independent acturial valuation.

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of post retirement benefits. The discount rate assumed is 7.50% p.a. (31 March 2017: 7.80% p.a.:1 April 2016: 8.00% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 60 years (31 March 2017: 60 years; 1 April 2016: 60 years) and mortality table is as per IALM (2006-08) (31 March 2017: IALM (2006-08); 1 April 2016: IALM (2006-08)).

Particulars	31 March 2018	31 March 2017	1 April 2016
Present value of obligation at the beginning of the year	136	184	169
Current service cost	44	38	37
Past service cost	-	(36)	-
Interest cost	10	14	13
Actuarial loss	(21)	(42)	(26)
Benefits paid	(15)	(22)	(9)
Present value of obligation at the end of the year	154	136	184

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

Particulars	31 March 2018	31 March 2017
Current service cost	44	38
Past service cost	-	(36)
Interest cost	10	14
Expense recognised in the Statement of Profit and Loss	54	16

Amount recognised in the other comprehensive income:

Particulars	31 March 2018	31 March 2017
Remeasurements Cost / (Credit)	(21)	(42)
Actuarial (gain)/loss on plan assets	-	-
Amount recognised in the Other Comprehensive Income	(21)	(42)

Sensitivity analysis :

Particulars	As at 31 March 2018	
Assumptions	Discount rate	
Sensitivity level	1.00% increase	1.00% decrease
Impact on defined benefit	(33)	44

Note 23: TRADE PAYABLES

	31 March 2018	31 March 2017	1 April 2016
Trade payables			
Due to micro and small enterprises	28	36	14
Due to others	49,319	22,516	22,601
Total	**49,347**	**22,552**	**22,615**

(All Amounts in ₹ Lacs unless otherwise stated)

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	31 March 2018	31 March 2017	1 April 2016
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount outstanding (whether due or not) to micro and small enterprises	28	36	14
- Interest due thereon	-	-	1
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of payment made to the supplier beyond the appointed day during the year	26	33	92
Amount of interest due and payable on delayed payments	-	-	1
Amount of interest accrued and remaining unpaid as at year end	-	-	1
The amount of further interest remaining due and payable even in the succeeding year	-	-	-

Details of Micro and Small Enterprises as defined under MSMED ACT, 2006

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm whether they are covered as Micro or Small enterprise as is defined in the said Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Company has recognised them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations.

Note 24: DEFERRED TAX LIABILITIES (NET)

Movements during the year ended 31 March 2018:

	1 April 2017	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in the Other Comprehensive Income	31 March 2018
Property, plant and equipment and investment property	4,908	(694)	-	4,214
Other intangible assets	(14)	34	-	20
Financial assets at fair value through profit or loss	136	(72)	-	64
Financial assets at value through OCI (including derivatives)	(113)	-	39	(74)
Deferred tax on entry tax	(1,347)	-	-	(1,347)
Provisions	(698)	227	-	(471)
Others	(279)	89	-	(190)
Net deferred tax liabilities	**2,593**	**(416)**	**39**	**2,216**

Movements during the year ended 31 March 2017:

	1 April 2016	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in the Other Comprehensive Income	31 March 2017
Property, plant and equipment and investment property	4,238	670	-	4,908
Other intangible assets	(10)	(4)	-	(14)
Financial assets at fair value through profit or loss	71	65	-	136
Financial assets at fair value through OCI (including derivatives)	(25)	-	(88)	(113)
Deferred tax on entry tax	(1,347)		-	(1,347)
Provisions	(746)	48	-	(698)
Others	(345)	66	-	(279)
Net deferred tax liabilities	**1,836**	**845**	**(88)**	**2,593**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 25: OTHER CURRENT LIABILITIES

	31 March 2018	31 March 2017	1 April, 2016
Advances from customers	2,497	2,023	976
Unclaimed dividend (#)	561	524	793
Statutory dues payable	6,441	6,695	6,280
Other payables (*)	2,067	2,415	2,091
Total	**11,566**	**11,657**	**10,140**

(#) ₹ 67 Lacs (31 March 2017 ₹ 50 Lacs, 1 April 2016 ₹ 40 Lacs) transferred to the Investor Education and Protection Fund during the year

(*) Other payables includes ₹ 1,656 Lacs (31 March 2017 ₹ 2,154 Lacs, 1 April 2016 ₹ 1,777 Lacs) related to employee dues

Note 26: REVENUE FROM OPERATIONS

	31 March 2018	31 March 2017
Sale of products		
Finished goods (including excise duty)	1,17,292	99,674
Traded goods	2,02,686	1,13,869
Revenue from realty business	675	560
Other operating revenues	768	1,590
Total	**3,21,421**	**2,15,693**

Note 27: OTHER INCOME

	31 March 2018	31 March 2017
Dividend income from subsidiary	4,518	25
Interest income	1,398	733
Fair value gain on financial assets measured at fair value through profit or loss	33	6
Net gain on sale of investments	158	299
Other non-operating income	535	436
Total	**6,642**	**1,499**

Note 28: COST OF MATERIALS CONSUMED

	31 March 2018	31 March 2017
Raw materials as at the beginning of the year	683	212
Add: Purchases during the year	81,024	59,344
Less: Raw material as at the end of the year	1,277	683
Total	**80,430**	**58,873**

Note 29: PURCHASE OF STOCK-IN-TRADE

	31 March 2018	31 March 2017
Purchases of stock-in- trade	2,03,547	99,333
Total	**2,03,547**	**99,333**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 30: CHANGES IN INVENTORIES OF STOCK-IN-TRADE AND FINISHED GOODS

	31 March 2018	31 March 2017
Opening balance		
Finished goods	2,639	338
Stock-in-trade	5,796	12,308
Total opening balance	**8,435**	**12,646**
Closing balance		
Finished goods	641	2,639
Stock-in-trade	14,993	5,796
Total closing balance	**15,634**	**8,435**
(Increase)/ decrease in excise duty on stock of finished goods	(167)	59
Total	**(7,366)**	**4,270**

Note 31: EMPLOYEE BENEFIT EXPENSE

	31 March 2018	31 March 2017
Salaries, wages and bonus	5,381	4,965
Contribution to provident fund & other funds	783	725
Staff welfare expenses	278	242
Total	**6,442**	**5,932**

Note 32: FINANCE COSTS

	31 March 2018	31 March 2017
Interest and finance charges #	8,026	5,960
	8,026	**5,960**
Less: Amount capitalised	(958)	(658)
Total	**7,068**	**5,302**

Includes exchange differences to the extent considered as an adjustment to borrowing cost ₹ 621 Lacs (31 March 2017: ₹ 515 Lacs).

Note 33: DEPRECIATION AND AMORTISATION EXPENSE

	31 March 2018	31 March 2017
Depreciation on property, plant and equipment	4,974	5,199
Amortisation on intangible assets	76	93
Total	**5,050**	**5,292**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 34: OTHER EXPENSES

	31 March 2018	31 March 2017
Power, fuel and water	1,925	1,133
Consumption of stores and spares	793	1,493
Rent	274	326
Repairs to :		
- Building	161	281
- Plant and machinery	1,164	1,238
- Others	617	521
Insurance	472	389
Rates, taxes and duties	519	940
Travelling and conveyance	250	221
Legal and professional fees	1,158	1,315
Payments to auditors (note 35(a) below)	38	31
Directors' sitting fees	58	24
Carriage outward (net)	5,341	3,563
Loss on sales of fixed assets	112	12
Commission on sales	29	42
Sales and promotion expenses	239	218
Utility services	311	328
Communication expenses	77	119
Corporate social responsibility expenditure (note 35(b) below)	177	268
Foreign exchange fluctuations loss (net)	2,349	822
Miscellaneous expenses	1,041	1,174
Total	**17,105**	**14,458**

Note 35(a): DETAILS OF PAYMENTS TO AUDITORS

	31 March 2018	31 March 2017
Payment to auditors	*	
As auditor:		
Audit fee	25	19
Tax audit fee	3	2
In other capacities		
Taxation matters	5	3
Certification fees/Other Matters	3	6
Re-imbursement of expenses	2	1
Total	**38**	**31**

* Includes ₹ 10 Lacs (31 March 2017: ₹ 31 Lacs) paid to erstwhile auditors.

Note 35(b): CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

	31 March 2018	31 March 2017
Contributions to Ishanya Foundation	153	258
Others	24	10
Total	**177**	**268**
Amount required to be spent as per Section 135 of the Act	345	397
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	177	268

(All Amounts in ₹ Lacs unless otherwise stated)

Note 36: DISCLOSURE OF SPECIFIED BANK NOTES (SBN) IN FINANCIAL STATEMENTS (AMENDMENT TO SCHEDULE III)

The MCA has amended division I and division II of the Schedule III. As per the amendment, each company needs to disclose the details of Specified Bank Notes held and transacted during the period from 8 November 2016 to 30 December 2016 in the prescribed format.

Amt in ₹

	Specified Bank Notes	Other Denomination Notes	Total
	Amount	Amount	
Closing Cash in Hand as on 08.11.2016	2,78,500	91,401	3,69,901
Add: Permitted Receipts	43,000	11,85,437	12,28,437
Less: Permitted Payments	1,000	12,11,126	12,12,126
Less: Amount deposited in Banks	3,20,500	810	3,21,310
Closing Cash in Hand as on 31.12.2016	-	64,902	64,902

Note 37: FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

	31 March 2018			31 March 2017			1 April 2016		
	Fair value through P&L	Fair value through OCI	Amortised cost	Fair value through P&L	Fair value through OCI	Amortised cost	Fair value through P&L	Fair value through OCI	Amortised cost
Financial assets									
Investments									
- Mutual funds	25,775	-	-	9,962	-	-	867	-	-
- Debt and Government securities	-	2,662	-	-	2,772	-	-	2,718	-
Trade receivables	-	-	1,03,630	-	-	50,385	-	-	29,710
Cash and cash equivalents	-	-	7,119	-	-	7,962	-	-	20,599
Other bank balances	-	-	761	-	-	523	-	-	793
Loans	-	-	249	-	-	55,125	-	-	81,078
Other financial assets									
- Security deposits	-	-	1,040	-	-	956	-	-	1,542
- Interest receivable	-	-	519	-	-	1,191	-	-	792
- Balance with banks	-	-	-	-	-	1,159	-	-	1,159
- Others	-	-	482	-	-	359	-	-	465
Total financial assets	**25,775**	**2,662**	**1,13,800**	**9,962**	**2,772**	**1,17,660**	**867**	**2,718**	**1,36,138**
Financial liabilities									
Borrowings	-	-	1,36,824	-	-	1,32,887	-	-	1,49,439
Trade payables	-	-	49,347	-	-	22,552	-	-	22,615
Other financial liabilities									
- Derivative financial liabilities, not designated as hedges	25	-	-	767	-	-	320	-	-
- Capital creditors	-	-	335	-	-	2,033	-	-	570
- Security deposits	-	-	377	-	-	377	-	-	571
- Interest accrued	-	-	221	-	-	588	-	-	642
- Others	-	-	462	-	-	1,126	-	-	856
Total financial liabilities	**25**	**-**	**1,87,566**	**767**	**-**	**1,59,563**	**320**	**-**	**1,74,693**

(ii) Fair value hierarchy

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

The different levels have been defined as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level-1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(All Amounts in ₹ Lacs unless otherwise stated)

Financial assets and liabilities measured at fair value	31 March 2018				31 March 2017				1 April 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Investments at FVPL												
Mutual funds	25,775	-	-	25,775	9,962	-	-	9,962	867	-	-	867
Financial Investments at FVOCI												
Debts & Government Securities	2,662	-	-	2,662	2,772	-	-	2,772	2,718	-	-	2,718
Total financial assets	**28,437**	**-**	**-**	**28,437**	**12,734**	**-**	**-**	**12,734**	**3,585**	**-**	**-**	**3,585**
Financial liabilities												
Derivatives												
Foreign exchange forward contracts/option contracts	-	25	-	25	-	767	-	767	-	320	-	320
Total financial liabilities	**-**	**25**	**-**	**25**	**-**	**767**	**-**	**767**	**-**	**320**	**-**	**320**

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2018 and 31 March 2017

(iii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

i) The fair values of investments in debt and government securities is based on the current bid price of respective investment as at the Balance Sheet date.

ii) The fair values of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date, NAV represents the price at which the issuers will issue further units of mutual fund and the price at which issuers will redeem such units from investors.

Note 38(a): FINANCIAL RISK MANAGEMENT

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risk are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

(All Amounts in ₹ Lacs unless otherwise stated)

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 month (net of expected credit loss allowance), excluding receivable from group companies is ₹ 1,254 lacs (31 March 2017: ₹ 926 lacs, 1 April 2016: ₹ 879 lacs).

Movement in the expected credit loss allowance of trade receivables are as follows:

	31 March 2018	31 March 2017	1 April 2016
Balance at the beginning of the year	113	101	99
Add: Provided during the year (net of reversal)	116	12	2
Less: Amount written off	-	-	-
Balance at the end of the year	229	113	101

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and hence the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets.

ii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Comapny's reputation.

The Company's trasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by treasury. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

31 March 2018	Carrying Amount	Payable within 1 year	Between 1 and 5 years	More than 5 years	Total
Non-derivatives financial liabilities					
Borrowings	1,04,975	85,575	5,543	13,857	104,975
Trade payables	21,182	21,182	-	-	21,182
Other financial liabilities	1,420	1,420	-	-	1,420
Total non-derivative liabilities	**1,27,577**	**1,08,177**	**5,543**	**13,857**	**1,27,577**
Derivatives financial liabilities					
Foreign exchange forward contracts					
Borrowings	31,849	31,849	-	-	31,849
Trade payables	28,165	28,165	-	-	28,165
Total derivative liabilities	**60,014**	**60,014**	**-**	**-**	**60,014**

(All Amounts in ₹ Lacs unless otherwise stated)

31 March 2017	Carrying Amount	Payable within 1 year	More than 1 year	More than 5 years	Total
Non-derivatives					
Borrowings	1,12,385	1,12,385	-	-	1,12,385
Trade payables	9,522	9,522	-	-	9,522
Other financial liabilities	4,891	4,762	129	-	4,891
Total non-derivative liabilities	**1,26,798**	**1,26,669**	**129**	**-**	**1,26,798**
Derivatives financial liabilities					
Foreign exchange contract used for hedging					
Borrowings	20,502	20,502	-	-	20,502
Trade payables	13,030	13,030	-	-	13,030
Total derivative liabilities	**33,532**	**33,532**	**-**	**-**	**33,532**

1 April 2016	Carrying Amount	Payable within 1 year	More than 1 year	More than 5 years	Total
Non-derivatives financial libilities					
Borrowings	1,35,438	1,10,457	24,981	-	1,35,438
Trade payables	15,400	15,400	-	-	15,400
Other financial liabilities	2,959	2,776	183	-	2,959
Total non-derivative liabilities	**1,53,797**	**1,28,633**	**25,164**	**-**	**1,53,797**
Derivatives (net settled)					
Foreign Exchange Forward and Option Contracts					
Borrowings	14,001	14,001	-	-	14,001
Trade payables	7,215	7,215	-	-	7,215
Total derivative liabilities	**21,216**	**21,216**	**-**	**-**	**21,216**

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD, AED and EUR.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contracts.

Exposure to currency risk

(i) The Company's exposure to foreign currency risk at the end of the reporting period is presented in Note no 45.

(ii) The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and forward contracts.

	Impact on profit after tax	
	31 March 2018	31 March 2017
USD sensitivity		
₹/USD -appreciated by 1% (31 March 2017-1%)	647	375
₹/USD -depreciated by 1% (31 March 2017-1%)	(647)	(375)
EUR sensitivity		
₹/EUR-appreciated by NIL (31 March 2017-1%)	NIL	0.17
₹/EUR-depreciated by NIl (31 March 2017-1%)	NIL	(0.17)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	31 March 2018	31 March 2017	1 April 2016
Variable rate borrowings	19,400	396	985
Fixed rate borrowings	1,17,424	1,32,491	1,48,454
Total borrowings	**1,36,824**	**1,32,887**	**1,49,439**

Sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2018 would decrease / increase by ₹ 97 lacs (for the year ended 31 March 2017: decrease / increase by ₹ 2 lacs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Note 39: CAPITAL MANAGEMENT

(a) Risk Management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that its can continue to provide returns for its shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) and divided by Total 'equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

	31 March 2018	31 March 2017	1 April 2016
Net debt	1,28,944	1,24,402	1,28,047
Total equity	1,61,581	1,56,565	1,47,702
Net debt to equity ratio	**0.80**	**0.79**	**0.87**

(b) Dividends

Particulars	31 March 2018	31 March 2017
(i) Equity shares		
Final dividend for the year ended 31 March 2017 of ₹ 6 per fully paid equity share	5,292	-
(ii) Dividend not recognised at the end of the reporting period	5,292	-
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 6 per fully paid equity share (31 March 2017 : ₹ 6). The proposed dividend is subject to the approval of shareholders in the ensuring annual general meeting.	5,292	5,292

(All Amounts in ₹ Lacs unless otherwise stated)

Note 40(a): NAMES OF THE RELATED PARTIES AND RELATIONSHIP

A. ASSOCIATES

1 Ishanya Brand Services Limited
2 Ishanya Realty Corporation Limited
3 Mumbai Modern Terminal Market Complex Private Limited
4 Desai Fruits and Vegetables Private Limited

B. SUBSIDIARIES

1 Smartchem Technologies Limited (STL)
2 Platinum Blasting Services Pty Limited [PBS] (Subsidiary of STL)
3 Australian Mining Explosives Pty Limited (Subsidiary of PBS)
4 RungePincockMinarco India Private Limited
5 Deepak Mining Services Private Limited
6 Deepak Nitrochem Pty.Limited
7 SCM Fertichem Limited
8 Performance Chemiserve Private Limited (Subsidiary of STL)

C. JOINTLY CONTROLLED OPERATIONS

1 Yerrowda Investments Limited

D. KEY MANAGEMENT PERSONNEL

(a) Executive directors

Mr Sailesh Chimanlal Mehta

(b) Non-executive directors

Ms Parul Sailesh Mehta
Mr Partha Sarathi Bhattacharyya
Mr Rajendra Ambalal Shah
Mr Madhumilan Parshuram Shinde

Non-executive Independent directors

Mr Berjis Minoo Desai (From 07 July 2017)
Mr Ashok Kumar Purwaha (From 07 July 2017)
Mr Mahesh Ramchand Chhabria (From 07 July 2017)
Mr Sewak Ram Wadhwa
Mr Anil Chandanmal Singhvi (From 07 July 2017)
Mr Urmilkumar Purushottamdas Jhaveri
Mr Anil Sachdev
Mr Pranay Dhansukhlal Vakil
Mr D. Basu (till 8 June 17)
Mr N C Singhal (till 7 May 2017)
Dr. S Rama Iyer (till 2 June 2017)

(c) Company Secretary

Mr K Subharaman

(d) Chief Finance Officer

Mr Vipin Agarwal (upto 2 November 2017)
Mr Amitabh Bhargava (w.e.f. 2 November 2017)

E. ENTITIES OVER WHICH KEY MANAGERIAL PERSONNEL ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE:

1 Blue Shell Investments Private Limited
2 Nova Synthetic Limited
3 The Lakaki Works Private Limited
4 Superpose Credits And Capital Private Limited
5 Storewell Credits And Capital Private Limited
6 High Tide Investments Private Limited
7 Deepak Asset Reconstruction Private Limited
8 Mahadhan Investment and Finance Private Limited
9 Ishanya Foundation
10 Deepak Foundation
11 Mahadhan Farm Technologies Private Limited
12 Robust Marketing Services Private Limited

F. RELATIVES OF KEY MANAGEMENT PERSONNEL

1 Mr Yeshil Mehta

G ENTERPRISES OVER WHICH RELATIVES OF KEY MANAGEMENT PERSONAL ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE

1 Deepak Nitrite Limited

(All Amounts in ₹ Lacs unless otherwise stated)

Note 40(b) RELATED PARTY TRANSACTIONS

		31 March 2018							31 March 2017						
Sr. No.	Nature of Transactions	Subsidiaries	Associates	Jointly Controlled Operations	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Enterprises Over Which Relatives Are Able To Exercise Significant Influence	Total	Subsidiaries	Associates	Jointly Controlled Operations	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Enterprises Over Which Relatives Are Able To Exercise Significant Influence	Total
1	**Sale of goods**														
	Smartchem Technologies Limited	39,734	-	-	-	-	-	39,734	23,198	-		-	-	-	23,198
	Deepak Nitrite Limited	-	-	-	-	-	7,290	7,290	-	-	-	-	-	6,092	6,092
2	**Rendering of services/reimbursement of expense incurred on behalf of related party**														
	Smartchem Technologies Limited	9,083	-	-	-	-	-	9,083	12,835	-	-	-	-	-	12,835
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	-	-	12	-	-	-	-	12
	Ishanya Foundation	-	-	-	-	4	-	4	-	-	-	-	6	-	6
	Performance Chemiserve Private Limited	130	-	-	-	-	-	130	-	-	-	-	-	-	-
	Rung Pincock Minarco (I) Private Limited	4	-	-	-	-	-	4	2	-	-	-	-	-	2
3	**Interest on loan given**														
	Smartchem Technologies Limited	4,028	-	-	-	-	-	4,028	3,286	-	-	-	-	-	3,286
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	-		12	-	-	-	-	12
	Deepak Mining Services	2	-	-	-	-	-	2	2	-	-	-	-	-	2
4	**Dividend income**														
	Smartchem Technologies Limited	4,518	-	-	-	-	-	4,518	25	-	-	-	-	-	25
5	**Purchase of goods and services**			-											
	Smartchem Technologies Limited	(17,879)	-	-	-	-	-	(17,879)	(17,540)	-	-	-	-	-	(17,540)
6	**Purchase of Merchandise Exports from India Scheme (MEIS) scripts and Duty Entitlement Pass Book and License (DEPB)**														
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	-	-	(43)	-	-	-	-	(43)
7	**Receiving of services/reimbursement of expenses on behalf of the Company**														
	Yerrowda Investments Limited	-	-	(86)	-	-	-	(86)			(10)	-	-	-	(10)
	Performance Chemiserve Private Limited	(285)	-	-	-	-	-	(285)	-	-	-	(13)	-	-	(13)
8	**Donation given**										-	-	-	-	-
	Ishanya Foundation	-	-	-	-	(153)	-	(153)	-	-	-	-	(588)	-	(588)
9	**Remuneration (including perquisites)**														
	Mr Sailesh Chimanlal Mehta	-	-	-	(656)	-	-	(656)	-	-		(1,174)		-	(1,174)
	Mr Vipin Agarwal	-	-	-	(97)	-	-	(97)	-	-		(115)		-	(115)

(All Amounts in ₹ Lacs unless otherwise stated)

Note 40(b) RELATED PARTY TRANSACTIONS

		31 March 2018							31 March 2017						
Sr. No.	**Nature of Transactions**	**Subsidiaries**	**Associates**	**Jointly Controlled Operations**	**Key Management Personnel**	**Entities over which Key Management Personnel are able to exercise significant Influence**	**Enterprises Over Which Relatives Are Able To Exercise Significant Influence**	**Total**	**Subsidiaries**	**Associates**	**Jointly Controlled Operations**	**Key Management Personnel**	**Entities over which Key Management Personnel are able to exercise significant Influence**	**Enterprises Over Which Relatives Are Able To Exercise Significant Influence**	**Total**
	Mr Amitabh Bhargava	-	-	-	(76)	-	-	(76)	-	-		0		-	-
	Mr K Subharaman	-	-	-	(68)	-	-	(68)	-	-		(36)		-	(36)
	Mr Mandar Velankar	-	-	-	-	-	-	-	-	-		(14)		-	(14)
10	**Sitting Fees paid to Non-Executive Directors**	-	-	-	(58)	-	-	(58)	-	-		(41)	-	-	(41)
11	**Lease rental (expenses) / Income**														
	Deepak Nitrite Limited	-	-	-	-		8	8	-	-		-	-	8	8
	Robust Marketing Services Private Limited	-	-	-	-	(66)	-	(66)	-	-		-	(67)	-	(67)
	Mr Sailesh Chimanlal Mehta	-	-	-	(16)	-	-	(16)	-	-		(24)	-	-	(24)
12	**Loans given**														
	Smartchem Technologies Limited	(61,143)	-	-	-	-	-	(61,143)	-	-		-	-	-	-
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	-	-	(247)		-	-	-	(247)
13	**Loans received back**														
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	-	-	247		-	-	-	247
	Smartchem Technologies Limited	1,16,050	-	-	-	-	-	1,16,050	26,098	-		-	-	-	26,098
14	**Amount outstanding**														
	Trade payables														
	Smartchem Technologies Limited	(1,165)	-	-	-	-	-	(1,165)	54,907	-		-	-	-	54,907
	RungePincockMinarco India Private Limited	-	-	-	-	-	-	-	1	-		-	-	-	1
	Yerrowda Investments Limited	-	-	(54)	-	-	-	(54)		-	(56)	-	-	-	(56)
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	-	-	(11)				-	(11)
	Commission payable														
	Mr Sailesh Chimanlal Mehta	-	-	-	(312)	-	-	(312)	-	-		(873)	-	-	(873)
	Trade receivables														
	Deepak Nitrite Limited	-	-	-	-	-	2,373	2,373	-	-		-	-	879	879
	Ishanya Foundation	-	-	-	-	1		1	-	-		-	-	-	-
	Performance Chemiserve Private Limited	133	-	-	-	-	-	133	-	-		-	(18)	-	(18)
	Robust Marketing Services Private Limited	-	-	-	-	653	-	653	-	-		-	653	-	653
	Deposit Receivable														
	Mr Sailesh Chimanlal Mehta	-	-	-	200	-	-	200	-	-	-	200	-	-	200
	Loans recoverable														
	Deepak Mining Services	40	-	-	-	-	-	40	39	-		-	-	-	39

Note : Figures in bracket are outflows.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 41: CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	31 March 2018	31 March 2017	1 April 2016
A. Contingent liabilities			
Claims by suppliers	37,447	37,447	1,770
Income tax demands	7,866	3,959	3,889
Excise/Service Tax/Custom demands*	13,914	12,449	12,407
Sales Tax/ VAT demands	4,857	4,819	3,964
Entry Tax	-	3,272	-
Penalty levied by Competition commission of India and contested by the Company	200	200	200
Total	**64,284**	**62,147**	**22,230**
B. Commitments			
Related to projects	27,697	1,761	1,219
Related to realty	403	35	104
Total	**28,100**	**1,796**	**1,323**

*Includes customs duty amounting to ₹ 9,347 Lacs on duty free import of fertiliser during the period 2005-06 to 2009-10. Under the applicable policy of Government on subsidy, any customs duty needs to be reimbursed by Government.

Note 42: RESTATEMENT DUE TO CORRECTION OF ERRORS

During the year 2017-2018, the Company discovered certain errors (refer table iii) in it's Standalone financial statements as of 1 April 2016. The errors have been corrected by restating each of the affected financial statement line items for prior periods. The following tables summarizes the impact on the Standalone financial statements;

(i) The comparative information for the year ended 31 March 2017 has been restated as follows:

A. Balance Sheet as at 31 March 2017

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Assets				
Non current assets				
Property, plant and equipment	a, c	1,94,851	(1,18,794)	76,057
Capital work-in-progress	a	38,461	(29,249)	9,212
Investment property	a	2,124	(2,073)	51
Other intangible assets	a	1,706	(1,614)	92
Financial assets				
i. Investments	a	8,894	74,290	83,184
ii. Other financial assets	a	2,633	(159)	2,474
Income tax assets (net)	a	-	6,419	6,419
Other non-current assets	a	11,337	(5,802)	5,535
Total non-current assets		2,60,006	(76,982)	1,83,024
Current assets				
Inventories	a	49,392	(34,595)	14,797
Financial assets				
i. Investments	a	11,810	924	12,734
ii. Trade receivables	a	1,17,292	(66,907)	50,385
iii. Cash and cash equivalents	a	7,411	551	7,962
iv. Other bank balances		523	-	523
v. Loans	a	3,732	51,393	55,125
vi. Other financial assets	a	1,306	(115)	1,191
Current tax assets (net)	a	4,992	(4,992)	
Other current assets	a	14,125	(6,338)	7,787
Total current assets		2,10,583	(60,079)	1,50,504
Total assets		**4,70,589**	**(1,37,061)**	**3,33,528**

(All Amounts in ₹ Lacs unless otherwise stated)

Particulars	Foot note reference	As previously reported	Adjustments	As restated
EQUITY AND LIABILITIES				
Equity				
Equity share capital		8,820	-	8,820
Other equity	a,b,c	1,64,154	(16,409)	1,47,745
Total equity		1,72,974	(16,409)	1,56,565
Liabilities				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	a	44,545	(44,545)	-
ii. Other financial liabilities	a	154	(25)	129
Other non-current liabilities	a	350	(350)	-
Provisions	a	2,533	(873)	1,660
Deferred tax liabilities (net)	a	11,720	(9,127)	2,593
Total non-current liabilities		59,302	(54,920)	4,382
Current liabilities				
Financial liabilities				
i. Borrowings	a	1,03,855	4,040	1,07,895
ii. Trade payables	a	40,558	(18,006)	22,552
iii. Other financial liabilities	a	71,852	(42,098)	29,754
Other current liabilities	a	8,630	3,027	11,657
Provisions	a	5,572	(5,329)	243
Current tax liabilities (net)	a	7,846	(7,366)	480
Total current liabilities		2,38,313	(65,732)	1,72,581
Total liabilities		2,97,615	(1,20,652)	1,76,963
Total equity and liabilities		**4,70,589**	**(1,37,061)**	**3,33,528**

B. Statement of Profit and loss for the year ended 31 March 2017

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Income				
Revenue from operations	a	4,25,725	(2,10,032)	2,15,693
Other income	a	2,055	(556)	1,499
Total Income		4,27,780	(2,10,588)	2,17,192
Expenses				
Cost of materials consumed	a	1,42,576	(83,703)	58,873
Purchases of stock-in- trade	a	1,35,019	(35,686)	99,333
Changes in inventories of finished goods and stock-in-trade	a	11,899	(7,629)	4,270
Excise duty	a	22,129	(12,098)	10,031
Employee benefits expense	a	18,594	(12,662)	5,932
Finance costs	a	12,000	(6,698)	5,302
Depreciation and amortisation expense	a,c	13,023	(7,731)	5,292
Other expenses	a	50,210	(35,752)	14,458
Total expenses		4,05,450	(2,01,959)	2,03,491
Profit before tax		22,330	(8,629)	13,701
Tax expense				
Current tax	a	6,513	(2,690)	3,823
Deferred tax (credit)/charge	a	(199)	1,047	848
Total tax expense		6,314	(1,643)	4,671
Profit for the year		16,016	(6,986)	9,030
Other comprehensive income ('OCI')				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligations	a	(373)	75	(298)
Income tax relating to these items	a	129	(26)	103
Total (A)		**(244)**	**48**	**(196)**

(All Amounts in ₹ Lacs unless otherwise stated)

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Items that will be reclassified subsequently to profit or loss				
Changes in fair value of investments other than equity shares carried at fair value through OCI	a	54	(10)	44
Income tax relating to these items	a	(19)	4	(15)
Total (B)		35	(6)	29
Other comprehensive income for the year (A+B), net of tax liability		(209)	42	(166)
Total comprehensive income for the year		15,807	(6,944)	8,864
Earning per equity share of Rs.10 each				
(i) Basic (in Rs.)		18.16		10.24
(ii) Diluted (in Rs.)		18.16		10.24
Weighted average number of equity shares of Rs 10 each		8,82,04,943		8,82,04,943

(ii) The comparative information as of 1 April 2016 has been restated as follows:

A. Balance Sheet as at 1 April 2016

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Assets				
Non current assets				
Property, plant and equipment	a, c	1,25,802	(63,591)	62,211
Capital work-in-progress	a	39,505	(22,398)	17,107
Investment property	a	2,162	(2,111)	51
Other intangible assets	a	469	(321)	148
Financial assets				
i. Investments	a	8,893	74,291	83,184
ii. Other financial assets	a	3,397	(231)	3,166
Income tax assets (net)	a	-	5,297	5,297
Other non - current assets	a	8,179	(2,018)	6,161
Total non-current assets		1,88,407	(11,082)	1,77,325
Current assets				
Inventories	a	59,806	(42,025)	17,781
Financial assets				
i. Investments	a	2,718	867	3,585
ii. Trade receivables	a	1,53,435	(1,23,725)	29,710
iii. Cash and cash equivalents	a	20,062	537	20,599
iv. Other bank balances		793	-	793
v. Loans	a	3,526	77,552	81,078
vi. Other financial assets	a	1,239	(447)	792
Current tax assets (net)	a	3,963	(3,963)	-
Other current assets	a	10,528	(5,091)	5,437
Total current assets		2,56,070	(96,295)	1,59,775
Total assets		**4,44,477**	**(1,07,377)**	**3,37,100**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		8,820	-	8,820
Other equity	a,b,c	1,48,347	(9,465)	1,38,882
Total equity		1,57,167	(9,465)	1,47,702
Liabilities				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	a	46,924	(21,943)	24,981
ii. Other financial liabilities	a	213	(30)	183
Provisions	a	3,027	(1,346)	1,681
Deferred tax liabilities (net)	a	12,030	(10,194)	1,836

(All Amounts in ₹ Lacs unless otherwise stated)

Particulars	**Foot note reference**	**As previously reported**	**Adjustments**	**As restated**
Other non-current liabilities	a	320	(320)	-
Total non-current liabilities		62,514	(33,833)	28,681
Current liabilities				
Financial liabilities				
i. Borrowings	a	1,40,435	(15,977)	1,24,458
ii. Trade payables	a	46,752	(24,137)	22,615
iii. Other financial liabilities	a	21,392	(18,616)	2,776
Other current liabilities	a	7,085	3,055	10,140
Provisions	a	3,885	(3,637)	248
Current tax liabilities (net)	a	5,248	(4,768)	480
Total current liabilities		2,24,796	(64,079)	1,60,717
Total liabilities		2,87,310	(97,912)	1,89,398
Total equity and liabilities		**4,44,477**	**(1,07,377)**	**3,37,100**

(iii) Reconciliation of opening Other Equity as of 1 April 2016 and 31 March 2017

Particulars	**Foot note reference**	**Other Equity Restated as of 1 April 2016**	**Other Equity Restated as of 31 March 2017**
Opening other equity as previously reported		**1,48,347**	**1,64,153**
Impact of correction of errors			
- Adjustment on account of adjusting event	a	(6,624)	(13,709)
- Adjustment on account of entry tax (net of tax)	b	(3,853)	(3,853)
- Reclassification of land and building	c	1,012	1,154
Total impact of errors		(9,465)	(16,408)
Restated balance		**1,38,882**	**1,47,745**

(iv) The comparative information for the year ended 31 March 2017 and opening retained earning as at 1 April 2016 have been restated in relation to the Standalone Ind AS financial statements due to the following reasons:

a. The Company had proposed a Scheme of Arrangement (Scheme) for demerger of fertilisers and Technical Ammonium Nitrate (TAN) business into a wholly owned subsidiary Company, M/s. Smartchem Technologies Limited. The National Company Law Tribunal (NCLT) on 30th March, 2017 granted approval to the Scheme and the Order of NCLT was received by the Company on 13th April, 2017. Post compliance of further requirements of the Order, the Company filed the same with Registrar of Companies on 1st May, 2017. The Scheme as approved by NCLT, provides that the demerger will be effective retrospectively from 1st January, 2015.

   To give effect of the scheme of TAN and Fertilisers business as an 'adjusting event' with an effective date of 1st January 2015 based on a re-examination of Ind AS 10 by Management in view of clarifications issued by Ind AS Transition Facilitation Group ("ITFG") 14 issue no 4 issued on 1st February, 2018.

b. Provision of ₹ 5,200 Lacs adjusted against opening retained earnings as on 1st April, 2016, for entry tax and Maharashtra Value Added Tax retention amounts based on demand notices raised by the Sales tax authorities, contested by the Company, for the years 2012-2016 since the matters pertains to the prior years.

c. Reclassification of an amount of ₹ 7,963 Lacs classified as building in the previous years to land as required by Ind AS 16, and accordingly reversal of accumulated depreciation on building of ₹ 1,012 Lacs in retained earnings as of 1st April, 2016 and reversal of depreciation on buildings of ₹ 142 Lacs charged during the year ended 31st March, 2017.

Note 43: LEASES

The Company has taken premises on operating lease for a period of one to five years. The future lease payment of such operating lease is as follows:

	31 March 2018	**31 March 2017**	**1 April 2016**
Minimun lease rental payable			
Not later than 1 year	476	433	411
Later than 1 year and not later than 5 years	70	117	20
Later than 5 years	-	-	-
Total	**546**	**550**	**431**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 44: DISCLOSURE REQUIRED UNDER SECTION 186(4) OF COMPANIES ACT, 2013

Loans and advances to related parties includes loan given to a subsidiary. The particulars of which are disclosed below as required.

Name of the party	Rate of interest	Due date and amount payable	Purpose	31 March 2018	31 March 2017	1 April 2016
Smartchem Technologies Limited	7.13% - 8.32%	Repayable on demand	The loan has been granted to the subsidiary for working capital requirements. The loan is repayable on demand.	NIL	54,907	81,005

The Company has issued corporate guarantees on behalf of subsidiaries / associates to banks. Details are as below :

Name of the party	31 March 2018		31 March 2017		1 April 2016	
	Foreign currency (million)	Amount	Foreign currency (million)	Amount	Foreign currency (million)	Amount
Platinum Blasting Services Pty. Ltd (subsidiary of wholly owned subsidiary, Smartchem Technologies Limited)	AUD 10.60	5,305	AUD 3.7	1,835	AUD 37	1,850
Smartchem Technologies Limited (wholly owned subsidiary)	-	31,052	-	-	-	-
Desai Fruits and Vegetables Private Limited (associate)	-	-	-	7	-	7

Note 45: FOREIGN CURRENCY BALANCES OUTSTANDING

	31 March 2018		31 March 2017	
	Amount in FC Lacs	Equivalent Amount in INR Lacs	Amount in FC Lacs	Equivalent Amount in INR Lacs
Hedged Position*				
Creditors (in USD)	404	26,349	201	13,030
Creditors (in AED)	102	1,816	-	-
Buyers credit (in USD)	489	31,849	316	20,503
Total	**995**	**60,014**	**517**	**33,533**
Un-hedged Position				
Creditors (in USD)	101	6,610	44	2,859
Creditors (in EURO)	-	-	0	17
Creditors (in AED)	13	229	-	-
Buyers credit (in USD)	11	713	22	1,429
Exports (in USD)	10	637	5	295
Bank balance (in USD)	0	9	0	27
Total	**135**	**8,198**	**71**	**4,627**

*The above transactions are hedged by following derivative contracts

(All Amounts in ₹ Lacs unless otherwise stated)

Particulars	31 March 2018		31 March 2017	
	Amount in FC Lacs	Equivalent Amount in INR Lacs	Amount in FC Lacs	Equivalent Amount in INR Lacs
Forward contracts -USD	609	39,697	517	33,532
Forward contracts -AED	102	1,816	-	-
Options contracts - USD	284	18,501	-	-
Total	**995**	**60,014**	**517**	**33,532**

The Company has chosen to not designate the foreign exchange forward contracts and options contracts as hedges under IND AS 109

Unhedged Foreign Currency exposure is as under

Particulars	31 March 2018	31 March 2017
Payables	7,552	4,305
Receivables	637	295

Note 46: INCOME TAXES

A. Components of Income Tax Expenses	31 March 2018	31 March 2017
I. Tax expense recognised in the statement of profit and loss		
Current Tax	3,021	3,823
Adjustments/(credits) related to previous year - (net)	(800)	-
Total (A)	**2,221**	**3,823**
Deferred tax charge/(credit)	(417)	848
Total (B)	**(417)**	**848**
Total (A+B)	**1,804**	**4,671**
II. Tax on Other Comprehensive Income		
Deferred Tax		
(Gain)/Loss on remeasurement of net defined benefit plans	(61)	103
(Gain)/Loss on debt instruments through other comprehensive income	22	(15)
Total	**(39)**	**88**

(All Amounts in ₹ Lacs unless otherwise stated)

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate 31 March 2018 and 31 March 2017

Particulars	31 March 2018	31 March 2017
Accounting profit before tax	13,093	13,701
At India's statutory income tax rate of 34.608% (31 March 2017: 34.608%) (A)	**4,531**	**4,742**
Effects of income not subject to tax		
- Power Generation	(182)	(197)
- Dividend income	(1,563)	(9)
Effects of non-deductible business expenses	58	326
Reversal of earlier year tax provision	(800)	-
Others	(240)	(191)
Total (B)	**(2,727)**	**(71)**
Income Tax expense reported in the statement of profit or loss (A+B)	**1,804**	**4,671**

Note 47: The previous year figures of 31 March 2017 and 1 April 2016 have been audited by a firm other than B S R & Associates LLP.

Note 48: Segment information has been presented in the Consolidated Financial Statements as permitted by Indian Accounting Standard Ind AS 108, Operating Segments as notified under the Companies (Indian Accounting Standard) Rules, 2015.

Note 49: Previous year figures have been regrouped wherever necessary, to correspond with the current period's classification / disclosure.

As per our report of even date attached

For and on behalf of Board of Directors of Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

RAAJNISH DESAI
Partner
Membership No.: 101190

Mumbai
Dated: 30 May 2018

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
Director
DIN : 00228201

Mumbai
Dated: 30 May 2018

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Independent Auditors' Report

To the Members of

Deepak Fertilisers And Petrochemicals Corporation Limited

Report on the audit of Consolidated Ind AS financial statements

We have audited the accompanying Consolidated Ind AS financial statements of Deepak Fertilisers And Petrochemicals Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint operations, which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

Management's responsibility for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs, consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and joint operations and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group, its associates and joint operations are responsible for assessing the ability of the Group, its associates and joint operations to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group, its associates and joint operations or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the 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 thereunder.

We conducted our audit of these Consolidated Ind AS financial statements 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 Consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its associates, and joint operations to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its associates and joint operations to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint operations, the aforesaid Consolidated Ind AS 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 consolidated state of affairs of the Group, its associates and joint operations as at 31 March 2018, and their consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Emphasis of matter

1. Corresponding figures for the year ended 31 March 2017 were audited by the predecessor auditor who had expressed an unmodified opinion on those Consolidated Ind AS financial statements vide their report dated 30 June 2017. We draw attention to note 39 of the Consolidated Ind AS financial statements, which more fully explains that the comparative information for the year ended 31 March 2017 has been restated in the special purpose financial statements audited by the predecessor auditors, whose audit report dated, 29 May 2018 expressed an unmodified audit opinion on such special purpose financial statements. Our opinion is not modified in respect of this matter.
2. We draw attention to the following notes to the Consolidated Ind AS financial statements:
    - note 45 which more fully explains that the Department of Fertilisers has released the fertiliser subsidy of Rs. 310 crores based on issue of bank guarantee of an equivalent amount; and
    - note 46 which more fully explains that GAIL, a vendor, has claimed an amount of Rs. 357 crores in respect of supply of gas for manufacture of products other than urea.

Our opinion is not modified in respect of these matters.

Other Matters

1. We did not audit the financial statements and other financial information of eight subsidiaries (including step-down subsidiaries) included in the Consolidated Ind AS financial statements, whose financial statements reflect total assets of Rs 580,330 Lacs and net assets of Rs. 277,611 Lacs as at 31 March 2018, total revenues of Rs. 314,746 Lacs and net cash inflows amounting to Rs. 748 Lacs for the year ended on that date, as considered in the Consolidated Ind AS financial statements. The Consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 239 lacs for the year ended 31 March 2018 in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS financial statements, in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, associates and joint operations is based solely on the reports of the other auditors.
2. Certain of these subsidiaries are located outside India and whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Group's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Group's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of the other auditors and the conversion adjustments prepared by the management of the Group and which have been audited by us.

    Our opinion above on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint operations, as noted in the 'other matter' paragraph, we report, to the extent applicable, 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 of the aforesaid Consolidated Ind AS financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.

d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies, and joint operations incorporated in India, none of the directors of the Group companies, its associate companies, and joint operations incorporated in India are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint operations incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and also the other financial information of the subsidiaries, associates and joint operations, as noted in the 'Other matter' paragraph:

i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint operations. Refer Note 38 to the Consolidated Ind AS financial statements.

ii. The Group, its associates and joint operations did not have any material foreseeable losses on long-term contracts, including derivative contracts.

iii. Following is the instance of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

Year	Type of dividend	Dividend unpaid (INR in Lacs)	Status
1997-1998	Final	0.37	Not transferred to Investor Education and Protection Fund due to pending litigation on ownership of shares

iv. The disclosures in the Consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Consolidated Ind AS financial statements for the year ended 31 March 2017 have been disclosed.

For B S R & Associates LLP
Chartered Accountants
Firm registration No: 116231W/W-100024

Raajnish Desai
Partner
Membership No.: 101190

Place: Mumbai
Date: 30 May 2018

Annexure “A” to the Independent Auditor’s Report on the Consolidated Ind AS financial statements of Deepak Fertilisers And Petrochemicals Corporation Limited

Referred to in paragraph 1(f) in “Report on Other Legal and Regulatory Requirements” of the Independent Auditor’s Report to the Members of Deepak Fertilisers And Petrochemicals Corporation Limited on the Consolidated Ind AS financial statements for the year ended 31 March 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to the financial statements of Deepak Fertilisers And Petrochemical Corporation Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of 31 March 2018 in conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to the financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the ‘Guidance Note’) and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint operations which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the Consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors as mentioned in the Other Matters paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For B S R & Associates LLP
Chartered Accountants
Firm registration No: 116231W/W-100024

Raajnish Desai
Partner
Membership No.: 101190

Place: Mumbai
Date: 30 May 2018

Consolidated Balance Sheet

as at 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	As at 31 March 2018	31 March 2017 Restated (refer note 39)	1 April 2016 Restated (refer note 39)
ASSETS				
Non-current assets				
Property, plant and equipment	2	2,14,383	2,01,910	1,32,399
Capital work-in-progress	3	65,384	38,527	39,620
Investment property	4	511	511	511
Goodwill		2,666	1,460	1,498
Other intangible assets	5	1,322	1,742	511
Financial assets				
i. Investments	6(a)	1,001	1,244	1,472
ii. Loans	8	7	-	-
iii. Other financial assets	11	1,682	2,814	4,291
Deferred tax assets (net)	12	7,847	15,847	26,801
Income tax assets (net)		8,832	6,765	5,776
Other non - current assets	13	42,755	15,640	11,686
Total non-current assets		**3,46,390**	**2,86,460**	**2,24,565**
Current assets				
Inventories	14	76,849	50,453	60,592
Financial assets				
i. Investments	6(b)	37,773	14,161	3,585
ii. Trade receivables	7	1,96,537	1,31,133	1,51,953
iii. Cash and cash equivalents	9	9,184	9,279	21,774
iv. Other bank balances	10	847	523	793
v. Loans	8	446	554	265
vi. Other financial assets	11	1,855	700	1,122
Other current assets	15	29,265	11,550	7,192
Total current assets		**3,52,756**	**2,18,353**	**2,47,276**
Total assets		**6,99,146**	**5,04,813**	**4,71,841**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	8,820	8,820	8,820
Other equity	17	1,95,797	1,92,797	1,85,629
Equity attributable to owners of the Company		2,04,617	2,01,617	1,94,449
Non controlling interest		4,033	790	774
Total equity		**2,08,650**	**2,02,407**	**1,95,223**

Consolidated Balance Sheet

as at 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	As at 31 March 2018	31 March 2017 Restated (refer note 39)	1 April 2016 Restated (refer note 39)
Liabilities				
Non-current liabilities				
Financial Liabilities				
i. Borrowings	18(a)	62,552	47,150	48,843
ii. Other financial liabilities	19	-	129	183
Provisions	20	4,839	4,092	3,777
Total non-current liabilities		**67,391**	**51,371**	**52,803**
Current liabilities				
Financial liabilities				
i. Borrowings	18(b)	2,83,922	1,19,771	1,40,712
ii. Trade payables	21	90,898	43,861	47,730
iii. Other financial liabilities	19	33,852	72,867	21,991
Other current liabilities	22	12,899	12,473	11,782
Provisions	20	956	786	708
Current tax liabilities (net)		578	1,277	892
Total current liabilities		**4,23,105**	**2,51,035**	**2,23,815**
Total liabilities		**4,90,496**	**3,02,406**	**2,76,618**
Total equity and liabilities		**6,99,146**	**5,04,813**	**4,71,841**
Significant accounting policies	1			
The accompanying notes form an integral part of the consolidated Ind AS financial statements	2-48			

As per our report of even date attached

For and on behalf of Board of Directors
Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

RAAJNISH DESAI
Partner
Membership No.: 101190

S. R. WADHWA
Director
DIN : 00228201

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Mumbai
Dated: 30 May 2018

Mumbai
Dated: 30 May 2018

Consolidated Statement of Profit and Loss

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended 31 March 2018	Year ended 31 March 2017 Reinstated (refer note 39)
Income			
Revenue from operations	23	6,06,154	4,37,812
Other income	24	2,409	1,586
Total income		**6,08,563**	**4,39,398**
Expenses			
Cost of materials consumed	25	2,37,317	1,47,401
Purchases of stock-in-trade	26	2,27,716	1,35,019
Changes in inventories of finished goods and stock-in-trade	27	(9,539)	11,899
Excise duty		6,668	22,801
Employee benefits expense	28	24,580	21,017
Finance costs	29	17,316	12,147
Depreciation and amortisation expense	30	16,323	13,502
Other expenses	31	64,894	52,336
Total expenses		**5,85,275**	**4,16,122**
Profit before share of (loss) of equity accounted investees and income tax		**23,288**	**23,276**
Share of (loss) of equity accounted investees		(239)	(231)
Profit before tax		**23,049**	**23,045**
Tax expenses			
- Current tax		4,049	4,582
- MAT credit entitlement		(1,700)	(693)
- Deferred tax charge		4,290	3,694
Total tax expense		**6,639**	**7,583**
Profit for the year		**16,410**	**15,462**
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		(139)	(364)
Income tax relating to these items		48	126
Total (A)		**(91)**	**(238)**
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(31)	(6)
Changes in fair value of investment through OCI		(63)	44
Income tax relating to these items		33	(13)
Total (B)		**(61)**	**25**

Consolidated Statement of Profit and Loss

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Notes	Year ended 31 March 2018	Year ended 31 March 2017 Reinstated (refer note 39)
Other comprehensive income for the year, net of tax liability (A+B)		**(152)**	**(213)**
Total comprehensive income for the year		**16,258**	**15,249**
Profit attributable to:			
-Owners of the Company		16,267	15,431
-Non controlling interests		143	31
Other comprehensive income:			
-Owners of the Company		(148)	(212)
-Non controlling interests		(4)	(1)
Total comprehensive income attributable to:			
-Owners of the Company		16,119	15,219
-Non controlling interests		139	30
		16,258	**15,249**
Earning per Equity Share of ₹ 10 each			
i) Basic (in ₹)		18.60	17.53
ii) Diluted (in ₹)		18.60	17.53
Weighted average number of Equity Shares of ₹ 10 each		8,82,04,943	8,82,04,943
Significant accounting policies	1		
The accompanying notes form an integral parts of the consolidated Ind AS financial statements.	2-48		

As per our report of even date attached

For and on behalf of Board of Directors
Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

RAAJNISH DESAI
Partner
Membership No.: 101190

S. R. WADHWA
Director
DIN : 00228201

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Mumbai
Dated: 30 May 2018

Mumbai
Dated: 30 May 2018

Consolidated Statement of Changes in Equity

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

A. Equity Share Capital

	31 March 2018	31 March 2017	1 April 2016
Balance at the beginning of the year	8,820	8,820	8,820
Changes in equity shares capital during the year	-	-	-
Balance at the end of the year	**8,820**	**8,820**	**8,820**

B. Other Equity

						Items of Other Comprehensive Income (OCI)				Total
	Securities premium reserve	Capital Redemption Reserve	Debenture redemption reserve	General Reserve	Retained earnings	Fair Value through OCI	Other Items of Comprehensive Income	Total attributable to Owners of the Group	Non Controlling Interest	
Balance as at 1 April 2016, as previously reported (refer note 39)	**10,799**	**1,950**	**5,000**	**17,867**	**108,221**	**(40)**	**150**	**143,947**	**774**	**144,721**
Impact of correction of error (refer note 39)	**-**	**-**	**-**	**-**	**41,901**	**27**	**(246)**	**41,682**	**-**	**41,682**
Balance as at 1 April 2016 - Reinstated (refer note 39)	**10,799**	**1,950**	**5,000**	**17,867**	**150,122**	**(13)**	**(96)**	**185,629**	**774**	**186,403**
Profit for the year	-	-	-	-	15,431		-	15,431	16	15,447
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	-		(245)	(245)	-	(245)
Fair Valuation of Investment, net of tax	-	-	-	-	-	31	-	31	-	31
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**15,431**	**31**	**(245)**	**15,217**	**16**	**15,233**
Dividends paid	-	-	-	-	25	-	-	25	-	25
Transfer from debenture redemption reserve	-	-	1,250	-	(1,250)	-	-	-	-	-
Deferred Tax on demerger	-	-	-	-	(8,074)	-	-	(8,074)	-	(8,074)
Balance as at 31 March 2017	**10,799**	**1,950**	**6,250**	**17,867**	**156,254**	**18**	**(341)**	**192,797**	**790**	**193,587**
Profit for the year	-	-	-	-	16,267	-	-	16,267	143	16,410
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	-	-	(122)	(122)	-	(122)
Fair Valuation of Investment, net of tax	-	-	-	-	-	(30)	-	(30)	-	(30)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**16,267**	**(30)**	**(122)**	**16,115**	**143**	**16,258**
Issue of shares during the year	(263)	-	-	-	-	-	-	(263)	3,100	2,837
Dividends paid	-	-	-	-	(7,292)	-	-	(7,292)	-	(7,292)
Transfer from debenture redemption reserve	-	-	(6,250)	-	6,250	-	-	-	-	-
Transfer to general reserve	-	-	-	55	(55)	-	-	-	-	-
Deferred Tax on demerger	-	-	-	-	(5,560)	-	-	(5,560)	-	(5,560)
Balance at 31 March 2018	**10,536**	**1,950**	**-**	**17,922**	**165,864**	**(12)**	**(463)**	**195,797**	**4,033**	**199,830**

Note (1) Refer note 17 for nature and purpose of other equity.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

RAAJNISH DESAI
Partner
Membership No.: 101190

Mumbai
Dated: 30 May 2018

For and on behalf of Board of Directors
Deepak Fertilisers And Petrochemicals Corporation Limited

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

S. R. WADHWA
Director
DIN : 00228201

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Mumbai
Dated: 30 May 2018

Consolidated Statement of Cash Flow

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
Cash flow from operating activities		
Profit before income tax	**23,049**	**23,045**
Adjustments for		
Depreciation and amortisation expense	16,323	13,502
(Gain)/Loss on disposal of property, plant and equipment	112	270
Bad debts and advances written off, allowances for doubtful trade receivable and advances (net)	222	402
Dividend income	(2)	(13)
Gain on sale of investments	(429)	(326)
Interest income	(627)	(721)
Finance costs	17,316	12,147
Unrealised foreign exchange differences	1,450	(537)
Change in operating assets and liabilities, net of effects from purchase and sale of subsidiaries and associates:		
(Increase)/Decrease in trade receivables	(65,626)	20,418
(Increase)/Decrease in inventories	(26,396)	10,139
(Increase)/Decrease in other financial assets	604	1,495
Increase/(Decrease) in other non-current assets	(2,313)	(890)
(Increase)/Decrease in other current assets	(17,715)	(4,358)
Increase/(Decrease) in trade payables	47,037	(3,869)
Increase/(Decrease) in other financial liabilities	2,960	11,380
Increase/(Decrease) in provisions	917	393
(Decrease)/Increase in employee benefit obligations	(170)	(370)
Increase/(Decrease) in derivatives not designated as hedges	(3,168)	1,751
Increase in other current liabilities	389	960
Cash generated from operations	**(6,067)**	**84,818**
Income taxes paid (net)	(6,884)	(5,194)
Net cash flows from operating activities	**(12,951)**	**79,624**
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets (including Capital work-in-progress)	(94,560)	(74,481)
Purchase of investments	(23,432)	(10,348)
Loans repaid / (to) related parties (net)	101	(289)
Proceeds from sale of investments	429	370
Proceeds from minority interest from rights issue	3,085	(16)
Interest received	635	503
Changes in other bank balances	(324)	290
Net cash outflow from investing activities	**(114,066)**	**(83,991)**

Consolidated Statement of Cash Flow

for the year ended 31 March 2018

(All Amounts in ₹ Lacs unless otherwise stated)

	Year ended 31 March 2018	Year ended 31 March 2017
Cash flows from financing activities		
Proceeds from borrowings	1,78,674	41,305
Repayment of borrowings	(26,935)	(37,055)
Share issue costs	(248)	-
Interest paid	(17,317)	(12,147)
Dividends paid (including dividend distribution tax)	(7,253)	(231)
Net cash inflow (outflow) from financing activities	**126,921**	**(8,128)**
Net increase (decrease) in cash and cash equivalents	**(95)**	**(12,495)**
Cash and cash equivalents at the beginning of the year	9,279	21,774
Cash and cash equivalents at end of the year (refer note no. 9)	**9,184**	**9,279**

The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, ''Statement of Cash Flows"

The accompaying notes forms an integral part of the consolidated Ind AS financial statements.

As per our report of even date attached

For and on behalf of Board of Directors
Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

PRANAY VAKIL
Director
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K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

Mumbai
Dated: 30 May 2018

Mumbai
Dated: 30 May 2018

Consolidated Notes

To the financial statements for the year ended 31 March 2018

1. CORPORATE INFORMATION

Deepak Fertlisers And Petrochemicals Corporation Limited ("the Company or the Parent Company") is a public limited Company domiciled in India, with its registered office at Pune, Maharashtra, India. The Company has been registered under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange ("BSE") in India.

The Group is engaged in the business of fertilisers, agri services, bulk chemicals, mining chemicals and value added real estate.

The consolidated financial statements of the Company as at and for the year ended on 31 March 2018 comprise the Company and its subsidiaries (together referred to as "the Group").

1.1. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act"), as amended thereafter and other relevant provisions of the Act.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments); and
- Employee defined benefits plans – plan assets are measured at fair value

The consolidated financial statements are presented in Indian Rupees ("INR"), which is also the Group functional currency and all values are rounded off to the nearest Lacs, except when otherwise indicated. Wherever, an amount is presented as INR '0' (zero) it construes value less than ₹ 50,000.

1.1.2 Significant accounting estimates, assumptions and judgements

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabiltiies within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint Arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

(iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments are tested for impairment.

(v) Changes in ownership interests:

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

The details of consolidated entities are as follows:

Name of the Companies		Country of incorporation	Percentage of ownership interest 31 March 2018	Percentage of ownership interest 31 March 2017
1	Smartchem Techologies Limited (STL)	India	100.00%	100.00%
2	Deepak Nitrochem Pty Limited	Australia	100.00%	100.00%
3	Deepak Mining Services Private Limited (DMSPL)	India	100.00%	100.00%
4	RungePincockMinarco India Private Limited (Subsidiary of DMSPL)	India	51.00%	51.00%
5	Desai Fruits and Vegetables Private Limited	India	31.90%	37.09%
6	SCM Fertichem Limited	India	100.00%	100.00%
7	Platinum Blasting Servies Pty Limited (PBS)[Subsidiary of STL]	Australia	71.50%	79.27%
8	Australian Explosives Pty Limited (AME)[Subsidiary of PBS]	Australia	71.50%	100.00%
9	Performance Chemiserve Private Limited	India	76.02%	-

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Useful lives of Property, plant and equipment ('PPE')

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period. Factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of PPE, consequently leading to a change in the future depreciation charge.

Defined benefit plans

Employee benefit obligations are determined using independent actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual results in the future. These include the determination of the discount rate, future salary increases, experience of employee departures and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Litigations

From time to time, the Group is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the charge/expense can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcomes and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions are made for the changes in facts and circumstances.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing their fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments.

Impairment of financial assets

The Group assesses impairment based on the expected credit loss ("ECL") model on trade receivables. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the assets' recoverable amount. An assets' recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cashflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators.

1.1.3 Summary of significant accounting policies

(a) Current verus non-current classification

The Group presents assets and liabilities inthe Balance Sheet based on current/ non-currentclassification.

An asset is treated as current when:

- It is expected to be realised or intended to besold or consumed in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve monthsafter the reporting period; or
- It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months afterthe reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified asnon-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cashand cash equivalents. The Group has identified twelve months as its operating cycle for the purpose of current non-current classification of assets and liabilities.

(b) Revenue recognition

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured regardless of when the payment is made. Revenue is recognized at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is stated inclusive of excise duty and excludes sales tax/ value added tax/ Goods and Service tax. The specific recognition criteria described below must also be met before revenue is recognized.

- Sale of goods: Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and cash discounts.

- Rendering of services: Income from services are recognised as and when the services are rendered. Rental income from realty business is recognised based on the contractual terms. In case of revenue sharing arrangements, the income is recognised on the basis of provisional information provided by the lessees where the final data is awaited on the date of revenue recognition.
- Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.
- Clean Development Mechanism ('CDM') benefits known as Carbon Credit for wind energy units generated and N2O reduction in its Nitric Acid plant are recognised as revenue when the revenue can be reliably measured and there are no significant uncertainties regarding ultimate collection.
- Credits on account of Duty Drawback and other benefits are accounted for on an accrual basis.
- Dividend income is accounted for when the right to receive the dividend is established, which is generally when the shareholders approve the dividend.

(c) Property, plant and equipment

Items of property, plant and equipment including capital work-in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bring the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognized in the statement of profit or loss, as incurred. In respect of additions to/ deletions from fixed assets, depreciation is provided on a pro-rata basis with reference to the month of addition/ deletion of the assets. Freehold land is carried at historical cost.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule II of the Companies Act, 2013. As per requirements of the Companies Act, 2013, the Group has also identified significant components of assets and their useful life and depreciation charge is based on an internal technical evaluation. Estimated useful life adopted in respect of the following assets is different from the useful life prescribed in Schedule II of the Companies Act, 2013. These estimated lives are based on technical assessment made by technical expert and management estimates. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Name of assets	Estimated useful life (in years)
Computers - Servers and Networks	3 – 6
End User Devices such as, desktops, laptops	3 – 6
Vehicles	4 for employee vehicles and 6 – 7 for others
Buildings (other than factory buildings) with RCC frame structure	61
Plant and Machinery	Various estimated lives upto 25. WNA III plant is depreciated at 25.88% on the WDV method
Windmill	19
Plant & Machinery used for generation of power through gas	40

Capitalised machinery spares are depreciated over the remaining useful life of the related machinery/equipment. Leasehold Land is amortised over the lease period.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Intangible assets

Intangible assets are initially recognized at cost. Following initial recognition, intangible assets with finite useful life are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Name of assets	Estimated useful life (in years)
Computer software	3 to 4
Technical knowhow/ engineering fees	3 to 4
Licence/ franchise fees	3 to 4

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(e) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset, that necessarily takes a substantial period of time to get ready for its intended use, are capitalisedas a part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Investment income earned on the temporary investment of specific borrowings is deducted from the borrowing costs eligible for capitalisation.

(f) Foreign currency transactions and balances

Transactions in foreign currency are recorded applying the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing rates prevailing on the balance sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the statement of profit and loss. Exchange differences arising on the settlement of monetary items, at rates different from those at which they were initially recorded, during the year or reported in previous financial statements, are recognized as income or expenses in the year in which they arise. Foreign exchange difference on foreign currency borrowings, loans given, settlement gain/ loss and fair value gain/ loss on derivative contract relating to borrowings are accounted and dislosed under finance cost. Such exchange difference do not include foreign exchange difference regarded as an adjustment to the borrowing cost and capitalized with cost of fixed assets.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the Balance Sheet;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(g) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets: Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e.,the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss(FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and b) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and b) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However,the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Group recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e.,removed from the Group balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

Financial liabilities are classified and measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Group uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets in which case they are capitalized in accordance with the Group general policy on borrowing costs. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from an operating lease is recognized on a straight-line basis over the term of the relevant lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(i) Inventories

- Raw materials, packing materials and stores and spares are valued at the lower of cost and net realisable value. Cost is determined on the basis of moving weighted average method. The aforesaid items are valued below cost if the finished products in which they are to be incorporated are expected to be sold at a loss.
- Finished goods and by-products including those held for captive consumption are valued at the lower of cost or net realisable value. Cost is determined on actual cost basis. Cost of finished goods includes excise duty, as applicable. Variances, exclusive of abnormally low volume and operating performance, are adjused to inventory. Stock-in-trade is valued at lower of cost and net realisable value.
- Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(j) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the assets' recoverable amount. An assets' recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment loss no longer exist or has decreased. If such indication exists, the Group estimates the assets' or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the assets' recoverable amount, since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

(k) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive),as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursements.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

(l) Employee benefits

Defined contribution schemes

Provident Fund and superannuation are a defined contribution schemes. The contributions to these schemes are charged to the statement of profit and loss in the year in which the employee renders the related services.

Defined benefit schemes

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Group. The aforesaid liability is provided for on the basis of an actuarial valuation based on the projected unit credit method made at the end of the financial year by an independent actuary. The scheme is funded with an Insurance company in the form of qualifying insurance policy.

The defined benefit obligation for post employment pension and medical benefits is also calculated at the end of the financial year by an independent actuary using the projected unit credit method.

The Group has other long term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized immediately in the balance sheet with a corresponding debit or credit through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

(m) Derivative financial instruments

The Group uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship which is designated.

Cash flow hedges that qualify for hedge accounting: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in 'other comprehensive income' in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss. Amounts accumulated in equity are reclassified to the statement of profit and loss in the periods in which the hedged item affects the profit or loss (for example, when the interest expenditure is recorded).

Derivatives that are not designated as hedges: The Group enters into certain derivative contracts to hedge foreign exchange risks which are not designated as hedges. Such derivative contracts are accounted for at each reporting date at fair value through the statement of profit and loss.

(n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(o) Cash dividend

The Group recognizes a liability to make cash distributions to equity shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders of the Group.

(p) Income taxes

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or in respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of temporary differences can be controlled and it is probable that the temporary differences will not reverse in the forseeble future.

Deferred tax assets on deductible temporary differences, the carry forward of unused tax credits and any unused tax losses are recognized to the extent that there is reasonably certainty that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become reasonably certain that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset or liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credits which can be carried forward and utilized when the Group will pay normal income tax during the specified period. Deferred tax asset on such tax credit is recognized to the extent that it is probable that the unused tax credit can be utilized in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(q) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purposes of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(r) Investment property

Property that is held for long-term rentals or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(s) Segment reporting

Based on the "Management approach" as defined in Ind AS 108: Operating Segments, the Chief Operating Decision Maker evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Inter-segment sales and transfers are reflected at market prices.

Segment policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements as a whole. Common allocable costs are allocated to each segment on an appropriate basis. Revenues, expenses, assets and liabilities,which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/expenses/ assets/ liabilities", as the case may be.

(t) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively;
- Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of a bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

(u) Contingent Liability and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of economic resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contigent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

(v) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(w) New Standards issued but yet to be adopted

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Accounting Standards ('Ind AS') and amendments to Ind ASs which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group is evaluating the impact of this amendment on its financial statements and will apply the standard using the cumulative effective method, with the effect of initially applying IND AS 115 being recognized as an adjustment to the opening balance of retained earnings of the annual reporting period.

Ind AS 21 – The effect of changes in Foreign Exchanges rates

The amendment has been incorporated in Ind AS 21 as Appendix B, which clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix is applicable for accounting periods beginning on or after April 1, 2018.The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Group is evaluating the impact of this amendment on its consolidated financial statements.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 2: PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Lease-hold Land	Buildings	Plant and equipment	Electric installation	Furniture & fixtures	Laboratory equipments	Vehicles	Office equipments	Total
Gross carrying amount										
As at 1 April 2016 - Restated (refer note 39)	16,127	1,504	26,989	91,941	2,626	1,039	339	1,553	939	1,43,057
Additions	-	12,495	9,898	58,815	680	20	42	556	710	83,216
Disposals	-	-	-	(466)	-	-	(1)	(139)	(11)	(617)
Adjustments	-	(2)	-	-	-	-	-	-	-	(2)
Gross carrying amount as at 31 March 2017	**16,127**	**13,997**	**36,887**	**1,50,290**	**3,306**	**1,059**	**380**	**1,970**	**1,638**	**2,25,654**
Accumulated depreciation										
Opening accumulated depreciation	-	(22)	(629)	(8,629)	(478)	(139)	(102)	(406)	(253)	(10,658)
Depreciation charge for the year	-	(122)	(1,133)	(10,569)	(494)	(147)	(67)	(453)	(294)	(13,279)
Disposals	-	-	-	98	-	-	1	88	6	193
Accumulated depreciation as at 31 March 2017	**-**	**(144)**	**(1,762)**	**(19,100)**	**(972)**	**(286)**	**(168)**	**(771)**	**(541)**	**(23,744)**
Net carrying amount as at 31 March 2017	**16,127**	**13,853**	**35,125**	**1,31,190**	**2,334**	**773**	**212**	**1,199**	**1,097**	**2,01,910**
Gross Carrying amount										
As at 1 April 2017	16,127	13,997	36,887	1,50,290	3,306	1,059	380	1,970	1,638	2,25,654
Additions	1,802	2,516	4,095	18,748	1,385	51	79	466	438	29,580
Disposals	-	-	(16)	(1,772)	-	(12)	(5)	(247)	(11)	(2,063)
Adjustment (refer footnote 1 below)	652	-	(938)	-	-	-	-	-	-	(286)
Gross carrying amount as at 31 March 2018	**18,581**	**16,513**	**40,028**	**1,67,266**	**4,691**	**1,098**	**454**	**2,189**	**2,065**	**2,52,885**
Accumulated depreciation										
Opening accumulated depreciation	-	(144)	(1,762)	(19,141)	(972)	(286)	(168)	(771)	(541)	(23,785)
Depreciation charge for the year	-	(186)	(1,422)	(12,477)	(543)	(149)	(44)	(492)	(421)	(15,734)
Disposals	-	-	-	552	-	9	4	162	10	737
Adjustments	-	-	286	(6)	-	-	-	-	-	280
Accumulated depreciation as at 31 March 2018	**-**	**(330)**	**(2,898)**	**(31,072)**	**(1,515)**	**(426)**	**(208)**	**(1,101)**	**(952)**	**(38,502)**
Net carrying amount as at 31 March 2018	**18,581**	**16,183**	**37,130**	**1,36,194**	**3,176**	**672**	**246**	**1,088**	**1,113**	**2,14,383**

Notes 1. Buildings gross value of which is ₹ 938 Lacs has been demolished during the year and net value representing the value of the land has been transferred to freehold land.

2. Refer Note 18(b) for information on Property, plant and equipment provided as security against borrowings by the Group.

3. Refer Note 29 for finance cost capitalized.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 3: CAPITAL WORK-IN-PROGRESS

	31 March 2018	31 March 2017	1 April 2016
Projects (mainly comprising buildings and plant and machinery)#	62,397	32,784	36,081
Others	2,987	5,743	3,539
Total	**65,384**	**38,527**	**39,620**

Includes borrowing cost of ₹ 7,099 Lacs (31 March 2017 ₹ 4,552 Lacs, 1 April 2016 ₹ 1,874 Lacs)

Note 4: INVESTMENT PROPERTIES

	31 March 2018	31 March 2017	1 April 2016
Gross carrying amount			
Opening gross carrying amount	511	511	511
Closing gross carrying amount	**511**	**511**	**511**
Accumulated depreciation			
Opening accumulated depreciation	-	-	-
Depreciation charge	-	-	-
Closing accumulated depreciation	-	-	-
Net carrying amount	**511**	**511**	**511**

(i) Fair value

	31 March 2018	31 March 2017	1 April 2016
Investment properties	1,103	1,103	1,103

Estimation of fair value

The fair values of investment properties have been determined by an external, independent property valuer, having appropriate recognised professional qualifications and relevant experience in the category of the land parcel being valued. The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

Note 5: OTHER INTANGIBLE ASSETS

	Computer Software	Technical Know How/ Engineering Fees	License/ Franchise Fees	Total
Cost				
Opening as on 1 April 2016	**129**	**332**	**299**	**760**
Additions during the year	544	-	902	1,446
Gross carrying amount as on 31 March 2017	**673**	**332**	**1,201**	**2,206**
Additions during the year	54	-	116	170
Gross carrying amount as on 31 March 2018	**727**	**332**	**1,317**	**2,376**
Accumulated Amortisation				
Opening as on 1 April 2016	**28**	**32**	**189**	**249**
Amortisation charge for the year	60	32	123	215
Closing accumulated amortisation as at 31 March 2017	**88**	**64**	**312**	**464**
Amortisation charge for the year	86	32	472	590
Closing accumulated amortisation as at 31 March 2018	**174**	**96**	**784**	**1,054**
Net Block as at 1 April 2016	**101**	**300**	**110**	**511**
Net Block as at 31 March 2017	**585**	**268**	**889**	**1,742**
Net Block as at 31 March 2018	**553**	**236**	**533**	**1,322**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 6: FINANCIAL ASSETS
Note 6(a): NON - CURRENT INVESTMENTS

	31 March 2018	31 March 2017	1 April 2016
Equity accounted investees - interest in associates			
50,81,363 (31 March 2017 : 50,81,363, 1 April 2016 : 50,81,363) equity shares of Desai Fruit and Vegetables Private Limited of ₹10 each	919	1,158	1,389
49,994 (31 March 2017 : 49,994, 1 April 2016 : 49,994) equity shares of Ishanya Realty Corporation Limited of ₹10 each	5	5	5
49,994 (31 March 2017 : 49,994, 1 April 2016 : 49,994) equity shares of Ishanya Brand Service Limited of ₹10 each	5	5	5
Investments in equity shares of (unquoted) Others (fully paid up)			
88,448 (31 March 2016 : 88,448, 1 April 2015 : 88,448) equity shares of Sterling Pound 1 each of Deepak International Limited	69	69	69
Investments in Equity Shares at Fair Value (Quoted - Fully Paid up)			
4,715 (31 March 2017: 4,715, 1 April 2016: 4,715) Equity shares of Punjab National Bank Limited of ₹ 2/- each fully paid up	3	7	4
Total	**1,001**	**1,244**	**1,472**
Aggregate amount of quoted investments and market value thereof	3	7	4
Aggregate amount of unquoted investments	998	1,237	1,468
Aggregate amount of impairment in the value of investments	-	-	-

Note 6(b): CURRENT INVESTMENTS

	31 March 2018	31 March 2017	1 April 2016
Quoted			
Investment in Debt Securities (carried at fair value through OCI)	1,636	1,647	1,635
Investment in Government Securities (carried at fair value through OCI)	1,026	1,125	1,083
Unquoted			
Investment in Mutual funds (carried at fair value through profit and loss)	35,111	11,389	867
Total	**37,773**	**14,161**	**3,585**

Note 7: TRADE RECEIVABLES

	31 March 2018	31 March 2017	1 April 2016
Trade Receivables (Unsecured)			
Considered good	1,96,537	1,31,133	1,51,953
Considered doubtful	1,334	1,112	710
Less: Allowance for expected credit loss	(1,334)	(1,112)	(710)
Total	**1,96,537**	**1,31,133**	**1,51,953**

Movement in allowance for expected credit loss:

	31 March 2018	31 March 2017	1 April 2016
Balance at beginning of the year	1,112	710	341
Add: Allowance for expected credit loss	222	402	369
Less: Reversed / utilized during the year	-	-	-
Balance as at the end of the year	**1,334**	**1,112**	**710**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 8: LOANS

	31 March 2018		31 March 2017		1 April 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
Unsecured, considered good						
Loans to employees	218	-	59	-	95	-
Other loans	228	7	495	-	170	-
Total	**446**	**7**	**554**	**-**	**265**	**-**

Note 9: CASH & CASH EQUIVALENTS

	31 March 2018	31 March 2017	1 April 2016
Balances with banks		-	-
- in current accounts	3,840	6,986	5,973
- in EEFC accounts	224	72	465
- in deposits with original maturity upto three months	3,021	1,046	15,021
Cash on hand	10	6	14
Cheques on hand	2,089	1,169	301
Total	**9,184**	**9,279**	**21,774**

Note 10: OTHER BANK BALANCES

	31 March 2018	31 March 2017	1 April 2016
Earmarked balances with banks			
Unclaimed dividend	647	466	735
Short term deposits with maturity upto twelve months from the reporting date	200	57	58
Total	**847**	**523**	**793**

Note 11: OTHER FINANCIAL ASSETS

	31 March 2018		31 March 2017		1 April 2016	
	Current	Non Current	Current	Non Current	Current	Non Current
(i) Derivatives not designated as hedge						
Foreign-exchange forward contracts	34	-	-	-	39	-
Foreign currency options	601	-	-	-	583	-
(ii) Others						
Interest receiveable	690	-	698	-	480	-
Balances with banks with original maturity after twelve months from the reporting date(*)	-	8	-	1,167	-	1,867
Security deposits	-	1,358	2	1,282	20	1,944
Others	530	316	-	365	-	480
Total	**1,855**	**1,682**	**700**	**2,814**	**1,122**	**4,291**

* ₹ Nil (31 March 2017 : ₹ 1,159 Lacs, 1st April 2016 : ₹ 1,159 Lacs) kept as fixed deposit with Bank of Baroda, London, as a lien for External Commercial Borrowings.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 12: DEFERRED TAX ASSEST (NET)

Movements during the year ended 31 March 2018:

	1 April 2017	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in the Other Comprehensive Income	31 March 2018
Property, plant and equipment and investment property	15,803	(249)	-	15,554
Other Intangible assets	26,288	5,875	-	32,163
Financial assets at fair value through profit or loss	(263)	237	-	(26)
Financial assets at fair value through OCI (including derivatives)	(76)	-	(70)	(146)
MAT credit entitlement	(1,105)	(1,700)	-	(2,805)
Deferred tax on entry tax provision	(1,347)	-	-	(1,347)
Provisions	(737)	(627)	-	(1,364)
Others include deferred tax on goodwill and intangible asset	(54,410)	4,534	-	(49,876)
Net deferred tax asset	**(15,847)**	**8,070**	**(70)**	**(7,847)**

Movements during the year ended 31 March 2017:

	1 April 2016 (Restated refer note 39)	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in the Other Comprehensive Income	31 March 2017
Property, plant and equipment and investment property	14,706	1,097	-	15,803
Other Intangible assets	18,235	8,053	-	26,288
Financial assets at fair value through profit or loss	(346)	83	-	(263)
Financial assets at fair value through OCI (including derivatives)	34	-	(110)	(76)
MAT credit entitlement	(412)	(693)	-	(1,105)
Deferred tax on entry tax provision	(1,347)	-	-	(1,347)
Provisions	(777)	40	-	(737)
Others include deferred tax on goodwill and intangible asset	(56,894)	2,484	-	(54,410)
Net deferred tax asset	**(26,801)**	**11,064**	**(110)**	**(15,847)**

Note 13: OTHER NON-CURRENT ASSETS

	31 March 2018	31 March 2017	1 April 2016
Capital advances	35,604	10,802	7,738
Balances with government authorities	7,123	4,658	3,886
Prepaid Expenses	28	180	62
Total	**42,755**	**15,640**	**11,686**

Note 14: INVENTORIES

	31 March 2018	31 March 2017	1 April 2016
Raw materials Includes ₹ 2,689 Lacs (31 March 2017 ₹ 2,365 Lacs, 1 April 2016 ₹ 92 Lacs) in transit	22,115	7,144	10,170
Finished goods	16,356	14,344	4,947
Stock-in-trade Includes ₹ 670 Lacs (31 March 2017 ₹ 18 Lacs, 1 April 2016 Nil) in transit	20,647	13,258	33,401
Stores and spares Includes ₹101 Lacs (31 March 2017 ₹ 138 Lacs, 1 April 2016 ₹ 275 Lacs) in transit	15,888	13,820	10,446
Packing materials	1,843	1,887	1,628
Total	**76,849**	**50,453**	**60,592**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 15: OTHER CURRENT ASSETS

	31 March 2018	31 March 2017	1 April 2016
Advances for supply of goods and services	10,863	3,043	2,896
Balances with government authorities	13,249	6,571	2,659
Prepaid expenses	3,997	1,541	1,101
Other receivables	1,156	395	536
Total	**29,265**	**11,550**	**7,192**

Note 16: SHARE CAPITAL

	31 March 2018	31 March 2017	1 April 2016
Authorised			
12,50,50,000 equity shares of ₹ 10/- each.	12,505	12,500	12,500
(31 March 2017: 12,50,00,000 equity shares of ₹ 10/- each)			
(1 April 2016: 12,50,00,000 equity shares of ₹ 10/- each)			
10,00,000 Cumulative redeemable preference shares of ₹100/- each.	1,000	1,000	1,000
(31 March 2017 : 10,00,000 Cumulative redeemable preference shares of ₹100/- each.)			
(1 April 2016 : 10,00,000 Cumulative redeemable preference shares of ₹ 100/- each.)			
	13,505	**13,500**	**13,500**
Issued, subscribed and fully paid-up			
8,82,04,943 equity shares of ₹ 10/- each.	8,820	8,820	8,820
(31 March 2017 : 8,82,04,943 equity shares of ₹ 10/- each)			
(1 April 2016 : 8,82,04,943 equity shares of ₹ 10/- each)			
	8,820	**8,820**	**8,820**

(i) Reconciliation of the number of Equity Shares

	31 March 2018		31 March 2017	
Equity Shares	**No of Shares**	**Amount**	**No of Shares**	**Amount**
Balance as at the beginning and at the end of the year	8,82,04,943	8,820	8,82,04,943	8,820
	8,82,04,943	**8,820**	**8,82,04,943**	**8,820**

Terms and rights attached to equity shares

The Group has only one class of equity shares having at par value of ₹ 10 per share. Holder of each equity share is entitled to one vote per share.

The Group declares and pays dividend in Indian Rupees except in the case of overseas shareholders where dividend is paid in respective foreign currencies considering foreign exchange rate applied at the date of remittance. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group the holders of equity share will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts in proportion to their shareholding. The distribution will be in proportion to the numbers of equity shares held by the shareholders.

(ii) Details of shareholders holding more than 5% shares in the Group

	31 March 2018		31 March 2017		1 April 2016	
	Number of shares	**% Holding**	**Number of shares**	**% Holding**	**Number of shares**	**% Holding**
Nova Synthetic Limited	4,25,94,071	48.29%	4,25,94,071	48.29%	1,72,67,000	19.58%
Fidelity Puriton Trust-Fidelity Low Priced Stock Fund	23,84,903	2.70%	72,00,000	8.16%	75,69,000	8.58%
Mr. S C Mehta	1,506	0.00%	1,506	0.00%	2,12,84,000	24.13%

(All Amounts in ₹ Lacs unless otherwise stated)

Note 17: OTHER EQUITY

Nature and purpose of other equity

(a) **Securities premium reserve:** The amount received in excess of face value of the equity shares is recognized in Securities Premium Reserve

(b) **Capital redemption reserve:** The Group had issued redeemable preference shares and as per the provisions of the Act where preference shares are redeemed out of divisible profits, an amount equal to the nominal value of shares so redeemed must be transferred to capital redemption reserve, out of divisible profits.

(c) **Debenture redemption reserve:** The Group has issued non convertible debentures and as per the provisions of the Act the Group is required to create debenture redemption reserve out of the divisble profits at least equal to 25% of the nominal value of debenture issued. The Debenture redemption reserve is allowed to be released to retained earnings on completion of the redemption of debentures.

(d) **General reserve:** This represents appropriation of profits by the Group and is available for distribution of dividend.

(e) **Retained earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

After the reporting date, the following dividend (excluding dividend distribution tax) was proposed by the Directors subject to the approval at the Annual General Meeting; the dividends have not been recognised as a liability. Dividends would attract dividend distribution tax when declared or paid.

	31 March 2018	31 March 2017
₹ 6 per equity share (31 March 2017 : ₹ 6 per equity share)	5,292	5,292

Note 18: FINANCIAL LIABILITIES

Note 18 (a) NON - CURRENT BORROWINGS

	Maturity date	Terms of repayment	Coupon/ Interest rate	31 March 2018	31 March 2017	1 April 2016
Secured						
External commercial borrowings (ECBs)						
Bank of Baroda,London	30 June 2017	Repayable in 20 quarterly installments commencing from 30th September, 2012 and last installment is paid on 30th June, 2017	At variable interest rate of LIBOR + 325 bps payable quarterly (average for the year 4.32% (3.80%).	-	1,943	6,596
HSBC Bank (Mauritius) Ltd.	29 July 2016	Repayable in 6 equal half yearly installments commencing from 31st January, 2014 and last installment is paid on 29th July, 2016	At variable interest rate of LIBOR + 300 basis points payable half yearly. the Group has taken interest rate swap from floating to fixed rate of 6.09%.	-	-	2,755
Debentures						
2,500, 9.71% Redeemable Privately Placed NCDs of ₹ 10 Lacs each	18 Jan 2018	Redeemed in single installment on 18th January, 2018	9.71% per annum payable annually.	-	24,992	24,981
Term loans				-	-	-
State Bank of India		Repayable in 28 quarterly installments starting from Jun 2017 onwards.	At variable average interest rate payable monthly (average for the year: 9.66% (Previous Year : 9.95%))	38,570	42,516	10,000
Kotak Mahindra Bank				-	-	6,364
Export Import Bank of India				8,572	9,453	3,636

(All Amounts in ₹ Lacs unless otherwise stated)

	Maturity date	Terms of repayment	Coupon/ Interest rate	31 March 2018	31 March 2017	1 April 2016
Bank of Baroda (Dahej)		Redeemable in quarterly installment starting from June 2021	9.05% per annum payable annually	9,000	-	-
Export Import Bank of India (Dahej)		Redeemable in quarterly installment starting from June 2021	9.25% per annum payable annually	10,400	-	-
Westpac (PBSPL)		Repayable in 2 years from Feb. 2016.	At variable average interest rate payable monthly	293	1,829	1,876
Term Loan - State Bank of India, Sydney		Repayable from calendar year 2018 to 2022	At variable average interest rate: 4.55% (Previous Year: 4.76%)	2,452	776	43
Total				**69,287**	**81,509**	**56,251**
Less: Current maturities of long-term debt (included in note 19)				6,735	34,359	7,408
Total				**62,552**	**47,150**	**48,843**

The term loans from Bank of Baroda (Dahej) and Export Import Bank of India (Dahej) have been availed for financing of Nitric Acid project at Dahej. The term loans are secured by pari passu charge on the land & building and hypothecation of all the present & future immovable fixed assets and intangible assets pertaining to Nitric Acid project at Dahej.

The term loan from State Bank of India and Export Import Bank of India have been availed for financing NPK project. The term loans are secured by pari passu first charge to be created on the entire fixed assets pertaining to Nitro phosphate plant (NPK project). All present and future immovable and movable fixed assets pertaining to NPK project from Plot K1 to Plot K5., MIDC Industrial Area, Taloja, Dist. Raigad.

The term loan availed from State Bank of India, Sydney is secured by pari passu first charge on the movable amd immovable fixed assets of the subsidiary, second charge on current assets of subsidiary.

Note 18 (b) CURRENT BORROWINGS

	31 March 2018	31 March 2017	1 April 2016
Loans repayable on demand			
From banks			
Secured			
-Buyer's credit	71,497	38,981	30,276
-Short term loan	83,133	-	10,256
-Cash credit facilities	21	417	1,006
Bills discounting	2,487	15,895	-
Unsecured			
-Commercial paper	1,22,500	64,478	99,174
-Loans from associates	4,284	-	-
Total	**2,83,922**	**1,19,771**	**1,40,712**

Note:

Buyer's credits are generally due within 180 days and carry variable rate of interest (Average Interest rate for the year 1.92 % (31st March 2017 - 1.15 %, 1st April 2016 - 0.75%) and are secured by a first charge by way of hypothecation of stocks of raw materials, consumable stores and book debts.

Short term loan from bank is repayable on 24 May 2018 carries interest rate for the year of 9.34% (1 April 2016 - 9.45%) and is secured by a first charge by way of hypothecation of stocks of raw materials, finished goods and consumable stores and book debts.

Cash credit is repayable on demand and carry variable rate of interest (Average interest rate for the year is 8.39% (31 March 2017 - 9.44%, 1 April 2016 - 9.93%). Cash credit facilities sanctioned by banks including working capital demand loans are secured by a first charge by way of hypothecation of stocks of raw materials, stock-in-process, consumable stores and book debts.

Commercial paper borrowings carry variable interest rate. Average rate for the year is 7.04% (31 March 2017 - 7.38% , 1 April 16 - 8.51%)

Debtors bill discounting facility is availed at interest rate of 8.5% and is secured by hypothecation of debtors and stocks.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 19: OTHER FINANCIAL LIABILITIES

	31 March 2018	31 March 2017	1 April 2016
Non-current			
Security deposits	-	26	85
Retention money	-	81	30
Others	-	22	68
Total	-	129	183
Current			
Current maturities of non-current borrowings	6,735	34,359	7,408
Interest accrued	593	783	850
Security deposits	4,135	3,212	2,806
Capital creditors	2,143	15,350	3,384
Due to related parties	799	1,023	758
Foreign-exchange forward contracts payables(net)	25	1,108	516
Others (*)	19,422	17,032	6,269
Total	**33,852**	**72,867**	**21,991**

(*) Others include due to Bank for structured finance where the Group acts as a pass through agent of ₹ 18,203 Lacs (31 March 2017 ₹ 15,958 Lacs, 1 April 2016 ₹ 5,901 lacs)

Note 20: PROVISIONS

	31 March 2018		31 March 2017		1 April 2016	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Provision for employee benefits						
Gratuity	320	2,259	258	1,981	235	1,506
Compensated absences	515	2,040	458	1,631	455	1,667
Defined pension benefits	121	167	70	152	18	300
Total (A)	**956**	**4,466**	**786**	**3,764**	**708**	**3,473**
Other Provisions						
Provision for site restoration (refer note below)	-	373	-	328	-	304
Total (B)	**-**	**373**	**-**	**328**	**-**	**304**
Total (A+B)	**956**	**4,839**	**786**	**4,092**	**708**	**3,777**

Movement in provision for site restoration	
As at 1 April 2016	**304**
Additional provisions recognised	24
As at 31 March 2017	**328**
Additional provisions recognised	45
As at 31 March 2018	**373**

(A) Defined Contribution Plans

The Group has defined contribution plans such as provident fund, employee state insurance, employee pension scheme, employee superannuation fund wherein specified percentage is contributed to them. During the year, the Group has contributed following amounts to:

Particulars	31 March 2018	31 March 2017
Employer’s contribution to provident fund	615	555
Employer’s contribution to employee’s pension scheme	221	207
Employer’s contribution to superannuation fund	505	507
Employer’s contribution to employee state insurance	13	7

(All Amounts in ₹ Lacs unless otherwise stated)

(B) Defined Benefit Plans

i. Gratuity

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.50% p.a. (31 March 2017: 7.80% p.a.;1 April 2016: 8.00% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 60 years (31 March 2017: 60 years; 1 April 2016: 60 years) and mortality table is as per IALM (2006-08) (31 March 2017: IALM (2006-08); 1 April 2016: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 5% p.a. (31 March 2017: 5% p.a.; 1 April 2016: 5% p.a.), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme of the Group. The details of investments maintained by Life Insurance Corporation are not available with the Group, hence not disclosed. The expected rate of return on plan assets is 7.50% p.a. (31 March 2017: 7.80% p.a.; 1 April 2016: 8.00% p.a.).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Particulars	31 March 2018	31 March 2017	1 April 2016
Present value of obligation at the beginning of the year	5,536	4,626	4,098
Current service cost	524	385	368
Interest cost	398	349	314
Actuarial loss	159	482	56
Benefits paid	(217)	(306)	(210)
Present value of obligation at the end of the year	6,399	5,536	4,626

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

Particulars	31 March 2018	31 March 2017	1 April 2016
Present value of obligation at the end of the year	6,399	5,536	4,626
Fair value of plan assets at the end of the year	3,820	3,297	2,885
Net (asset)/liabilities recognised in the Balance Sheet	2,579	2,239	1,741

Fair value of Plan assets :

Particulars	31 March 2018	31 March 2017
Plan assets at the beginning of the year	3,296	2,885
Expected return on plan assets	266	97
Contribution by employer	569	618
Actual benfits paid	(311)	(303)
Acturial gain/(loss)	-	-
Plan assets at the end of the year	3,820	3,297

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

Particulars	31 March 2018	31 March 2017
Current service cost	524	385
Interest cost	398	349
Expense recognised in the Statement of Profit and Loss	922	734

Amount recognised in the other comprehensive income:

Particulars	31 March 2018	31 March 2017
Remeasurements cost / (credit)	157	473
Actuarial (gain)/loss on plan assets	(9)	-
Amount recognised in the Other Comprehensive Income	148	473

(All Amounts in ₹ Lacs unless otherwise stated)

Sensitivity analysis :

Particulars	As at 31 March 2018		As at 31 March 2018	
Assumptions	Discount rate		Future salary increase	
Sensitivity level	1.00% increase	1.00% decrease	1.00% increase	1.00% decrease
Impact on defined benefit (decrease)/increase	(346)	347	309	(285)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

ii. Defined pension benefits

The Group has a Post Retirement Benefit plan, which is a defined benefit retirement plan, according to which executives superannuating from the service after ten years of service are eligible for certain benefits like medical, fuel expenses, telephone reimbursement, club membership etc. for specified number of years. The liability is provided for on the basis of an independent acturial valuation.

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of post retirement benefits. The discount rate assumed is 7.50% p.a. (31 March 2017: 7.80% p.a.:1 April 2016: 8.00% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 60 years (31 March 2017: 60 years; 1 April 2016: 60 years) and mortality table is as per IALM (2006-08) (31 March 2017: IALM (2006-08); 1 April 2016: IALM (2006-08)).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Particulars	31 March 2018	31 March 2017	1 April 2016
Present value of obligation at the beginning of the year	222	318	277
Current service cost	81	70	67
Past service cost	-	(61)	-
Interest cost	16	24	22
Actuarial loss	(10)	(108)	(38)
Benefits paid	(21)	(21)	(9)
Present value of obligation at the end of the year	288	222	318

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

Particulars	31 March 2018	31 March 2017
Current service cost	81	70
Past service cost	-	(61)
Interest cost	16	24
Expense recognised in the Statement of Profit and Loss	97	33

Amount recognised in the other comprehensive income:

Particulars	31 March 2018	31 March 2017
Remeasurements Cost / (Credit)	(9)	(109)
Actuarial (gain)/loss on plan assets	-	-
Amount recognised in the Other Comprehensive Income	(9)	(109)

Sensitivity analysis :

Particulars	As at 31 March 2018	
Assumptions	Discount rate	
Sensitivity level	1.00% increase	1.00% decrease
Impact on defined benefit (decrease)/increase	(64)	87

(All Amounts in ₹ Lacs unless otherwise stated)

Note 21: TRADE PAYABLES

	31 March 2018	31 March 2017	1 April 2016
Current			
Trade payables			
Due to micro and small enterprises	57	143	44
Due to others	90,841	43,718	47,686
Total	**90,898**	**43,861**	**47,730**

Details of dues to micro and small enterprises as defined under Micro, Small and Medium Enterprises.

	31 March 2018	31 March 2017	1 April 2016
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount outstanding (whether due or not) to micro and small enterprises	57	143	44
- Interest due thereon	1	2	4
The amount of interest paid by the Group in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year			
The amount of payment made to the supplier beyond the appointed day during the year	44	113	133
Amount of interest due and payable on delayed payments	1	2	4
Amount of interest accrued and remaining unpaid as at year end	1	2	4
The amount of further interest remaining due and payable even in the succeeding year	-	-	-

Details of Micro and Small Enterprises as defined under MSMED ACT, 2006

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006, the Group requested its suppliers to confirm it whether they are covered as Micro or Small enterprise as is defined in the said Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Group has recognised them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations.

Note 22: OTHER CURRENT LIABILITIES

	31 March 2018	31 March 2017	1 April, 2016
Advances from customers	2,896	2,753	2,510
Unclaimed dividend (#)	561	524	793
Statutory dues payables	7,368	6,781	6,373
Other payables (*)	2,074	2,415	2,106
Total	**12,899**	**12,473**	**11,782**

(#) ₹ 67 Lacs (31 March 2017 ₹ 52 Lacs, 1 April 2016 ₹ 42 Lacs) transferred to the Investor Education and Protection Fund during the year

(*) Other payables includes ₹ 1,665 Lacs (31 March 2017 ₹ 2,155 Lacs, 1 April 2016 ₹ 1,778 Lacs) related to employee dues.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 23: REVENUE FROM OPERATIONS

	31 March 2018	31 March 2017
Sale of products		
Finished goods	369,719	263,544
Traded goods	234,731	171,518
Revenue from realty business	675	555
Other operating revenues	1,029	2,195
Total	**606,154**	**437,812**

Note 24: OTHER INCOME

	31 March 2018	31 March 2017
Rental income	2	13
Interest Income	627	721
Fair value gain on financial assets measured at fair value through profit or loss	40	10
Net gain on sale of investments	429	326
Other non-operating income	1,311	516
Total	**2,409**	**1,586**

Note 25: COST OF MATERIALS CONSUMED

	31 March 2018	31 March 2017
Raw materials as at the beginning of the year	7,144	10,170
Add: Purchases during the year	2,52,288	1,44,375
Less: Raw materials as at the end of the year	22,115	7,144
Total	**2,37,317**	**1,47,401**

Note 26: PURCHASE OF TRADED GOODS

	31 March 2018	31 March 2017
Purchases of stock-in-trade	2,27,716	1,35,019
Total	**2,27,716**	**1,35,019**

Note 27: CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

	31 March 2018	31 March 2017
Opening balance		
Finished goods	14,344	4,947
Stock-in-trade	13,258	33,401
Total opening balance	**27,602**	**38,348**
Closing balance		
Finished goods	16,356	14,344
Stock-in-trade	20,647	13,258
Total closing balance	**37,003**	**27,602**
(Increase)/ decrease in excise duty on stock of finished goods	(180)	42
Cost of Trial Run	42	1,111
Total changes in inventories of finished goods and stock-in-trade	**(9,539)**	**11,899**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 28: EMPLOYEE BENEFIT EXPENSE

	31 March 2018	31 March 2017
Salaries, wages and bonus	21,362	18,075
Contribution to provident fund & other funds	2,175	1,981
Staff welfare expenses	1,043	961
Total	**24,580**	**21,017**

Note 29: FINANCE COSTS

	31 March 2018	31 March 2017
Interest and finance charges #	24,415	16,699
	24,415	**16,699**
Less: Amount capitalised	(7,099)	(4,552)
Total	**17,316**	**12,147**

Includes exchange differences to the extent considered as an adjustment to borrowing cost ₹ 1,346 Lacs (31 March 2017 : ₹ 677 Lacs).

Note 30: DEPRECIATION AND AMORTISATION EXPENSE

	31 March 2018	31 March 2017
Depreciation of property, plant and equipment	15,728	13,300
Amortisation of intangible assets	595	202
Total	**16,323**	**13,502**

Note 31: OTHER EXPENSES

	31 March 2018	31 March 2017
Power, fuel and water	8,315	4,737
Consumption of stores and spares	5,362	5,078
Rent	2,123	2,244
Repairs to :		
- Building	814	929
- Plant and machinery	5,130	4,087
- Others	1,134	902
Insurance	927	1,040
Rates, taxes and duties	1,315	2,439
Travelling and conveyance	1,044	1,003
Legal and professional fees	3,172	3,292
Payments to auditors (refer note 32(a) below)	89	92
Directors' sitting fees	74	56
Carriage outward (Net)	23,860	15,697
Loss on sales of fixed assets	112	270
Commission on sales	711	732
Sales and promotion expenses	1,485	1,712
Utility services	1,079	963
Communication expenses	283	382
Corporate social responsibility expenditure (refer note 32(b) below)	177	613
Foreign exchange fluctuation loss (Net)	3,315	1,544
Miscellaneous expenses	4,373	4,524
Total	**64,894**	**52,336**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 32(a): DETAILS OF PAYMENTS TO AUDITORS

	31 March 2018	31 March 2017
Payment to auditors		
As auditor:		
Audit fee	63	52
Tax audit fee	6	7
In other capacities		
Taxation matters	7	12
Certification fees/Other Matters	9	18
Re-imbursement of expenses	4	3
Total*	**89**	**92**

*Include ₹ 23 Lacs (31 March, 2017 ₹ 82) paid to the erstwhile auditors.

Note 32(b): CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

	31 March 2018	31 March 2017
Contributions to Ishanya Foundation	153	588
Others	24	25
Total	**177**	**613**
Amount required to be spent as per Section 135 of the Act	345	397
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	177	613

Note 33: DISCLOSURE OF SPECIFIED BANK NOTES (SBN) IN FINANCIAL STATEMENTS (AMENDMENT TO SCHEDULE III)

The MCA has amended Division I and Division II of the Schedule III. As per the amendment, each Group needs to disclose the details of Specified Bank Notes held and transacted during the period from 8 November 2016 to 30 December 2016 in the prescribed format.

	Specified Bank Notes Amount (₹)	Other Denomination Notes Amount (₹)	Total
Closing Cash in hand as on 08.11.2016	2,78,500	1,46,601	4,25,101
Add: Permitted receipts	43,000	14,72,758	15,15,758
Less: Permitted payments	1,000	14,77,257	14,78,257
Less: Amount deposited in banks	3,20,500	10,810	3,31,310
Closing Cash in hand as on 31.12.2016	-	1,31,292	1,31,292

Note 34: FAIR VALUE MEASUREMENTS

(i) Financial instruments by category

	31 March 2018			31 March 2017			1 April 2016		
	Fair value through P&L	Fair value through OCI	Amortised cost	Fair value through P&L	Fair value through OCI	Amortised cost	Fair value through P&L	Fair value through OCI	Amortised cost
Financial assets									
Investments									
Investments in associates and others	1,001	-	-	1,244	-	-	1,472	-	-
- Mutual funds	35,111	-	-	11,389	-	-	867	-	-
- Debt and Government securities	-	2,662	-	-	2,772	-	-	2,718	-
Trade receivables	-	-	1,96,537	-	-	1,31,133	-	-	1,51,953
Cash and cash equivalents	-	-	9,184	-	-	9,279	-	-	21,774
Other bank balances	-	-	847	-	-	523	-	-	793
Loans	-	-	453	-	-	554	-	-	265
Other financial assets									

(All Amounts in ₹ Lacs unless otherwise stated)

	31 March 2018			31 March 2017			1 April 2016		
	Fair value through P&L	Fair value through OCI	Amortised cost	Fair value through P&L	Fair value through OCI	Amortised cost	Fair value through P&L	Fair value through OCI	Amortised cost
- Derivative financial assets, not designated as hedges	635	-		-	-	-	622	-	-
- Security deposits	-	-	1,358	-	-	1,284	-	-	1,964
- Interest receivable	-	-	690	-	-	698	-	-	480
- Balance with banks	-	-	8	-	-	1,167	-	-	1,867
- Others	-	-	846	-	-	365	-	-	480
Total financial assets	**36,747**	**2,662**	**2,09,923**	**12,633**	**2,772**	**1,45,003**	**2,961**	**2,718**	**1,79,576**
Financial liabilities									
Borrowings	-	-	3,53,209	-	-	2,01,280	-	-	1,96,963
Trade payables	-	-	90,898	-	-	43,861	-	-	47,730
Other financial liabilities									
- Derivative financial liabilities, not designated as hedges	25	-	-	1,108	-	-	516	-	-
- Interest accrued	-	-	593	-	-	783	-	-	850
- Security deposit	-	-	4,135	-	-	3,212	-	-	2,806
- Capital creditors	-	-	2,143	-	-	15,350	-	-	3,384
- Others	-	-	20,221	-	-	18,184	-	-	7,210
Total financial liabilities	**25**	**-**	**4,71,199**	**1,108**	**-**	**2,82,670**	**516**	**-**	**2,58,943**

(ii) Fair value hierarchy

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

The different levels have been defined as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level-1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Financial assets and liabilities measured at fair value	31 March 2018				31 March 2017				1 April 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Investments at FVPL												
Investment in equity	-	-	1,001	1,001	-	-	1,244	1,244	-	-	1,472	1,472
Mutual funds - Growth plan	35,111	-	-	35,111	11,389	-	-	11,389	867	-	-	867
Financial Investments at FVOCI												
Debts & Government Securities	2,662	-	-	2,662	2,772	-	-	2,772	2,718	-	-	2,718
Derivatives not designated as hedges												
Foreign exchange forward contracts/options	-	635	-	635	-	-	-	-	-	622	-	622
Total financial assets	**37,773**	**635**	**1,001**	**39,409**	**14,161**	**-**	**1,244**	**15,405**	**3,585**	**622**	**1,472**	**5,679**
Financial liabilities												
Derivatives												
Foreign exchange forward contracts/option contracts	-	25	-	25	-	1,108	-	1,108	-	516	-	516
Total financial liabilities	**-**	**25**	**-**	**25**	**-**	**1,108**	**-**	**1,108**	**-**	**516**	**-**	**516**

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2018 and 31 March 2017

(iii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

i) The fair values of investments in debt and government securities is based on the current bid price of respective investment as at the Balance Sheet date.

(All Amounts in ₹ Lacs unless otherwise stated)

ii) The fair values of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuer of these mutual fund units in the published statements as at Balance Sheet date, NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from investors.

Note 35: FINANCIAL RISK MANAGEMENT

Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments.

The carrying amount of financial assets mainly comprising of trade receivables, represents the maximum credit risk exposure.

Trade receivables

The Group has established a credit policy under which each new customer is analysed individually for credit worthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Group based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss model. The balance past due for more than 6 month (net of expected credit loss allowance), is ₹ 4,988 lacs (31 March 2017: ₹ 6,610 lacs, 1 April 2016: ₹ 3,198 lacs)

Movement in the expected credit loss allowance of trade receivables are as follows:

	31 March 2018	31 March 2017	1 April 2016
Balance at the beginning of the year	1,112	710	341
Add: Provided during the year (net of reversal)	222	402	369
Less: Amount written off	-	-	-
Balance at the end of the year	1,334	1,112	710

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and hence the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets.

Credit risk on cash and cash equivalents is limited as the Group invests in deposits with banks and financial institutions with high credit ratings. Investments primarily include investments in liquid mutual fund units, quoted bonds issued by government and quasi-government organisations.

(All Amounts in ₹ Lacs unless otherwise stated)

ii. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by treasury. Longer term liquidity position is reviewed on a regular basis by the Parent Company's Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

31 March 2018	Carrying Amount	Payable within 1 year	Between 1 and 5 years	More than 5 years	Total
Non-derivatives financial liabilities					
Borrowings	2,82,247	2,57,307	11,083	13,857	2,82,247
Trade payables	57,957	57,957	-	-	57,957
Other financial liabilities	27,117	27,117	-	-	27,117
Total	**3,67,321**	**3,42,381**	**11,083**	**13,857**	**3,67,321**
Derivatives financial liabilities					
Foreign exchange forward contracts					
Borrowings	70,962	70,962	-	-	70,962
Trade payables	32,941	32,941	-	-	32,941
Total	**1,03,903**	**1,03,903**	**-**	**-**	**1,03,903**

31 March 2017	Carrying Amount	Payable within 1 year	Between 1 and 5 years	More than 5 years	Total
Non-derivatives financial liabilities					
Borrowings	1,61,646	1,33,628	28,018	-	1,61,646
Trade payables	28,181	28,181	-	-	28,181
Other financial liabilities	38,637	38,508	129	-	**35,584**
Total	**2,28,464**	**2,00,317**	**28,147**	**-**	**2,28,464**
Derivatives financial liabilities					
Foreign exchange contract used for hedging					
Borrowings	39,634	39,634	-	-	39,634
Trade payables	15,680	15,680	-	-	15,680
Total	**55,314**	**55,314**	**-**	**-**	**55,314**

1 April 2016	Carrying Amount	Payable within 1 year	Between 1 and 5 years	More than 5 years	Total
Non-derivatives financial libilities					
Borrowings	161,641	133,863	27,778	-	161,641
Trade payables	27,760	27,760	-	-	27,760
Other financial liabilities	14,767	14,584	183	-	14,767
Total non-derivative liabilities	**204,168**	**176,207**	**27,961**	**-**	**204,168**
Derivatives (net settled)					
Foreign Exchange Forward and Option Contracts					
Borrowings	35,322	35,322	-	-	35,322
Trade payables	19,969	19,969	-	-	19,969
Total derivative liabilities	**55,291**	**55,291**	**-**	**-**	**55,291**

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates the will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(All Amounts in ₹ Lacs unless otherwise stated)

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Group. The currencies in which the Group is exposed to risk are USD, AED and EUR.

The Group follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contracts.

Exposure to currency risk

(i) The Group's exposure to foreign currency risk at the end of the reporting period is presented in Note no 41.

(ii) The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and forward contracts.

	Impact on profit after tax increase/(decrease)	
	31 March 2018	**31 March 2017**
USD sensitivity		
₹/USD -appreciated by 1% (31 March 2017-1%)	1,664	856
₹/USD -depreciated by 1% (31 March 2017-1%)	(1,664)	(856)
EUR sensitivity		
₹/EUR-appreciated by NIL (31 March 2017-1%)	NIL	21
₹/EUR-depreciated by NIl (31 March 2017-1%)	NIL	(21)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

The following table provides a break-up of the Group's fixed and floating rate borrowings:

	31 March 2018	**31 March 2017**	**1 April 2016**
Variable rate borrowings	2,63,283	1,60,371	1,61,705
Fixed rate borrowings	89,925	40,908	35,258
Total borrowings	**3,53,209**	**2,01,279**	**1,96,963**

Sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended 31 March 2018 would decrease / increase by ₹ 1,303 lacs (31 March 2017: decrease / increase by ₹ 789 lacs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

Note 36: CAPITAL MANAGEMENT

(a) Risk Management

The Group's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that its can continue to provide returns for its shareholders and benefits for other stakeholders, and

- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) and divided by Total 'equity' (as shown in the Balance Sheet).

(All Amounts in ₹ Lacs unless otherwise stated)

The gearing ratios were as follows:

	31 March 2018	31 March 2017	1 April 2016
Net debt	3,43,178	1,91,478	1,74,396
Total equity	2,08,650	2,02,407	1,95,223
Net debt to equity ratio	**1.64**	**0.95**	**0.89**

(b) Dividends

	31 March 2018	31 March 2017
(i) Equity shares		
Final dividend for the year ended 31 March 2017 of ₹ 6 per equity share paid during the year	5,292	-
(ii) Dividend not recognised at the end of the reporting period	5,292	-
In addition to the above dividends, post the year end the directors have recommended the payment of a final dividend of ₹ 6 per fully paid equity share (31 March 2017 : ₹ 6). The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	5,292	5,292

Note 37(a): NAMES OF THE RELATED PARTIES AND RELATIONSHIPS

A. ASSOCIATES

1 Ishanya Brand Services Limited
2 Ishanya Realty Corporation Limited
3 Mumbai Modern Terminal Market Complex Private Limited
4 Desai Fruits and Vegetables Private Limited

B. JOINTLY CONTROLLED OPERATIONS

1 Yerrowda Investments Limited

C. KEY MANAGEMENT PERSONNEL

(a) Executive directors

Mr Sailesh Chimanlal Mehta
Mr Yeshil Mehta

(b) Non-executive directors

Mrs Parul Sailesh Mehta
Mr Partha Sarathi Bhattacharyya
Mr Rajendra Ambalal Shah
Mr Madhumilan Parshuram Shinde
Mr Tapan Kumar Chatterjee

Non-executive Independent directors

Mr Berjis Minoo Desai (From 07 July 2017)
Mr Ashok Kumar Purwaha (From 07 July 2017)
Mr Mahesh Ramchand Chhabria (From 07 July 2017)
Mr Sewak Ram Wadhwa
Mr Anil Chandanmal Singhvi (From 07 July 2017)
Mr Urmilkumar Purushottamdas Jhaveri
Mr Anil Sachdev
Mr Pranay Dhansukhlal Vakil
Mr D. Basu (till 8 June 17)
Mr N C Singhal (till 7 May 2017)
Dr. S Rama Iyer (till 2 June 2017)

(c) Company Secretary

Mr K Subharaman
Mr. Mandar Velankar (w.e.f. 9 August 2017)
Mr Nandan Shah (upto 9 August 2017)

(d) Chief Finance Officer

Mr Vipin Agarwal (upto 2 November 2017)
Mr Amitabh Bhargava (w.e.f. 2 November 2017)
Mr. Debasish Banerjee (w.e.f. 9 August 2017)

D. ENTITIES OVER WHICH KEY MANAGERIAL PERSONNEL ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE:

1 Blue Shell Investments Private Limited
2 Nova Synthetic Limited
3 The Lakaki Works Private Limited
4 Superpose Credits And Capital Private Limited
5 Storewell Credits And Capital Private Limited
6 High Tide Investments Private Limited
7 Deepak Asset Reconstruction Private Limited
8 Mahadhan Investment and Finance Private Limited
9 Ishanya Foundation
10 Deepak Foundation
11 Mahadhan Farm Technologies Private Limited
12 Robust Marketing Services Private Limited

E. ENTERPRISES OVER WHICH RELATIVES OF KEY MANAGEMENT PERSONAL ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE

1 Deepak Nitrite Limited

F. SHAREHOLDERS WHO CAN EXERCISE SIGNIFICANT INFLUENCE

1 Nova Synthetic Limited

(All Amounts in ₹ Lacs unless otherwise stated)

Note 37(b) RELATED PARTY TRANSACTIONS

Sr. No.	Nature of Transactions	31 March 2018 Associates	Jointly Controlled Operations	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Enterprises Over Which Relatives Are Able To Exercise Significant Influence	Total	31 March 2017 Associates	Jointly Controlled Operations	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Enterprises Over Which Relatives Are Able To Exercise Significant Influence	Total
1	**Sale of goods**												
	Mahadhan Farm Technologies Private Limited	-	-	-	698	-	698	-	-	-	805	-	805
	Deepak Nitrite Limited	-	-	-	-	7,443	7,443	-	-	-	-	6,092	6,092
2	**Rendering of services/reimbursement of expenses incurred on behalf of related party**												
	Desai Fruits and Vegetables	-	-	-	-	-	-	12	-	-	-	-	12
	Ishanya Foundation	-	-	-	4	-	4	-	-	-	6	-	6
3	**Interest on loan given**												
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	12	-	-	-	-	12
4	**Purchase of goods and services**												
	Mahadhan Farm Technologies Limited	-	-	-	(1,578)	-	(1,578)	-	-	-	(1,807)	-	(1,807)
	Ishnaya Foundation	-	-	-	-	-	-	-	-	-	-	-	-
5	**Purchase of Merchandise Exports from India Scheme (MEIS) scripts and Duty Entitlement Pass Book and License (DEPB)**												
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	(43)	-	-	-	-	(43)
6	**Receiving of services/reimbursement of expenses incurred on behalf of Group**												
	Yerrowda Investments Limited	-	(86)	-	-	-	(86)	(10)	-	-	-	-	(10)
7	**Donation given**												
	Ishanya Foudation	-	-	-	(153)	-	(153)	-	-	-	(588)	-	(588)
8	**Remuneration (including perquisites)**												
	Mr Sailesh Chimanlal Mehta	-	-	(656)	-	-	(656)	-	-	(1,174)	-	-	(1,174)
	Mr.Yeshil Mehta	-	-	(52)	-	-	(52)	-	-	-	-	-	-
	Mr Vipin Agarwal	-	-	(97)	-	-	(97)	-	-	(115)	-	-	(115)
	Mr Amitabh Bhargava	-	-	(76)	-	-	(76)	-	-	-	-	-	-
	Mr Debashish Banerjee	-	-	(47)	-	-	(47)	-	-	-	-	-	-
	Mr K Subharaman	-	-	(68)	-	-	(68)	-	-	(36)	-	-	(36)
	Mr Mandar Velankar	-	-	(17)	-	-	(17)	-	-	(14)	-	-	(14)
	Mr Nandan Shah	-	-	(4)	-	-	(4)	-	-	(9)	-	-	(9)

(All Amounts in ₹ Lacs unless otherwise stated)

Note 37(b) RELATED PARTY TRANSACTIONS

		31 March 2018						31 March 2017					
Sr. No.	**Nature of Transactions**	**Associates**	**Jointly Controlled Operations**	**Key Management Personnel**	**Entities over which Key Management Personnel are able to exercise significant Influence**	**Enterprises Over Which Relatives Are Able To Exercise Significant Influence**	**Total**	**Associates**	**Jointly Controlled Operations**	**Key Management Personnel**	**Entities over which Key Management Personnel are able to exercise significant Influence**	**Enterprises Over Which Relatives Are Able To Exercise Significant Influence**	**Total**
9	**Sitting Fees paid to Non-Executive Directors**	-	-	(73)			(73)	-	-	(43)	-	-	(43)
10	**Lease rental (expenses) / income**		-								-	-	-
	Deepak Nitrite Limited	-	-	-		8	8	-	-	-	-	8	8
	Robust Marketing Services Private Limited	-	-	-	(66)	-	(66)	-	-	-	(67)	-	(67)
	Mr Sailesh Chimanlal Mehta	-	-	(16)	-	-	(16)	-	-	(24)	-	-	(24)
11	**Loans given**												
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	(247)	-	-	-	-	(247)
12	**Loans received back**												
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	247	-	-	-	-	247
13	**Amount outstanding**												
	Trade payables	-	-										
	Yerrowda Investments Limited	-	(54)	-	-	-	(54)	-	(56)	-	-	-	(56)
	Desai Fruits and Vegetables Private Limited	-	-	-	-	-	-	(11)	-			-	(11)
	Mahadhan Farm Technolgies Limited	-	-	-	-	(143)	(143)	-	-	-	-	(33)	(33)
	Commission payable												
	Mr Sailesh Chimanlal Mehta	-	-	(312)	-	-	(312)	-	-	(873)	-	-	(873)
	Deposit receivables												
	Mr Sailesh Chimanlal Mehta	-	-	200	-	200	-	-	-	200	-	-	200
	Trade receivables												
	Deepak Nitrite Limited	-	-	-	-	2418	2418	-	-	-	-	879	879
	Ishanya Foundation	-	-	-	1	-	1	-	-	-	-	-	-
	Robust Marketing Services Private Limited	-	-	-	653	-	653	-	-	-	653	-	653

Note : Figures in bracket are outflows.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 38: CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	31 March 2018	31 March 2017	1 April 2016
A. Contingent liabilities			
Claims by suppliers	40,107	41,597	3,573
Income tax demands	7,890	3,973	3,937
Excise/Service Tax/Custom demands*	12,662	12,449	12,407
Sales tax/ VAT demands	4,454	6,204	5,369
Entry tax	-	3,272	-
Penalty levied by Competition Commission of India and contested by the Parent Company	200	200	200
Total	**65,313**	**67,695**	**25,486**
B. Commitments			
Related to projects	31,396	2,526	28,106
Related to realty	403	**35**	**104**
Other capital commitment		-	811
Total	**31,799**	**2,561**	**29,021**

*Includes customs duty amounting to ₹ 9,347 Lacs on duty free import of fertiliser during the period 2005-06 to 2009-10. Under the applicable policy of Government on subsidy, any customs duty needs to be reimbursed by Government.

Note 39: RESTATEMENT DUE TO CORRECTION OF ERRORS

During the year 2017-2018, the Group discovered certain errors (refer table iii) in it's financial statements as of 1 April 2016. The errors have been corrected by restating each of the affected financial statement line items for prior periods. The following tables summarizes the impact on the financial statements.

(i) The comparative information for the year ended 31 March 2017 has been restated as follows:

A. Balance Sheet as at 31 March 2017

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Assets				
Non-current assets				
Property, plant and equipment	c	1,99,142	2,768	2,01,910
Capital work-in-progress		38,527	-	38,527
Investment property		2,124	(1,613)	511
Goodwill		1,455	5	1,460
Other intangible assets		1,746	(4)	1,742
Financial assets				
i. Investments		1,244	-	1,244
ii. Other financial assets		2,789	25	2,814
Deferred tax assets (net)	a, d	-	15,847	15,847
Income tax assets (net)	a	-	6,765	6,765
Other non-current assets		11,700	3,940	15,640
Total non-current assets		2,58,727	27,733	2,86,460
Current assets				
Inventories		50,453	-	50,453
Financial assets				
i. Investments		14,161	-	14,161
ii. Trade receivables		1,18,337	12,796	1,31,133
iii. Cash and cash equivalents		9,241	38	9,279
iv. Other bank balances		523	-	523
v. Loans		426	128	554
vi. Other financial assets		850	(150)	700
Current tax assets (net)	a	4,579	(4,579)	-
Other current assets		14,404	(2,854)	11,550
Total current assets		2,12,974	5,379	2,18,353
Total assets		**4,71,701**	**33,112**	**5,04,813**

(All Amounts in ₹ Lacs unless otherwise stated)

Particulars	Foot note reference	As previously reported	Adjustments	As restated
EQUITY AND LIABILITIES				
Equity				
Equity share capital		8,820	-	8,820
Other equity	a,b,c	1,61,214	31,583	1,92,797
Equity attributable to owners of Company		1,70,034	31,583	2,01,617
Non controlling interest		790	-	790
Total equity		1,70,824	31,583	2,02,407
Liabilities				
Non-current liabilities				
Financial Liabilities				
i. Borrowings		47,160	(10)	47,150
ii. Other financial liabilities		154	(25)	129
Other non-current liabilities		350	(350)	-
Provisions		3,022	1,070	4,092
Deferred tax liabilities (net)	a, d	11,895	(11,895)	-
Total non-current liabilities		62,581	(11,210)	51,371
Current liabilities				
Financial liabilities				
i. Borrowings		1,03,876	15,895	1,19,771
ii. Trade payables		41,518	2,343	43,861
iii. Other financial liabilities		71,861	1,006	72,867
Other current liabilities		8,796	3,677	12,473
Provisions		5,265	(4,479)	786
Current tax liabilities (net)	a	6,980	(5,703)	1,277
Total current liabilities		2,38,296	12,739	2,51,035
Total liabilities		3,00,877	1,529	3,02,406
Total equity and liabilities		**4,71,701**	**33,112**	**5,04,813**

B. Statement of Profit and loss for the year ended 31 March 2017

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Income				
Revenue from operations		4,37,812	-	4,37,812
Other income		1,586	-	1,586
Total Income		4,39,398	-	4,39,398
Expenses				
Cost of materials consumed		1,47,401	-	1,47,401
Purchases of stock-in-trade		1,35,019	-	1,35,019
Changes in inventories of finished goods and stock-in-trade		11,899	-	11,899
Excise duty		22,801	-	22,801
Employee benefits expense		21,017	-	21,017
Finance costs		12,147	-	12,147
Depreciation and amortisation expense	c	13,644	(142)	13,502
Other expenses		52,336	-	52,336
Total expenses		4,16,264	(142)	4,16,122
Profit before share of (loss) of equity accounted investees and income tax		23,134	(142)	23,276
Share of (loss) of equity accounted investees and income tax		(231)	-	(231)
Profit before tax		**22,903**		**23,045**
Tax expense				
- Current tax	a	5,550	(968)	4,582
- MAT credit entitlement	a	-	(693)	(693)
- Deferred tax (credit)/charge	a, d	(217)	3,911	3,694
Total tax expense		5,333	2,250	7,583
Profit for the year		17,570	(2,250)	15,462

(All Amounts in ₹ Lacs unless otherwise stated)

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Other comprehensive income ('OCI')				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligations	a	(373)	9	(364)
Income tax relating to these items	a	129	(3)	126
Total (A)		(244)	6	(238)
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translation of foreign operatins	a	-	(6)	(6)
Changes in fair value of investments other than equity shares carried at fair value through OCI	a	54	(10)	44
Income tax relating to these items	a	(19)	6	(13)
Total (B)		35	(10)	25
Other comprehensive income for the year (A+B), net of tax liability		(209)	4	(213)
Total comprehensive income for the year		17,361	(2,254)	15,249
Earning per equity share of ₹10 each				
(i) Basic (in ₹)		19.64		17.53
(ii) Diluted (in ₹)		19.64		17.53
Weighted average number of equity shares of ₹ 10 each		8,82,04,943		8,82,04,943

(ii) The comparative information as of 1 April 2016 has been restated as follows:

A. Balance Sheet as at 1 April 2016

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Assets				
Non-current assets				
Property, plant and equipment	c	1,29,737	2,662	1,32,399
Capital work-in-progress		39,620	-	39,620
Investment property		2,162	(1,651)	511
Goodwill		1,493	5	1,498
Other intangible assets		513	(2)	511
Financial assets				
i. Investments		1,472	-	1,472
ii. Other financial assets		3,552	739	4,291
Deferred tax assets (net)	a, d	-	26,801	26,801
Income tax assets (net)	a	-	5,776	5,776
Other non-current assets		8,231	3,455	11,686
Total non-current assets		1,86,780	37,785	2,24,565
Current assets				
Inventories		60,592	-	60,592
Financial assets				
i. Investments		3,585	-	3,585
ii. Trade receivables		1,54,805	(2,852)	1,51,953
iii. Cash and cash equivalents		22,464	(690)	21,774
iv. Other bank balances		792	1	793
v. Loans		219	46	265
vi. Other financial assets		991	131	1,122
Current tax assets (net)	a	4,497	(4,497)	-
Other current assets		10,667	(3,475)	7,192
Total current assets		2,58,612	(11,336)	2,47,276
Total assets		**4,45,392**	**26,449**	**4,71,841**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		8,820	-	8,820
Other equity	a,b,c,d	1,43,948	41,681	1,85,629
Equity attributable to owners of Company		1,52,768	41,681	1,94,449
Non controlling interest		774	-	774
Total equity		1,53,542	41,681	1,95,223

(All Amounts in ₹ Lacs unless otherwise stated)

Particulars	Foot note reference	As previously reported	Adjustments	As restated
Liabilities				
Non-current liabilities				
Financial Liabilities				
i. Borrowings		48,843	-	48,843
ii. Other financial liabilities		213	(30)	183
Other non-current liabilities		320	(320)	-
Provisions		3,099	678	3,777
Deferred tax liabilities (net)	a, d	12,236	(12,236)	-
Total non-current liabilities		**64,711**	**(11,908)**	**52,803**
Current liabilities				
Financial liabilities				
i. Borrowings		1,40,712	-	1,40,712
ii. Trade payables		47,015	715	47,730
iii. Other financial liabilities		21,683	308	21,991
Other current liabilities		7,283	4,499	11,782
Provisions		3,978	(3,270)	708
Current tax liabilities (net)	a	6,468	(5,576)	892
Total current liabilities		2,27,139	(3,324)	2,23,815
Total liabilities		2,91,850	(15,232)	2,76,618
Total equity and liabilities		**4,45,392**	**26,449**	**4,71,841**

(iii) Reconciliation of opening Other Equity

Particulars	Foot note reference	Other Equity Restated as of 1 April 2016	Other Equity Restated as of 31 March 2017
Opening other equity as per signed financial statement		**1,43,947**	**1,61,214**
Impact of correction of errors			
- Adjustment on account of adjusting event	a	1,426	1,317
- Adjustment on account of entry tax (net of tax)	b	(3,853)	(3,853)
- Reclassification of land and building	c	1,012	1,154
- Deferred tax on consolidation on goodwill	d	(40,267)	(30,201)
Total effects of errors		(41,682)	(31,583)
Restated balance		**1,85,629**	**1,92,797**

(iv) The comparative information for the year ended 31 March 2017 and opening retained earning as at 1 April 2016 have been restated in relation to the consolidated financial statements due to the following;

a. The Company had proposed a Scheme of Arrangement (Scheme) for demerger of fertilisers and technical ammonium nitrate (TAN) business into a wholly owned subsidiary Company, M/s. Smartchem Technologies Limited. The National Company Law Tribunal (NCLT) on 30th March,2017 granted approval to the Scheme and the Order of NCLT was received by the Company on 13th April, 2017. Post compliance of further requirements of the Order, the Company filed the same with Registrar of Companies on 1st May, 2017. The Scheme as approved by NCLT, provides that the demerger will be effective retrospectively from 1st January, 2015. To give effect of the scheme of TAN and Fertilisers business as an 'adjusting event' with an effective date of 1 January 2015 based on a re-examination of Ind AS 10 by Management in view of clarifications issued by Ind AS Transition Facilitation Group ("ITFG") 14 issue no 4 issued on 1st February 2018.

b. Provision of ₹ 5,200 Lacs adjusted against opening retained earnings as on 1 April 2016, for entry tax and Maharashtra Value Added Tax retention amounts based on demand notices raised by the Sales tax authorities, contested by the Company, for the years 2012-2016 since the matters pertains to the prior years.

c. Reclassification of an amount of ₹ 7,963 Lacs classified as building in the previous years to land as required by Ind AS 16, and accordingly reversal of accumulated depreciation on building of ₹ 1,012 Lacs in retained earnings as of 1 April 2016 and reversal of depreciation on buildings of ₹ 142 Lacs charged during the year ended 31 March 2017.

d. Based on a re-examination of Ind AS 12 Income Taxes by Management in view of clarifications issued by ITFG 10 Issue no: 3 issued on 5 July 2017, a deferred tax asset of ₹ 40,267 Lacs has been recorded in the opening other equity as at 1 April 2016, for the unamortised amount of intangible assets and goodwill created due to demerger of TAN and fertilisers business in the Standalone Ind AS financial statements of Smartchem Technologies Limited.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 40: LEASES

The Group has taken premises on operating lease for a period of one to five years. The future lease payments on such operating lease is as follows:

Particulars	31 March 2018	31 March 2017	1 April 2016
Minimun Lease rental payable			
Not later than 1 year	539	439	456
Later than 1 year and not later than 5 years	133	123	65
Later than 5 years	-	-	-
Total	**672**	**562**	**521**

Note 41: FOREIGN CURRENCY BALANCES OUTSTANDING

	31 March 2018		31 March 2017	
	Amount in Foreign Currency Lacs	Equivalent Amount in INR Lacs	Amount in Foreign Currency Lacs	Equivalent Amount in INR Lacs
Hedged Position*				
Foreign Currency Loans (in USD)	-	-	30	1,969
Creditors (in USD)	477	31,124	235	15,229
Creditors (in AED)	102	1,816	-	-
Creditors (in EURO)	-	-	6	450
Buyers Credit (in EURO)	-	-	9	654
Buyers Credit (in USD)	1,089	70,962	571	37,012
Un-hedged Position				
Creditors (in USD)	104	6,807	45	2,642
Creditors (in AED)	103	1,823	-	-
Creditors (in EURO)	-	-	5	321
Buyers Credit (in USD)	16	1,047	23	1,509
Exports (in USD)	23	1,482	17	1,080
Bank Balance (in USD)	0	9	31	2,043

*The above transactions are hedged by following derivative contracts

Particulars	31 March 2018		31 March 2017	
	Amount in Foreign Currency Lacs	Equivalent Amount in INR Lacs	Amount in Foreign Currency Lacs	Equivalent Amount in INR Lacs
Forward Contracts -USD	1,035	67,436	836	54,210
Forward Contracts -AED	102	1,816	-	-
Forward Contracts -EURO	-	-	16	1,104
Options Contracts - USD	532	34,650	-	-
Total	**1,669**	**1,03,902**	**852**	**55,314**

The Group has chosen to not designate the foreign exchange forward contracts and option contracts as hedges under IND AS 109

(All Amounts in ₹ Lacs unless otherwise stated)

Note 42: INCOME TAXES

A. Components of Income Tax Expenses	31 March 2018	31 March 2017
I. Tax expense recognised in the statement of profit and loss		
Current Tax		
Current Year	4,849	4,582
Adjustments/(credits) related to previous year - (net)	(800)	-
MAT credit entitlement	(1,700)	(693)
Total (A)	**2,349**	**3,889**
Deferred tax charge	4,290	3,694
Total (B)	**4,290**	**3,694**
Total (A+B)	**6,639**	**7,583**
II. Tax on Other Comprehensive Income		
Deferred Tax		
(Gain)/Loss on remeasurement of net defined benefit plans	48	126
(Gain)/Loss on debt instruments through other comprehensive income	33	(13)
Total	**81**	**113**

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate 31 March 2018 and 31 March 2017

Particulars	31 March 2018	31 March 2017
Accounting profit before tax	23,288	23,276
At India's statutory income tax rate of 34.608% (31 March 2017: 34.608%) (A)	**8,060**	**8,055**
Effects of income not subject to tax		
- Profit from power generation division	(182)	(197)
- Dividend income	-	(9)
Effects of non-deductible expenses	58	326
Reversal of earlier year tax provision	(800)	-
Others	(497)	(592)
Total (B)	**(1,421)**	**(472)**
Income Tax expense reported in the statement of profit or loss (A+B)	**6,639**	**7,583**

(All Amounts in ₹ Lacs unless otherwise stated)

Note 43: BUSINESS COMBINATION

(a) Summary of acquisition

On 13 April 2017, the Parent Company, through its wholly owned subsidiary Smartchem Technologies Limited acquired 76% of issued share capital of Performance Chemiserve Private Limited, engaged in the business of drumming of chemicals, Iso Propyl Alocohol and Methanol. Further on 15 September 2017, right shares issued by Peformance Chemiserve Private Limited has been subscribed in proportion to the shareholding pattern.

For the year ended 31 March 2018, Performance Chemiserve Private Limited contributed revenue of ₹ 723 Lacs and profit of ₹ 552 Lacs after tax to the Group's results.

Identifiable assets and liabilities

The following table summarizes the amounts of assets and liabilities at the date of acquisition:

	Performance Chemiserve Private limited (PCPL) Amount in Lacs
Non current assets	
Property, plant and equipment	26
Deferred tax asset (net)	2
Financial assets	-
(i) Loans	7
(ii) Other financial assets	3
Current assets	
Financial assets	
(i) Trade receivables	18
(ii) Bank balances	864
(iii) Other financial assets	2
Other current assets	17
Total assets	**939**
Non current liabilities	
Financial liabilities	
(i) Other financial liabilities	-
Current liabilities	
Financial liabilities	
(i) Trade payables	1
Other current liabilities	-
Total Liabilities	**1**
Net asset values as on the date of acquisition	**938**

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 18 Lacs. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable

Goodwill on acquisition of Performance Chemiserve Private Limited was ₹1,189 Lacs. The goodwill on acquisition is attributable to drumming business and expected synergies arising from acquisition. No amount of goodwill is expected to be deductible for tax purpose.

As on the reporting date, the initial accounting for the business combination is incomplete on account of certain adjustments pertaining to the measurement of the identifiable assets acquired and liabilities assumed by way of this business combination during the measurement period.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 44: CONSOLIDATED SEGMENT REPORTING

ANNEXURE-A

Sr No	Particulars	Chemicals	Fertilisers	Realty	Others	Eliminations	Common	Total
1	**Revenue**							
	a) **External Sales**							
	I) **Manufactured**	**2,19,727**	**1,48,546**	**-**	**711**	**-**	**-**	**3,68,985**
	Previous Year	*2,00,978*	*60,264*	*-*	*761*	*-*	*-*	*2,62,003*
	ii) **Traded**	**2,02,410**	**32,046**	**1,685**	**-**	**-**	**-**	**2,36,141**
	Previous Year	*1,14,998*	*57,628*	*988*	*-*	*-*	*-*	*1,73,614*
	b) **Inter-segment sales**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*-*	*-*
	c) **Other operating income**	**911**	**118**			**-**	**-**	**1,029**
	Previous Year	*2,099*	*96*			*-*	*-*	*2,195*
	d) **Unallocated Corporate other income**	**-**	**-**		**-**	**-**	**2,409**	**2,409**
	Previous Year	*-*	*-*		*-*	*-*	*1,586*	*1,586*
	Total Revenue	**4,23,048**	**1,80,710**	**1,685**	**711**	**-**	**2,409**	**6,08,563**
	Previous Year	*3,18,075*	*1,17,988*	*988*	*761*	*-*	*1,586*	*4,39,398*
2	**Segment Result**	**51,335**	**3,674**	**(1,596)**	**323**	**-**	**2,409**	**56,144**
	Previous Year	*50,629*	*(792)*	*(1,835)*	*381*	*-*	*1,586*	*49,969*
3	**Unallocated Corporate expenses**	**-**	**-**	**-**	**-**	**-**	**32,856**	**32,856**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*26,693*	*26,693*
4	**Net profit**	**-**	**-**	**-**	**-**	**-**	**-**	**23,288**
	Previous Year	*-*	*-*	*-*	*-*	*-*	*-*	*23,276*
5	**Other Information**							
	a) **Segment Assets**	**3,17,714**	**1,74,726**	**23,568**	**2,726**	**-**	**1,80,411**	**6,99,145**
	Previous Year	*2,08,440*	*1,70,137*	*24,106*	*2,379*	*-*	*99,751*	*5,04,813*
	b) **Segment Liabilities**	**1,55,159**	**1,36,459**	**993**	**46**	**-**	**1,97,838**	**4,90,495**
	Previous Year	*39,915*	*59,965*	*901*	*58*	*-*	*2,01,567*	*3,02,406*
	c) **Capital Expenditure incurred during the year**	**36,840**	**4,634**	**971**			**9,698**	**52,143**
	Previous Year	*38,070*	*32,984*	*586*	*-*	*-*	*11,791*	*83,431*
	d) **Depreciation/ Amortisation**	**9,092**	**5,037**	**1,114**	**225**		**855**	**16,323**
	Previous Year	*10,037*	*1,167*	*1,211*	*225*	*-*	*862*	*13,502*

Segment information

1. Primary segment reporting (by business segments)

Composition of business segment

Segment	Products covered
a) Chemicals	Ammonia, Methanol, DNA, CNA, CO_2, TAN, IPA, Propane, Bulk and Speciality Chemicals
b) Bulk Fertilisers	NP, MOP, DAP, Ammonium Sulphate, Mixtures, SSP, Sulphur, Micronutrients, SSF, Bio Fertilisers, Fruits,Vegetables, Pesticides
c) Realty	Real Estate Business
d) Others	Windmill Power

2. Secondary Segment Information: There are no reportable geographical segments since the Group caters mainly to the needs of the Indian Market.

(All Amounts in ₹ Lacs unless otherwise stated)

Note 45: The Department of Fertilisers (DoF), Ministry of Chemicals and Fertilisers, had withheld subsidy, due to the Group in accordance with applicable Nutrient Based Subsidy (NBS) scheme of GOI, alleging undue gain arising to the Group on account of supply of cheap domestic gas since challenged by the Group before the Honourable High Court of Bombay. Based on the directive of the Honourable Court, DoF agreed to release subsidy withheld except a sum of ₹ 310 Crores pending final decision, which has been released during the month of January 2018 against a Bank Guarantee of equal amount.

Note 46: GAIL has claimed a sum of ₹ 357 crores in respect of supply of domestic natural gas for the period July 2006 to May 2014, alleging usage for manufacture of products other than Urea. As per two contracts entered into 2006 and 2010 between the Group and GAIL, the purchase of gas was clearly intended, supplied and utilised for industrial applications. It has been in the full knowledge of the Department of Fertilisers, Government of India that the Group; as per the Industrial License, since its inception was never engaged in the manufacture of Urea and the dispute was referred to Arbitration Accepting the Group's stand, the Arbitration Tribunal has rejected the claim of GAIL. However, GAIL has preferred an appeal before Honourable Delhi High Court.

Note 47: The previous year figures have been audited by a firm other than B S R & Associates LLP.

Note 48: Previous year figures have been regrouped wherever necessary, to correspond with the current period's classification / disclosure.

As per our report of even date attached

For and on behalf of Board of Directors
Deepak Fertilisers And Petrochemicals Corporation Limited

For B S R & Associates LLP
Chartered Accountants
Firm Registration No.: 116231W/W-100024

RAAJNISH DESAI
Partner
Membership No.: 101190

Mumbai
Dated: 30 May 2018

S. C. MEHTA
Chairman & Managing Director
DIN : 00128204

S. R. WADHWA
Director
DIN : 00228201

Mumbai
Dated: 30 May 2018

PRANAY VAKIL
Director
DIN : 00433379

AMITABH BHARGAVA
President & CFO

K. SUBHARAMAN
EVP-Legal and Company Secretary
Membership No: FCS:4361

DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED

Sai Hira, Survey No. 93,
Mundhwa, Pune – 411 036,
Maharashtra, India.
CIN: L24121MH1979PLC021360

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DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

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Registered Office: Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411006.
CIN: L24121MH1979PLC021360 E-mail: investorgrievance@dfpcl.com Website: www.dfpcl.com Tel.: +91-20-26688117

Corporate Office: Sai Hira, Survey No. 93, Mundhwa, Pune - 411036. Tel.: +91-20-66458000 Fax: +91-20-26683723

NOTICE is hereby given that the Thirty-Eighth Annual General Meeting of DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED will be held on Tuesday, 18th September, 2018 at 11:30 a.m. at Opus 1, The Cove, Level 1, Creaticity, Opp. Golf Course, Off Airport Road, Yerawada, Pune - 411006 to transact the following business namely:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and the Auditors thereon.

2. To declare a dividend on equity shares for the financial year ended 31st March, 2018 and in this regard, pass the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT a dividend at the rate of ₹ 6/- (Six Rupees only) per equity share of ₹ 10/- (Ten Rupees) each fully paid-up of the Company be and is hereby declared for the Financial year ended 31st March, 2018 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the Financial year ended 31st March, 2018."

3. To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 {including any statutory modification(s) or re-enactment thereof for the time being in force}, and pursuant to the resolution of the Members at the 37th Annual General Meeting (AGM) held on 21st September 2017, appointment of B S R & Associates, LLP, Chartered Accountants (Firm Registration No.116231W/W- 100024) as Statutory Auditors of the Company, be ratified for remaining period of four years from the conclusion of this AGM till the conclusion of Forty Second AGM to be held in the year 2022 on such remuneration as may be determined by the Audit Committee of the Board of Directors".

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT Shri R. A. Shah, Director liable to retire by rotation, who does not offer himself for re-appointment be not re-appointed as a Director of the Company and the vacancy caused on the Board of the Company be not filled up".

5. To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT, pursuant to the provisions of Section 148(3) of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the remuneration payable to M/s Y. R. Doshi & Company (Registration No. 000003) appointed as the Cost Auditors of the Company to conduct the Cost Audit of all applicable products for the Financial Year ending 31st March, 2019, amounting to ₹ 300,000/- (Rupees Three Lakhs only) plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses in connection with the said audit, be and is hereby ratified and confirmed.

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

6. To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT pursuant to the provisions of Sections 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), and the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the re-appointment of Shri S. C. Mehta as the Chairman & Managing Director of the Company for a further period of five years with effect from 1st August, 2018 on the terms and conditions including remuneration as set out in the Explanatory Statement to Item No. 6 of this Notice convening the Annual General Meeting and draft of the Agreement to be entered into between the Company and Shri S. C. Mehta.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised with liberty to alter or vary the terms and conditions of the said re-appointment including remuneration, so long as it does not exceed the overall limits of ten percent of the net profits of the Company computed in the manner set out in Section 198 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and also to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

7. To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to Sections 197, 198 and all other applicable provisions of the Companies Act, 2013, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Articles of Association of the Company, in addition to the sitting fees being paid/payable for attending the meetings of the Board of Directors of the Company and its Committees thereof, the Company be and is hereby authorised to pay to its Directors (other than the Chairman & Managing Director and Whole-time Directors of the Company) for a period of 5 years commencing from April 1, 2019, such commission as the Board of Directors may from time to time determine, subject to the limit specified under Section 197 of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), in any fiscal year, computed in the manner provided in Section 198 of the Companies Act, 2013".

8. To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT in accordance with the provisions of Sections 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 {including any amendments thereto or statutory modification(s) or re-enactment thereof for the time being in force} and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded for reclassification of the Authorised Share Capital of the Company from ₹ 135,05,00,000/- (Rupees One Hundred Thirty Five Crores and Five Lakhs) divided into 12,50,50,000 (Twelve Crore Fifty Lacs and Fifty Thousand) Equity shares of ₹ 10/- (Rupees Ten) each and 10,00,000 (Ten Lacs) Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred) each to ₹ 135,05,00,000/- (Rupees One Hundred Thirty Five Crores and Five Lakhs) divided into 13,50,50,000 (Thirteen Crore Fifty Lacs and Fifty Thousand) Equity shares of ₹ 10/- (Rupees Ten) each and consequently the existing Clause V of the Memorandum of Association of the Company, relating to the Share Capital be and is hereby altered by deleting the same and substituting in its place the following new Clause V:

V. The Authorised Share Capital of the Company shall be ₹ 135,05,00,000/- (Rupees One Hundred Thirty Five Crores and Five Lakhs) divided into 13,50,50,000 (Thirteen Crore Fifty Lacs and Fifty Thousand) Equity shares of ₹ 10/- (Rupees Ten) each with power to the Company to increase or decrease such capital, and to issue any part of its capital, original, increased with or without any preference, priority or special privilege, or subject to any postponement of rights or to any conditions or restrictions; and so that unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preferential or otherwise, shall be subject to Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as it may deem necessary, proper or expedient to give effect to this resolution."

9. To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c) and 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendments, statutory modification(s) or re-enactment thereof, for the time being in force), {hereinafter referred to as the Act}, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules notified by the Central Government under the Act, the Foreign Exchange Management Act, 2000 (the "FEMA"), as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, as amended, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended {hereinafter referred to as the Debt Listing Regulations}, the current Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (GoI), the Reserve Bank of India (RBI), and the Securities and Exchange Board of India (SEBI), the Stock Exchanges, Ministry of Corporate Affairs (MCA), the Registrar of Companies, Maharashtra at Pune and/or any other competent authorities, whether in India or abroad, and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended {hereinafter referred to as the SEBI (ICDR) Regulations}, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the uniform listing agreements entered into by the Company with the stock exchanges on which the Company's shares are listed (the Listing Agreements) and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, MCA, RBI, GoI or of concerned statutory and any other authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (including Project and Funding Committee or any Committee hereinafter to be constituted by Board to exercise its power including the powers conferred by this resolution) {hereinafter referred to as the Board}, the consent, authority and approval of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including but not limited to the employees of the Company as may be permitted), such number of equity shares of the Company of face value ₹ 10/- each ("Equity Shares"), Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), fully convertible debentures/partly convertible debentures and/ or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/or any security(ies) convertible into Equity Shares with or without voting/special rights and/ or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as "Securities") or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of international and/or domestic offering(s) in one or more foreign market(s) and/ or domestic market(s), by way of one or more public and/ or private offerings, qualified institutions placement ("QIP") or any combination thereof, through issue of prospectus and /or placement document/ or other permissible/requisite offer document to Qualified Institutional Buyers ("QIBs") as defined under the SEBI (ICDR) Regulations in accordance with Chapter VIII of the SEBI (ICDR) Regulations, whether they be holders of Equity Shares of the Company or not (the "Investors") as may be decided by the Board in its discretion and permitted under applicable laws and regulations, of an aggregate amount not exceeding ₹ 600,00,00,000/- (Rupees Six Hundred Crores Only) or equivalent thereof, inclusive of such premium as may be fixed on such Securities by offering the Securities at such time or times, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. and any other matters incidental thereto as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and / or underwriter(s) and / or other advisor(s), in foreign currency and/ or equivalent Indian Rupees as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate (the Issue).

RESOLVED FURTHER THAT in accordance with Chapter VIII of the SEBI (ICDR) Regulations:

(a) the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such other discount as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolution:

(a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

(b) the Equity Shares, including any Equity Shares issued upon conversion of any convertible Securities, that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects;

(c) Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate re-organisation or Restructuring; and

(d) the Equity Shares shall be allotted as fully paid-up.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a QIP in terms of Chapter VIII of the SEBI

(ICDR) Regulations, the allotment of such Securities, or any combination of Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution, or such other time as may be allowed under the SEBI (ICDR) Regulations from time to time.

RESOLVED FURTHER THAT any issue of Securities made by way of a QIP in terms of Chapter VIII of the SEBI (ICDR) Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI (ICDR) Regulations (the "QIP Floor Price"), with the authority to the Board to offer a discount of not more than such percentage as permitted under applicable law on the QIP Floor Price.

RESOLVED FURTHER THAT in the event Equity Shares are proposed to be issued to QIBs by way of a QIP in terms of Chapter VIII of the SEBI (ICDR) Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of such Equity Shares.

RESOLVED FURTHER THAT in the event convertible Securities are proposed to be issued to QIBs by way of a QIP in terms of Chapter VIII of the SEBI (ICDR) Regulations, the relevant date for the purpose of pricing such convertible Securities shall be the date of the meeting in which the Board decides to open the proposed issue of such convertible Securities.

RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

(a) in the event of the Company making a bonus issue by way of capitalisation of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares and the price as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of equity shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares and/or Securities or instruments representing the same, as described above, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorised in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead manager(s), merchant banker(s), underwriter(s), depository(ies), custodian(s), registrar(s), banker(s), lawyer(s), advisor(s) and all such agencies as are or may be required to be appointed, involved or concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and to resolve and settle all questions, difficulties or doubts that may arise in regard to such Issue, including the finalisation and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, finalisation of the timing of the Issue, identification of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilisation of the issue proceeds, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorised to constitute or form a Committee or delegate all or any of its powers to any Director(s) or Committee of Directors / Company Secretary /Chief Financial Officer or other persons authorised by the Board for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alteration(s) or modification(s) as they may deem fit and proper and give such direction(s) as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities."

10. To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c) and 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendments statutory modification(s) or re-enactment thereof, for the time being in force), {hereinafter referred to as the Act}, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other applicable rules notified by the Central Government under the Act, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (GoI), the Reserve Bank of India (RBI), and the Securities and Exchange Board of India (SEBI), the Stock Exchanges, Ministry of Corporate Affairs (MCA), the Registrar of Companies, Maharashtra at Pune and/or any other competent authorities, and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended {hereinafter referred to as the SEBI (ICDR) Regulations}, the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {hereinafter referred to as the SEBI (LODR) Regulations}, the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the uniform listing agreements entered into by the Company with the stock exchanges on which the Company's shares are listed (the Listing Agreements) and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, MCA, RBI, GoI or of concerned statutory and any other authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (including its Committee thereof) {hereinafter referred to as the Board}, the consent, authority and approval of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot such number of warrants convertible into Equity Shares of the Company, at face value per warrant (Warrant Issue Price), {being not lower than the minimum price for equity share calculated in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (ICDR) Regulations, 2009}, of an aggregate amount not exceeding ₹ 200,00,00,000 (Rupees Two Hundred Crore Only) (inclusive of such premium as may be fixed on such Equity Shares), exercisable (convertible) in one or more tranches, anytime within period of eighteen months into equal number of equity shares of face value of ₹ 10/- each of the Company on a preferential basis to Promoters and Promoter Group of the Company for cash and in such form and manner and upon such terms and conditions as the Board may in its absolute discretion deem appropriate, in accordance with the SEBI (ICDR) Regulations and other applicable laws and regulations.

RESOLVED FURTHER THAT in accordance with the provisions of the SEBI (ICDR) Regulations, the 'relevant date' for determination of the minimum price shall be the date thirty days prior to the date of the Annual General Meeting i.e. 17th August, 2018 in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (ICDR) Regulations, 2009.

RESOLVED FURTHER THAT the aforesaid issue of Warrants shall be subject to the following terms and conditions:

a. One warrant convertible into equity share shall be exercisable /convertible into one equity share of face value of ₹ 10/- of the Company.

b. An amount equivalent to 25 percent of the Warrant Issue Price shall be payable at the time of subscription and allotment of each warrant and the balance 75 percent of the Warrant Issue Price shall be payable by the warrant holder(s) in one or more tranches on or before the exercise of the entitlement attached to Warrant(s) to subscribe for Equity Share(s). The amount paid against Warrants shall be adjusted / set-off against the issue price for the resultant Equity Shares.

c. In accordance with the provisions of SEBI (ICDR) Regulations, the "Relevant Date" for the purpose of calculating the minimum price shall be the date 30 days prior to date of the Annual General Meeting. Since the Annual General Meeting is scheduled on 18th September, 2018 the "Relevant Date" will be 17th August, 2018 (Where the Relevant Date falls on a weekend / holiday, the day preceding the weekend / holiday will be reckoned to be the Relevant Date i.e. 17th August, 2018).

d. The Warrant holders shall, subject to SEBI (ICDR) Regulations, the Takeover Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches any time within a period of eighteen months from the date of the allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly, issue and allot the corresponding number of Equity Shares of ₹ 10/- each to the Warrant holders.

e. The Warrants shall be exercised in a manner that is in compliance with the minimum public shareholding norms prescribed for the Company under the SEBI (LODR) Regulations 2015 and the Securities Contracts (Regulation) Rules, 1957.

f. In the event, the Warrant holders do not exercise the Warrants within a period of eighteen months from the date of allotment, the Warrants shall lapse and the amount paid by the Warrant holder(s) on such Warrants shall stand forfeited by the Company.

g. That the Warrants do not give any rights/entitlements to the Warrant holders as a shareholder of the Company.

h. The Company shall ensure that the listing and trading approvals for Equity Shares to be issued and allotted to the Warrant holder(s) upon exercise of Warrants are received from the relevant stock exchanges in accordance with the SEBI (ICDR) Regulations and SEBI (LODR) Regulations.

i. The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company.

j. The Warrants and the Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under Chapter VII of the SEBI (ICDR) Regulations from time to time.

k. In the event that the Company completes any form of capital restructuring prior to the exercising of the Warrants, then, the number of Equity Shares that are issued against the exercise of each Warrant and the price payable for such Equity Shares, shall be appropriately adjusted.

RESOLVED FURTHER THAT subject to the SEBI (ICDR) Regulations and other applicable laws, the Board be and is hereby authorised to decide and approve terms and conditions of the issue of the above-mentioned warrants and to vary, modify or alter the terms and conditions, including size of the issue as it may deem expedient.

RESOLVED FURTHER THAT the Equity Shares to be created, offered, issued and allotted to the Promoter and/ or Promoter Group shall rank pari passu in all respects with the existing Equity Shares of the Company (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.

RESOLVED FURTHER THAT the Equity Shares under Preferential Allotment shall be subject to lock-in requirements as per the provisions of Chapter VII of the SEBI Regulations.

RESOLVED FURTHER THAT the Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval from any regulatory authority or the GoI, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals.

RESOLVED FURTHER THAT the Board be and is hereby authorised to constitute or form a Committee or delegate all or any of its powers to Committee of Directors / any Director(s) / Chief Financial Officer / Company Secretary or other persons authorised by the Board for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alteration(s) or modification(s) as they may deem fit and proper and give such direction(s) as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities."

11. To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014, Articles of Association of the Company and subject to necessary approvals, if required, the consent of the members of the Company be and is hereby accorded to the Board of Directors for: (i) giving loans to any person or other body corporate; (ii) giving of guarantee or providing security in connection with a loan to any other body corporate or person; and / or (iii) for acquiring by way of subscription, purchase or otherwise, the securities of any other body corporate, upto an amount, the aggregate outstanding of which should not, at any time, exceed ₹ 2,500 Crore (Rupees Two Thousand Five Hundred Crore only) which shall be over and above the limits specified in Section 186 i.e. sixty percent of the Company's paid-up share capital, free reserves and securities premium account or one hundred percent of the Company's free reserves and securities premium account, whichever is more.

RESOLVED FURTHER THAT the Board of Directors is hereby authorised to decide, from time to time, the amounts to be invested, loans / guarantees to be given and securities to be provided to any person and / or bodies corporate within the above mentioned limits, finalise terms and conditions, execute necessary documents, delegate all or any of these powers to any Sub-Committee/ Director(s) / Officer(s) of the Company, settle any question, difficulty or doubt that may arise in this regard and do all acts, deeds and things which it considers proper for giving effect to this resolution."

12. To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder {including any statutory amendments thereto or modifications or re-enactments thereof for the time being in force}, and subject to all such approvals, permissions or sanctions as may be necessary and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), permission(s) or sanction(s) which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall be deemed to include any Committee duly constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the consent of the Members be and is hereby accorded to the Board in respect of the financial assistance extended / to be extended by the Banks / Financial Institutions / any other Lender(s) (including a Rupee Term Loan Facility availed or to be availed) such that in the event of default by the Company under the financing documents executed or to be executed in respect of the loans / financial assistance which has already been availed or which may be availed, whether existing or future, whether such loans / financial assistance are designated in foreign currency or in Indian Rupees or upon exercise of an option provided under the lending arrangements, Bank(s) / Financial Institution(s)/ any other Lender(s) at its option may be able to convert the outstanding facility or part thereof into fully paid-up ordinary Equity Shares in the Company upon such terms and conditions of such lending arrangements (whether disbursed on, after or prior to the date of this Resolution and whether then due or payable or not) and or as deemed appropriate by the Board and at a price to be determined in accordance with the applicable provisions of Companies Act, 2013 and SEBI Regulations at the time of conversion.

RESOLVED FURTHER THAT on receipt of the notice of conversion, the Board be and is hereby authorised to do all such acts, deeds and things as the Board may deem necessary and shall allot and issue the requisite number of fully paid-up ordinary Equity Shares in the Company to such Bank(s) / Financial Institution(s) / any other Lender(s).

RESOLVED FURTHER THAT the ordinary Equity Shares to be so allotted and issued to the lenders pursuant to its exercising the right of conversion shall rank pari-passu in all respects with the then Equity Shares in the Company and be listed on the Stock Exchange(s) where the existing shares of the Company are listed."

Dated 9th August, 2018 — By Order of the Board of Directors,

Registered Office:
Opp. Golf Course, Shastri Nagar,
Yerawada, Pune - 411 006

K. SUBHARAMAN
Executive Vice President
(Legal) & Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, 11th September, 2018 to Tuesday, 18th September, 2018 (both days inclusive).

   The dividend, if declared, will be paid to those Members whose names appear on the Register of Members of the Company as on 18th September, 2018, being the date of the Annual General Meeting of the Company. In respect of shares held in electronic form, the dividend will be paid to those beneficial owners as per the details furnished by the Depository Participants for the purpose.

3. Members holding shares in physical form are requested to intimate immediately to M/s. Karvy Computershare Private Limited, UNIT: Deepak Fertilisers And Petrochemicals Corporation Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032; Email Id: einward.ris@karvy.com Phone: +91 40 6716 1571; Fax No: +91 40 2342 0814, quoting the Registered Folio Number: (a) details of Bank Account / change in Bank Account, if any, to enable the Company to print these details on the Dividend Warrants; and (b) change in address, if any, with the Pin Code Number.

   Members holding shares in physical form or electronic form and who are not getting Annual Reports are requested to immediately update their address by writing to Karvy Computershare Private Limited at the above given address.

   Members holding shares in electronic form shall address communication to their respective Depository Participants only.

4. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days prior to the meeting so that the required information can be made available at the meeting.

5. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.

6. Members are requested to note that pursuant to the provisions of Section 124 and other applicable provisions of the Companies Act, 2013, (including any statutory modifications or re-enactments thereof) and Rules made thereunder the dividend remaining unclaimed / unpaid for a period of seven years from the date of transfer to the "Unpaid Dividend Account" shall be credited to the Investor Education and Protection Fund (Fund) set up by the Central Government.

   Members who have so far not claimed the dividend are requested to make claim with the Company immediately. Please visit Company's website: www.dfpcl.com for details.

   Further, in terms of section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of seven years, the corresponding shares shall be transferred to the IEPF Demat account.

7. Voting through electronic means:

   In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer E-Voting facility as an alternate mode of voting, for its Equity Shareholders, to enable them to cast their votes electronically. E-Voting is optional. For this purpose, necessary arrangements have been made with **Karvy Computershare Private Limited (Karvy)** to facilitate remote e-Voting. It may be noted that the facility for voting through ballot paper will also be made available at the meeting and the Equity Shareholders attending the meeting who have not cast their votes before the meeting by way of remote e-Voting shall be able and entitled to exercise their right at the meeting through ballot paper or by way of e-voting at the venue of the Meeting. Members who have cast their votes by remote e-voting prior to the Meeting may attend the Annual General Meeting but shall not be entitled to cast their votes again. Members can opt for only one mode of voting, i.e. either through ballot papers or e-voting at Annual General Meeting or remote e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through ballot papers at Annual General Meeting shall be treated as invalid.

   The instructions for e-Voting are as under:

   The e-Voting period begins at 9.00 a.m. on Friday, 14th September, 2018 and ends at 5:00 p.m. on Monday, 17th September, 2018. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date of Tuesday, 11th September, 2018, may cast their vote electronically through remote e-voting. The facility for voting through electronic voting system shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the venue of the meeting.

The instructions for members for remote e-voting are as under:

i. Launch an internet browser and open https://evoting.karvy.com

ii. Enter the login credentials (i.e. User ID and password). User ID and Password are provided at the bottom of the Attendance Slip in the following format.

User ID	Password
-	-

iii. After entering the above details Click on 'Login'.

iv. Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, $, etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it.

It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. After change of password, you need to login again with the new credentials.

v. In case you are already registered with M/s. Karvy Computershare Private Limited for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot Password" option available on https://evoting.karvy.com or contact M/s. Karvy Computershare Private Limited at toll free No. 1-800-3454-001 or email to evoting@karvy.com. In case of any other queries/grievances connected with voting by electronic means, you may also contact Shri S. V. Raju of Karvy Computershare Private Limited, at telephone no. 040-67161571

vi. On successful login, the system will prompt you to select the E-Voting Event.

vii. Select 'EVENT' of Deepak Fertilisers And Petrochemicals Corporation Limited – AGM and click on 'Submit'.

viii. Now you are ready for e-voting as 'Ballot Form' page opens.

ix. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.

x. Upon confirmation, the message 'Vote cast successfully' will be displayed.

xi. Once you have confirmed your vote on the resolution, you cannot modify your vote.

xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at deulkarcs@gmail.com. They may also upload the same in the e-voting module in their login.

The scanned image of the above-mentioned documents should be in the naming format "Deepak Fertilisers And Petrochemicals Corporation Limited - AGM".

xiii. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the 'Downloads' section of the e-voting website of M/s. Karvy Computershare Private Limited https://evoting.karvy.com.

xiv. The voting rights shall be as per the number of equity shares held by the Member(s) as on relevant date. Members are eligible to cast vote electronically only if they are holding shares as on that date.

xv. Members who have acquired shares after the dispatch of the Notice of Annual General Meeting and before the relevant date may obtain the User ID and Password by sending a request at evoting@karvy.com or investorgrievance@dfpcl.com

xvi. Shri Shridhar Mudaliar, Partner, SVD & Associates, Company Secretaries, (Membership No. FCS 6156, CP No. 2664) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

xvii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or e-voting at the venue of the Meeting for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

xviii. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

xix. The Results declared along with the report of the Scrutinizer shall be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

xx. For members who wish to vote through Ballot Forms:

a. The Ballot Form is provided for the benefit of shareholders, who do not have access to remote E-voting facility.

b. Pursuant to Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, members who do not have access to remote E-voting facility, may exercise their right to vote on business to be transacted at the Annual General Meeting of the Company by submitting the Ballot Form enclosed to this Annual Report.

c. Shareholders may fill in the Ballot Form enclosed with the Annual Report (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scrutinizer, viz. Shri Shridhar Mudaliar, Partner, SVD & Associates, Company Secretaries C/o Deepak Fertilisers And Petrochemicals Corporation Limited, Sai Hira, Survey No. 93, Mundhwa, Pune 411 036, so as to reach by 5.00 p.m. on Monday, 17th September, 2018. The Ballot Form received thereafter will be strictly treated as not received.

d. A shareholder can opt for only one mode of voting either through remote e-voting or by the Ballot or by Poll or e-voting at the venue. If a shareholder casts votes by all modes, then voting done through remote e-voting shall prevail and the Ballot Form shall be treated as invalid.

e. Shareholders who do not have access to E-voting and intend to cast their vote through the Ballot Form should follow instructions as mentioned in Ballot Form.

8. All relevant documents referred to in the accompanying notice and explanatory statement requiring the approval of Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours between 11.00 a.m. and 01.00 p.m. on all working days except, Saturdays, Sundays and public holidays, from the date hereof up to the date of the Annual General Meeting.

9. Members are requested to note that pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, brief particulars including shareholding of the Directors proposed to be appointed / re-appointed is given at the end of the Notice and forms part of the Notice.

10. Members, who have registered their E-mail addresses with the Company or their Depository Participant, are being sent the AGM Notice along with the Annual Report, Attendance Slip, Proxy & Ballot Form by E-mail and to others, are being sent by post.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF ITEM NO. 3

Item No. 3:

At the thirty seventh Annual General Meeting (AGM) of the Company, the shareholders had approved appointment of B S R & Associates, LLP, Chartered Accountants, [Firm Registration No.: 116231W/W- 100024], as Statutory Auditors of the Company from the conclusion of thirty seventh AGM till the conclusion of forty second AGM, subject to ratification by the shareholders at every AGM.

The Companies (Amendment) Act, 2017 published in the Gazette of India on 3rd January, 2018, amended few sections of Companies Act, 2013 including omission of first proviso to Section 139(1) of Companies Act, 2013 which provided for ratification of appointment of Statutory Auditors by members at every AGM. The amendment to said section is already effective from 7th May, 2018.

In view of the same, and as per advice provided by the company's Secretarial Auditors, M/s. SVD and Associates, Company Secretaries the approval of the members is sought for the ratification of appointment of B S R & Associates, LLP, Chartered Accountants, [Firm Registration No.: 116231W/W- 100024], as Auditors of the Company, for the remaining term of four years i.e. from the Conclusion of this Annual General Meeting till the conclusion of the forty second Annual General Meeting to be held in the year 2022.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3. The Board recommends the ordinary resolution at Item No. 3 for approval of the Members of the Company.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

In accordance with the Articles of Association of the Company, Shri R. A. Shah, Director, retires by rotation at the ensuing Annual General Meeting. Shri R. A. Shah has indicated to the Company that he is not seeking re-appointment in line with the retirement policy for Directors adopted by the Company.

Shri R. A. Shah has been on the Board of the Company since 11th February, 2015. The Board places on record its sincere appreciation and recognition of the valuable contribution and services rendered by Shri R. A. Shah during his tenure as Director on the Board of the Company. The Board proposes that the vacancy caused by his retirement be not filled up.

None of the Directors other than Shri R. A. Shah may be deemed to be concerned or interested in the aforesaid resolution.

The Board recommends Ordinary Resolution set out at Item No. 4 for approval by the Members of the Company.

Item No. 5

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors (Board) shall appoint an Individual who is Cost Accountant in practice, or a firm of Cost Accountants in practice, as Cost Auditor on the recommendation of the Audit Committee, which shall also recommend remuneration for such auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified by the Members.

On recommendation of Audit Committee, the Board at their meeting held on 30th May, 2018 has considered and approved appointment of M/s Y. R. Doshi & Company, Cost Accountants, for conducting Cost Audit of all applicable products at a remuneration of ₹ 300,000/- (Rupees Three lakhs only) plus taxes as applicable and reimbursement of actual travel and out-of pocket expenses for the Financial Year ending 31st March, 2019.

The Board of Directors recommends Ordinary Resolution set out at Item No. 5 for approval by the Members of the Company.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution.

Item No. 6

The present term of Shri S. C. Mehta, Chairman & Managing Director of the Company, has expired on 31st July, 2018. The Board of Directors has approved, subject to approval of Members, re-appointment of Shri S. C. Mehta as the Chairman & Managing Director of the Company for a further period of 5 years with effect from 1st August, 2018 on the following terms and conditions:

a) Salary

₹ 21,00,000/- (Rupees Twenty One Lakhs Only) per month in the grade of ₹ 21,00,000/ (Rupees Twenty One Lakhs Only) to ₹ 30,00,000/- (Rupees Thirty Lakhs Only) per month.

b) Commission

Commission at such percentage of net profits of the Company computed provided that the salary, perquisites and commission [overall remuneration] does not exceed ten percent of the net profits of the Company in accordance with the provisions of Section 197 of the Companies Act 2013 and computed in the manner as laid down under Section 198 of the Companies Act, 2013 or such amount, as the Board of Directors may determine.

c) Perquisites / Allowances

In addition to salary and commission as stated above, Shri S. C. Mehta shall be entitled to the following perquisites/ allowances:

i. Rent free furnished residential accommodation. In case no accommodation is provided by the Company, Shri S. C. Mehta shall be paid house rent allowance as may be decided by the Board of Directors.

ii. Re-imbursement of gas, electricity, water charges and furnishings.

iii. Re-imbursement of medical expenses incurred for self and members of his family, as per the rules of the Company.

iv. Leave travel concession for self and members of his family, as per the rules of the Company.

v. Fees of clubs subject to maximum of two clubs.

vi. Medical Insurance, as per the rules of the Company.

vii. Personal Accident Insurance, as per the rules of the Company.

viii. Provision of car and telephone at residence.

Explanation: For the above purpose, perquisites / allowances shall be valued as per the Income Tax Rules, wherever applicable.

ix. Company's contribution to provident fund, superannuation fund or annuity fund, gratuity and encashment of leave, as per the rules of the Company.

x. Retirement and other benefits, as per the rules of the Company.

d) The Board of Directors shall have the authority to alter or vary the terms of re-appointment and remuneration including commission and perquisites / allowances payable to Shri S. C. Mehta within the overall limits of ten percent of the net profits of the Company computed in the manner set out in Section 198 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

e) In the absence of or inadequacy of profits, the salary mentioned in paragraph (a) and perquisites / allowances in (c) above shall be the minimum remuneration payable to Shri S. C. Mehta, subject to the applicable provisions of the Companies Act, 2013.

f) Shri S. C. Mehta would occupy the position of both Chairman and Managing Director so long as it is permissible under the Companies Act 2013 [Act] and SEBI Regulations. As and when there are changes to the Act or SEBI Regulations, Shri S. C. Mehta would relinquish the position of Chairman and continue solely as Managing Director for the balance period of his tenure of appointment.

Shri S. C. Mehta shall not be liable to retire by rotation as Director of the Company.

The approval of members is, therefore, sought to the re-appointment of and remuneration payable to Shri S. C. Mehta.

None of the Directors is in any way concerned or interested in the above re-appointment except Shri S. C. Mehta and Smt. P. S. Mehta, being wife of Shri S. C. Mehta.

The above may also be treated as an abstract as required under Section 190 of the Companies Act, 2013.

A draft of the Agreement proposed to be entered into by the Company with Shri S. C. Mehta is open for inspection by members at the Registered Office between 11.00 a.m. and 01.00 p.m. on all working days of the Company except, Saturdays, Sundays and public holidays from the date hereof up to and including the day of the Meeting.

The Board of Directors recommends Ordinary Resolution set out at Item No. 6 for approval by the Members of the Company.

Item No. 7

The Non-Executive Directors and the Independent Directors of the Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, technology, corporate strategy, information systems, and finance. The Board is of the view that it is necessary that adequate compensation be given to the Non-Executive Directors and the Independent Directors so as to compensate them for their time and efforts. The Members had approved at the AGM held on 8th August, 2013, payment of remuneration by way of commission on profits to the Non-Executive Directors and the Independent Directors of the Company for a period of 5 years commencing with Financial Year 2013-14, at a rate not exceeding 1 per cent of the net profits of the Company in any fiscal year (computed in the manner provided in Sections 198, 349 and 350 and other applicable provisions, if any, of the Companies Act, 1956).

Considering the valuable services being rendered by Non-Executive Directors and the Independent Directors, the Board of Directors has approved, subject to the approval of members and subject to the limit specified under Section 197 of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) payment of remuneration by way of commission for a further period of five years commencing with Financial Year 2019-20 and as determined in accordance with the provisions of Section 198 and all other applicable provisions of the Companies Act, 2013, provisions of Listing Regulations and the Articles of Association of the Company.

All the Non-Executive Directors and the Independent Directors of the Company are concerned or interested financially in the resolution because the resolution relates to payment of commission to themselves. Save and except these persons, no other Director or KMP of the Company or their relatives are, in any way, concerned with or interested in, financially or otherwise.

The Board of Directors recommends Ordinary Resolution set out at Item No. 7 for approval by the Members of the Company.

Item No. 8

In order to issue equity shares in the Item Nos. 9 and 10, it is proposed to reclassify the Authorised Share Capital of the Company from the existing ₹ 135,05,00,000/- (Rupees One Hundred Thirty Five Crores and Five Lakhs) divided into 12,50,50,000 (Twelve Crore Fifty Lacs and Fifty Thousand) Equity shares of ₹ 10/- (Rupees Ten) each and 10,00,000 (Ten Lacs) Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred) each to ₹ 135,05,00,000/- (Rupees One Hundred Thirty Five Crores and Five Lakhs) divided into 13,50,50,000 (Thirteen Crore Fifty Lacs and Fifty Thousand) Equity shares of ₹ 10/- (Rupees Ten) each and also amend Clause V of Memorandum of Association of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board accordingly recommends the special resolution as set out in Item No. 8 for approval by the Members of the Company.

Item No. 9

The Company, in order to meet its growth objectives, to augment its long term resources and to strengthen its financial position, would require funds. While it is expected that the internal generation of funds would partially meet the funding requirement, it is thought prudent for the Company to have enabling approvals to raise a part of the funding requirements for the said purposes, purposes set out in the succeeding paragraphs, as well as for such other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution, in Indian or international markets. Robust Marketing Services Private Limited, a promoter group company has also offered to subscribe additional equity by way of Warrants, of the Company, on preferential basis for an aggregate amount not exceeding ₹ 200,00,00,000 (Rupees Two Hundred Crore Only) as approved by the Board of Directors at their meeting held on 9th August, 2018, to part finance the financial requirements of the business.

The special resolution contained in the Notice under Item No. 9 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible or Partly Convertible Debentures and such other securities as stated in the resolution (the "Securities"), including by way of a qualified institutional placement in accordance with Chapter VIII of the SEBI (ICDR) Regulations, in one or more tranches, at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed by the Board for the purpose of the Issue.

This special resolution enables the Board to issue Securities of the Company for an aggregate amount not exceeding ₹ 600,00,00,000 (Rupees Six Hundred Crore Only) or its equivalent in any foreign currency.

The Board of Directors of the Company has approved raising of funds by issue, offer and allotment of Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible or Partly Convertible Debentures and such other securities as stated in the resolution (the "Securities"), including by way of a qualified institutional placement in accordance with Chapter VIII of the SEBI (ICDR) Regulations at its meeting held on 9th August, 2018.

The Board shall issue Securities pursuant to this special resolution and utilise the proceeds to finance (wholly or in part) one or more, or any combination, of the following: (a) capital expenditure, (b) the cost of construction and development of ongoing and new projects, (c) investment in subsidiaries, joint ventures and affiliates, (d) repayment of debt, (e) meeting working capital requirement of the Company, and (f) permissible general corporate purposes. The material terms of raising such securities as well as the proposed time schedule will be as disclosed in the relevant offer document(s) issued in relation to the issue of Securities.

The special resolution also seeks to empower the Board to issue Securities by way of QIP to QIBs in accordance with Chapter VIII of the SEBI (ICDR) Regulations. The pricing of the Securities that may be issued to QIBs pursuant to SEBI (ICDR) Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the SEBI (ICDR) Regulations ("QIP Floor Price") and hence no valuation is being undertaken by any valuer. Further, the Board may also offer a discount of not more than such percentage as permitted on the QIP Price calculated in accordance with the pricing formula provided under SEBI (ICDR) Regulations. The "Relevant Date" for this purpose will be the date as determined in accordance with the SEBI (ICDR) Regulations and as mentioned in the resolution.

The issue/allotment/conversion would be subject to the applicable regulatory approvals, if any. The issuance and allotment of Equity Shares including Equity Shares to be allotted on conversion of Securities to foreign/non-resident investors would be subject to the applicable foreign investment cap.

As the Issue may result in the issue of Securities of the Company to investors who may or may not be members of the Company, consent of the members is being sought, for passing the Special Resolution as set out in the said item of the Notice, pursuant to Sections 23, 42, 62(1)(c) and 71 and other applicable provisions, if any, of the Companies Act, 2013 and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Promoter, Director, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution, except to the extent of Equity Shares/Securities that may be subscribed to by them or by companies/firms/institutions in which they are interested as director or member or otherwise.

The Board accordingly recommends the special resolution as set out in Item No. 9 for approval by the Members of the Company.

Item No. 10

Issue of Warrants convertible into Equity Shares on Preferential Basis:

The Company proposes to make a preferential issue of Warrants convertible into Equity Shares to Robust Marketing Services Private Limited, a promoter group company, in addition to funding plan envisaged in item no. 9 above.

The Board of Directors of the Company has approved such preferential issue at its meeting held on 9th August, 2018.

Approval of the members by way of special resolution is required inter-alia pursuant to the provisions of Sections 23, 42, 62(1)(c) and 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and as well as the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ({SEBI (ICDR) Regulations}, as amended from time to time.

Accordingly, in terms of the Act and the SEBI (ICDR) Regulations, consent of the members is being sought for the issue and allotment of such number of warrants of the Company of an aggregate amount not exceeding ₹ 200,00,00,000 (Rupees Two Hundred Crore Only) on a preferential basis to the Proposed Allottee(s).

The Proposed Allottee(s) has / have represented that they have not sold any Equity Shares of the Company during the 6 months preceding the Relevant Date.

The salient features of the preferential issue, including disclosures required to be made in accordance with Chapter VII of the SEBI (ICDR) Regulations and Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014, are set out below:

(i) Objects of the Issue

The Promoters and Promoter Group of the Company have confidence in the future sustainable growth plan of the Company and Robust Marketing Services Private Limited, a promoter group company has offered to subscribe additional equity by way of Warrants on preferential basis vide their letter dated 26th July, 2018 to part finance the financial requirements of the business including (a) capital expenditure, (b) the cost of construction and development of ongoing and new projects, (c) investment in subsidiaries, joint ventures and affiliates, (d) repayment of debt, (e) meeting working capital requirement of the Company, and (f) permissible general corporate purposes. This will strengthen the equity base of the Company. It will also boost investors' confidence in the Company's future growth plans.

(ii) Total number of securities to be issued

The resolution set out in the accompanying notice authorises the Board to issue such number of warrants of the Company for an aggregate amount not exceeding ₹ 200,00,00,000 (Rupees Two Hundred Crore Only) on a preferential basis to the Proposed Allottee(s).

(iii) Issue price

Regulation 76 of the SEBI (ICDR) Regulations prescribes the minimum price at which a preferential issue may be made and hence no valuation is being undertaken by any valuer.

The Company will not issue and allot warrants of the Company at a price lower than the minimum price calculated as aforesaid.

The Statutory Auditors of the Company will also certify that the minimum price at which the proposed preferential issue may be made is in accordance with Regulation 76(1) of the SEBI (ICDR) Regulations. The Certificate of the Statutory Auditors shall be placed before the members of the Company at Annual General Meeting.

(iv) Relevant date

In accordance with the provisions of SEBI (ICDR) Regulations, the "Relevant Date" for the purpose of calculating the minimum price shall be the date 30 days prior to date of the Annual General Meeting. Since the Annual General Meeting is scheduled on 18th September, 2018 the "Relevant Date" will be 17th August, 2018 (Where the Relevant Date falls on a weekend / holiday, the day preceding the weekend / holiday will be reckoned to be the Relevant Date, accordingly the "Relevant Date" will be 17th August, 2018).

(v) Intention of the promoters / promoter group / directors / key managerial personnel of the Company to subscribe to the offer

The Company has received a letter of intent from Robust Marketing Services Private Limited (a promoter group company) indicating its intention to subscribe to the proposed Preferential Allotment. None of the Directors or KMPs intends to subscribe to the offer.

(vi) Proposed time within which the allotment shall be completed

The issue and allotment of Warrants to the Proposed Allottee(s) will be completed not later than 15 days from the date of passing of this special resolution provided that where the allotment of Warrants is pending on account of delay of any approval for such allotment by any regulatory authority, the allotment shall be completed within a period of 15 days from the date of receipt of the last of such approvals or such other time as may be prescribed or permitted by the SEBI, Stock Exchanges or other relevant authorities.

(vii) The names of the Proposed Allottee(s), Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares (Warrants) proposed to be allotted and/or who ultimately controls the Proposed Allottee(s)

S. No.	Name of Proposed Allottee(s)	Category	Pre-issue % Holding	No. of Shares proposed to be allotted*	Post-issue % Holding	Name of Ultimate Beneficial Owner of the Proposed Allottees
1.	Robust Marketing Services Private Limited **	Equity Shares	-	6,479,819	6.84%	Shri S. C. Mehta, Smt. P. S. Mehta.

* For the limited purpose of disclosing the possible percentage of capital held post allotment of the Equity Shares, it is assumed that all the Warrants will be converted in the equal number equity shares and the price per share has been taken ₹ 308.65. The percentage of capital held post Preferential Allotment will be as per the above table assuming full subscription at floor price. However, if the subscription price is higher than the floor price or the shares subscribed at the floor price is lower than the full subscription, the number of Equity Shares that would be allotted under Preferential Allotment and the aggregate shareholding and the percentage of capital held post-Preferential Allotment would differ from the details provided above. Accordingly, the percentage of capital held post-Preferential Allotment disclosed in the table above is an indicative percentage and is subject to change. Further, in the event that the QIP is undertaken by the Company, the holding of existing members of the Company prior to the QIP including the Promoters and Promoter Group would be diluted to the extent of the Equity Shares issued by the Company pursuant to the QIP.

** The ultimate beneficial owners of Robust Marketing Services Private Limited are Shri S. C. Mehta and Smt. P. S. Mehta, being the shareholders and directors of Robust Marketing Services Private Limited.

(viii) Change in control, if any, in the Company that would occur consequent to the preferential issue

There will be no change in control or management of the Company as a consequence of the preferential issue.

(ix) The pre and post-issue shareholding pattern of the Company

S. No.	Category	Pre-Preferential Issue Shareholding*		Post-Preferential Issue Shareholding (Proposed)**	
		Total number of shares	%	Total number of shares	%
(A)	**Promoters' Shareholding**				
1	Chimanlal Khimchand Mehta	764,273	0.87	764,273	0.81
2	Sailesh Chimanlal Mehta	1,506	0.00	1,506	0.00
3	Parul Sailesh Mehta	1,226	0.00	1,226	0.00
4	Nova Synthetic Limited	42,706,848	48.42	42,706,848	45.10
5	Sofotel Infra Private Limited	1,688,301	1.91	1,688,301	1.78
6.	Robust Marketing Services Private Limited ***	-	-	6,479,831	6.84
	Total Promoters' Shareholding (A)	45,162,154	51.20	51,641,985	54.54
(B)	**Public Shareholding**				
1	**Institutions**				
(a)	Mutual Funds	2,333,020	2.64	2,333,020	2.46
(b)	Insurance Companies	973,184	1.10	973,184	1.03
(c)	Financial Institutions/ Banks	600,002	0.68	600,002	0.63
(d)	Venture Capital Funds	-	-	-	-
(e)	Alternate Investment Fund	-	-	-	-
(f)	Foreign Portfolio Investors	5,510,319	6.25	5,510,319	5.82
	Sub-Total (B)(1)	9,416,525	10.67	9,416,525	9.95

S. No.	Category	Pre-Preferential Issue Shareholding*		Post-Preferential Issue Shareholding (Proposed)**	
		Total number of shares	%	Total number of shares	%
2	**Non-Institutions**				
(a)	Bodies Corporate	8,652,264	9.81	8,652,264	9.14
(b)	Public (Individual Shareholders)	21,269,008	24.11	21,269,008	22.46
(c)	Foreign Corporate Bodies	184,750	0.21	184,750	0.20
(d)	Non Resident Indians	2,160,774	2.45	2,160,774	2.28
(e)	Clearing Members	133,247	0.15	133,247	0.14
(f)	Others	1,226,221	1.39	1,226,221	1.30
	Sub-Total (B)(2)	33,626,264	38.12	33,626,264	35.51
	Total Public Shareholding(B)= (B)(1)+(B)(2)	43,042,789	48.8	43,042,789	45.46
	TOTAL (A)+(B)	88,204,943	100.00	94,684,774	100.00

* As on 30th June, 2018.

** For the purpose of the calculation, it is assumed that all the warrants will be converted in the equal number equity shares and the price per share has been taken ₹ 308.65.

*** The ultimate beneficial owners of Robust Marketing Services Private Limited are Shri S. C. Mehta and Smt. Parul S. Mehta, being the shareholders and directors of Robust Marketing Services Private Limited.

(x) Lock-in period

The Warrants allotted on preferential basis and the Equity Shares allotted pursuant to exercise of options attached to warrants, shall be subject to a lock-in period in accordance with the applicable provisions of SEBI (ICDR) Regulations.

The entire pre-issue shareholding of the Warrant Holders, if any, shall also be locked-in as per the applicable provisions of the SEBI (ICDR) Regulations.

(xi) The Company undertakes that:

a. It would re-compute the price of the Equity Shares specified above in terms of the provisions of the SEBI (ICDR) Regulations if it is required to do so;

b. If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the above shares shall continue to be locked in till the time such amount is paid by the Proposed Allottee.

c. It is hereby confirmed that neither the Company nor its Directors or its Promoters are willful defaulter.

(xii) Auditor's Certificate

The certificate from M/s B S R & Associates LLP, Chartered Accountants, the statutory auditors of the Company, certifying that the preferential issue is being made in accordance with the requirements of the SEBI (ICDR) Regulations shall be placed before the Annual General Meeting of the shareholders.

Other than Shri S. C. Mehta, Smt. Parul S. Mehta, being wife of Shri S. C. Mehta and their relatives (being associated with the Promoter / Promoter Group Companies), none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution, except to the extent of their shareholding in the Company.

The Board accordingly recommends the special resolution as set out in Item No. 10 for approval by the Members of the Company.

Item No. 11

Pursuant to the provisions of Section 186 of the Companies Act, 2013, a company can give any loan, guarantee, provide security or make investment in securities up to an amount of 60% of its paid-up capital, free reserves and securities premium account or 100% of free reserves and securities premium account, whichever is higher.

A company may give loan, guarantee, provide security or make investment in shares, debentures etc. exceeding the above limits with the prior approval of shareholders by means of a special resolution.

Performance Chemiserve Private Limited (PCPL), which is subsidiary of wholly owned subsidiary of the Company, Smartchem Technologies Limited (STL), is setting up facilities for manufacture of Ammonia in Taloja. PCPL has commenced the work in full swing relating to setting up Ammonia Project at Taloja and therefore, it requires funding by way of Term Loan of ₹ 2,044 Crore for its Ammonia Project. PCPL has received sanction of ₹ 1,000 Crore from State Bank of India and in addition, it has received in principle sanction of ₹ 500 Crore from Exim Bank. Bank of Baroda is considering underwriting of the entire ₹ 2,044 Crore term loan and as per the sanction terms negotiated with them, while the bank has proposed a Comfort Letter from STL, they are not contemplating any credit support from the Company. However, given the sanctioning authorities of banks are currently being more risk averse towards corporate credit and are prone to stipulating stringent credit conditions, it is possible that sanctioning authority of BOB may stipulate credit support from the Company in form of Comfort letter/ Undertaking or Corporate Guarantee for a period up to the time of issuance of Environment Clearance / Project Completion/ PCPL attaining investment grade rating.

The estimated guarantees to be provided to the lenders of the Company's subsidiaries and other business purposes would exceed the limits provided u/s 186 of the Companies Act, 2013 and needs approval of the Shareholders of the Company by way of a special resolution.

Therefore, the Board accordingly recommends the special resolution as set out in Item No. 11 for approval by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 12

Your Company has availed / would avail financial assistance by way of Rupee Term Loans, Non-convertible Debentures, Foreign Currency Loans, FCCB, Corporate Loans etc., from time to time from various lenders i.e. Bank(s) / Financial Institution(s) / any other Lender(s) upon such terms and conditions stipulated by them and approved by the Board, to meet funding requirements towards capital expenditures, operational expenditure and working capital of the Company, its Subsidiaries and Associate Companies and for general corporate purposes.

One of the terms of sanction stipulated by all Banks provides that in the event of default by the Company under the lending arrangements or upon exercise of an option provided under the lending arrangements the Bank(s) / Financial Institution(s) / any other Lender(s) may be entitled to exercise the option to convert whole or part of their outstanding facility into fully paid up ordinary Equity Shares of the Company at a price to be determined in accordance with the applicable provisions of Companies Act, 2013 and SEBI Regulations at the time of such conversion. In normal course, in case of loan default, banks have security over and recourse to the fixed assets/current assets/other security like assignment of various contractual rights etc. Further, the bank provides opportunity to the borrower to cure these events of defaults through infusion of additional equity and go through a process of rescheduling / restructuring the loans before resorting to more drastic measures of conversion of loans into equity.

The proposed resolution is an enabling resolution under the provisions of the Section 62(3) and other applicable provisions of the Companies Act, 2013 in view of the fact that under the lending arrangements, the Bank(s) / Financial Institution(s) / any other Lender(s) insist for inclusion of an option to convert the outstanding facility into Equity in the event of default or upon exercise of an option provided under the lending arrangements in the facility agreements.

Allotment of Equity Shares as above requires prior approval of the Members by way of Special Resolution. Therefore, the Board proposes this enabling resolution.

Therefore, the Board accordingly recommends the special resolution as set out in Item No. 12 for approval by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Dated 9th August, 2018 — By Order of the Board of Directors,

Registered Office:
Opp. Golf Course, Shastri Nagar,
Yerawada, Pune - 411 006

K. SUBHARAMAN
Executive Vice President
(Legal) & Company Secretary

Details of the Directors seeking appointment / reappointment at the 38th Annual General Meeting:

{Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.}

Name of Director : Shri S. C. Mehta; **Age:** 57 years; **Qualification:** B.Com., M.B.A. (USA); **Date of Appointment:** 4th September, 1991; **Expertise:** Industrialist with rich business and management experience; **Directorships as on 31st March, 2018:** Public Companies : Smartchem Technologies Limited, Nova Synthetic Limited, Ishanya Realty Corporation Limited, Ishanya Brand Services Limited, SCM Fertichem Limited, Private Companies: Deepak Mining Services Private Limited, RungePincockMinarco India Private Limited, The Lakaki Works Private Limited, High Tide Investments Private Limited, Mahadhan Farm Technologies Private Limited, Robust Marketing Services Private Limited, Performance Chemiserve Private Limited, Section 8 Company: The Fertiliser Association of India; Bodies Corporate (Foreign Companies): Deepak Nitrochem Pty Limited, Deepak Fertichem Company Limited, Platinum Blasting Services Pty Limited, Other Association of Individuals: Swami Vivekanand Vidyabharati Trust, Ishanya Foundation, Deepak Foundation, **Chairmanship / Membership of the Audit Committees as on 31st March, 2018:** Member of Audit Committee of Nova Synthetic Limited, **Chairmanship / Membership of the Stakeholder's Relationship Committees as on 31st March, 2018:** Nil **Chairmanship / Membership of Nomination & Remuneration Committee as on 31st March 2018**: Nil, **Shareholding in the Company:** 1,506 Equity Shares of ₹ 10/- each.

IMPORTANT COMMUNICATION TO MEMBERS

In terms of provisions of the Companies Act, 2013 and rules made thereunder, service of notice / documents including Annual Reports can be sent by e-mail to its members. This will also ensure prompt receipt of communication and avoid loss in postal transit. These documents can also be downloaded by the shareholders from the Company's website i.e. www.dfpcl.com. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses on the website of the Company i.e. www.dfpcl.com or by sending e-mail to einward.ris@karvy.com with subject as 'E-mail for Green Initiative' mentioning their Folio No. / Client ID. Members holding shares in electronic form may register / update their e-mail addresses with the Depository through their concerned Depository Participant(s).

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DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Registered Office : Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411 006.
Corporate Office : Sai Hira, Survey No. 93, Mundhwa, Pune - 411 036.
CIN: L24121MH1979PLC021360

BALLOT FORM

Thirty Eighth Annual General Meeting, 18th September, 2018

(For members who do not have access to e-voting facility)

Sr. No.	Particulars	Details
1.	Name of the Member(s):	
2.	Postal address	
3.	Registered Folio No./* Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	No. of shares	

I / We hereby exercise my / our vote(s) in respect of the Resolutions to be passed for the business set out in the Notice of the Annual General Meeting of the Company to be held on Tuesday, 18th September, 2018 by sending my / our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

Item No.	Description of Resolution(s)	No. of Equity shares	(For) I / We assent to the resolution	(Against) I / We dissent to the resolution
ORDINARY BUSINESS				
1	Receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2018 and the Reports of the Directors and Auditors thereon.			
2	Declare a dividend on equity shares for the financial year ended 31st March, 2018.			
3	To Consider the ratification of appointment of M/s. B S R & Associates, LLP, Chartered Accountants as Statutory Auditors of the Company for remaining period of four years.			
SPECIAL BUSINESS				
4	Not to fill up the vacancy caused by the retirement by rotation of Shri R.A. Shah, Director of the Company			
5	Ratification and confirmation for payment of remuneration to Shri Y. R. Doshi, Cost Accountants			
6	Re-appointment of Shri Sailesh C. Mehta as the Managing Director of the Company			
7	Payment of Commission to Non-Executive Directors.			
8	Reclassification of the Authorised Share Capital of the Company:			
9	Raising of funds aggregating to ₹ 600 crores (Rupees Six hundred cores) through one or more of various options of securities such as Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds or Partly Convertible Debentures or by way of qualified institutions placement to QIB (Qualified Institutional Buyers) in terms of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 SEBI [ICDR] Regulations, 2009,			
10	Consider and approve issue of convertible equity warrants on preferential basis to the Promoters of the Company not exceeding ₹ 200 crore.			
11	Consider and approve increase of limits to provide loans guarantees / investments beyond the threshold provided under Section 186 of the Companies Act, 2013.			
12	Consider taking approval of the Shareholders of the Company pursuant to the provisions of Section 62(3) of the Companies Act, 2013 enabling Board of Directors for conversion of financial assistance extended / to be extended by the Banks / Financial Institutions / any other Lender(s) into Equity Shares of the Company in case of default:			

Place:

Date:

____

Signature of Member

Note : This Ballot Form is provided for the benefit of Members, who do not have access to e-voting facility.

INSTRUCTIONS

1. Members may fill up this Ballot Form (no other form or photocopy of the form will be accepted) and send the same in a sealed envelope addressed to the Scrutinizer, viz. Shri Shridhar Mudaliar, Partner, SVD & Associates, Company Secretaries C/o Deepak Fertilisers And Petrochemicals Corporation Limited), Sai Hira, Survey No. 93, Mundhwa, Pune 411036, **so as to reach by 5.00 p.m. on 17th September 2018.** The Ballot Form received thereafter will be strictly treated as not received.

2. The Ballot Form should be signed by the Member(s) as per the specimen signature registered with the Company / the Depositories. In case of joint holding, this Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. The right of voting by Ballot Form shall not be exercised by a Proxy.

3. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution / Authorization.

4. **A Member can opt for only one mode of voting i.e. either through electronic voting or by the Ballot at the Meeting. If a Member casts vote by both modes, then voting done through electronic voting shall prevail and the Ballot Form shall be treated as invalid.**

5. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 11th September, 2018.

6. Unsigned, incomplete, improperly or incorrectly ✓(tick) marked Ballot Forms shall be rejected. The decision of the Scrutinizer on the validity of the Ballot Form will be final.

7. The Company will not be responsible, if the envelope containing the Ballot Form is lost in transit.

DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Registered Office : Opp. Golf Course, Shastri Nagar, Yerawada, Pune - 411 006.
Corporate Office : Sai Hira, Survey No. 93, Mundhwa, Pune - 411 036.
CIN: L24121MH1979PLC021360

FORM OF PROXY

Thirty Eighth Annual General Meeting, 18th September, 2018

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

Name of the Member(s): ______________________________

Registered address: ______________________________

E-mail ID ______________________________

Folio No./ Client ID* ______________________________

DP ID* ______________________________

I/ We being the Member(s) of the Company holding ________ shares, hereby appoint;

1. Name : ______________________	E-mail ID : ______________________
Address : ______________________	Signature : ______________________

or failing him / her

2. Name : ______________________	E-mail ID : ______________________
Address : ______________________	Signature : ______________________

or failing him / her

3. Name : ______________________	E-mail ID : ______________________
Address : ______________________	Signature : ______________________

as my/ our proxy to attend and vote (on a poll) on my/our behalf at the **Thirty Eighth Annual General Meeting** of the Company, to be held on Tuesday, 18th September, 2018 at 11.30 a.m. at Opus 1, The Cove, Level 1, Creaticity, Opp. Golf Course, Off Airport Road, Yerawada, Pune - 411 006 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution(s)	Vote (Optional see Note 2)	
		For	Against
ORDINARY BUSINESS			
1	Receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2018 and the Reports of the Directors and Auditors thereon.		
2	Declare a dividend on equity shares for the financial year ended 31st March, 2018.		
3	To Consider the ratification of appointment of M/s. B S R & Associates, LLP, Chartered Accountants as Statutory Auditors of the Company for remaining period of four years.		
SPECIAL BUSINESS			
4	Not to fill up the vacancy caused by the retirement by rotation of Shri R. A. Shah, Director of the Company		
5	Ratification and confirmation for payment of remuneration to Shri Y. R. Doshi, Cost Accountants		
6	Re-appointment of Shri Sailesh C. Mehta as the Managing Director of the Company		
7	Payment of Commission to Non-Executive Directors.		
8	Reclassification of the Authorised Share Capital of the Company:		
9	Raising of funds aggregating to ₹ 600 crores (Rupees Six hundred cores) through one or more of various options of securities such as Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds or Partly Convertible Debentures or by way of qualified institutions placement to QIB (Qualified Institutional Buyers) in terms of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 SEBI [ICDR] Regulations, 2009,		
10	Consider and approve issue of convertible equity warrants on preferential basis to the Promoters of the Company not exceeding ₹ 200 crore.		
11	Consider and approve increase of limits to provide loans guarantees / investments beyond the threshold provided under Section 186 of the Companies Act, 2013.		
12	Consider taking approval of the Shareholders of the Company pursuant to the provisions of Section 62(3) of the Companies Act, 2013 enabling Board of Directors for conversion of financial assistance extended / to be extended by the Banks / Financial Institutions / any other Lender(s) into Equity Shares of the Company in case of default:		

Signed this ______________ day of ____________ 2018.

Signature____ Please affix Revenue Stamp ________

* Applicable to Members holding shares in electronic form.

NOTES:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.
2. It is optional to indicate your preference. If you leave the for/against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

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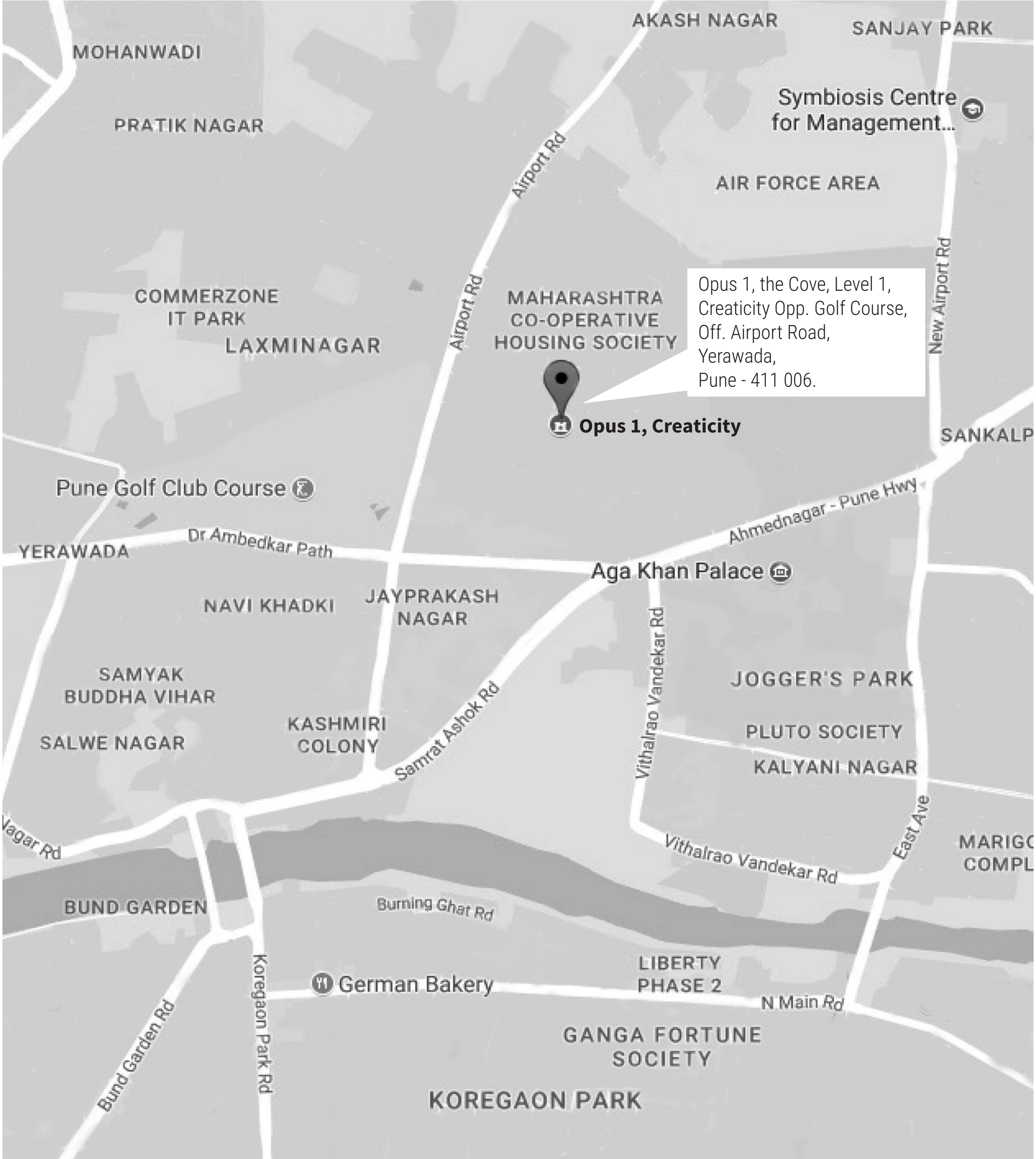
DEEPAK FERTILISERS
AND PETROCHEMICALS
CORPORATION LIMITED

ROUTE MAP TO THE VENUE OF ANNUAL GENERAL MEETING



AGM Venue: Opus 1, the Cove, Level 1, Creaticity Opp. Golf Course, Off. Airport Road, Yerawada, Pune - 411 006.

Source: Google Map