STANDALONE

FINANCIAL RESULTS

2018-2019

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Laxmi Organic Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Laxmi Organic Industries Limited("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information. (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects arising out of matters in our Basis of Opinion paragraph, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for preparation of the Other Information. The Other Information obtained at the date of this Auditor's Report is the Directors Report but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the Other Information and we do not andwill not express any form of assurance or conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the OtherInformation identified above and, in doing so, consider whether the Other Information ismaterially inconsistent with the financial statements or our knowledge obtained in the audit, orotherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to thedate of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   h. 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 financial statements – Refer Note 29 to the financial statements;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
Partner
M. No. – 124960
UDIN- 19124960AAAAHA7966
Mumbai, Dated: July 15, 2019

ANNEXURE-A

To the Independent Auditors' Report on the Financial Statements of Laxmi Organic Industries Limited

(i) a. The Company has generally maintained proper records showing fullparticulars including quantitative details and situation of its fixed assets.

b. Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

c. We have verified the title deeds of immovable properties forming part of property, plant and equipment produced before us by the management and in respect of title deeds which were in possession of the bankers due to charge created , confirmations was obtained from the bankers about the title deeds being in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year. The discrepancies noticed between the book stock and the physical stocks were not material and they have been properly dealt with in the books of accounts.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the Companies Act, 2013 and hence the sub clauses (a) and (b) of clause 3(iii) of the Companies (Auditor's Report) Order,2016 is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans, investments, guarantees and security given.

(v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.

(vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.

(vii) a. The Company has been regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess, Goods & Services Tax and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.

b. According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, Duty of Customs or Duty of Excise or Value Added Tax which have not been deposited on account of any dispute except as given below:

Name of the Statute	Nature of the dues	Amount (` in Lakhs)	Period to which it relates	Forum where Dispute is pending
Income Tax Act, 1961	Additions during assessments	1.50	AY 2012-13	CIT-Appeal
Income Tax Act, 1961	Additions during assessments	22.91	AY 2013-14	CIT-Appeal
Income Tax Act, 1961	Additions during assessments	76.38	AY 2015-16	CIT-Appeal

(viii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to the financial institution or banks. Further, the company has not obtained any borrowings by way of debentures.

(ix) The company has not raised any money by way of public issue / follow-on offer (including debt instruments). The Company has also not raised any term loans during the year. Hence clause 3(ix) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

(x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company. Hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standard.

(xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.

(xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.

(xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
Partner
M. No. – 124960
UDIN- 19124960AAAAHA7966
Mumbai, Dated: July 15, 2019

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ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of Laxmi Organic Industries Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Financial Statementof 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 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 Institute of Chartered Accountants of India. 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 was 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 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 over Financial Reporting

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 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 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of 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 controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting 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 Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
Partner
M. No. – 124960
UDIN- 19124960AAAAHA7966
Mumbai, Dated: July 15, 2019

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BALANCE SHEET AS AT MARCH 31, 2019

(All figures are Rupees in Lakhs unless otherwise stated)

		Note No.	As At March 31, 2019	As At March 31, 2018
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	1	32,646.04	27,262.45
	(b) Capital work-in-progress		3,147.86	2,995.42
	(c) Other intangible assets	1	94.56	11.52
	(d) Financial assets			
	(i) Investments	2.1	425.13	425.13
	(ii) Trade Receivable	2.2	-	-
	(iii) Bank Balances	2.4	1,954.15	576.59
	(iv) Loans	2.3	1,095.71	910.53
	(v) Others	2.5	18.18	12.19
	(e) Other non-current assets	3	821.92	1,620.02
	(f) Assets held-for-sale	4	-	-
			40,203.55	**33,813.85**
2	**Current assets**			
	(a) Inventories	5	12,814.74	12,282.99
	(b) Financial assets			
	(i) Investments	2.1	1,554.05	1,612.44
	(ii) Trade receivables	2.2	30,396.34	28,891.33
	(iii) Cash and cash equivalents	2.4	494.98	135.47
	(iv) Other Bank Balance	2.4	2,000.00	-
	(v) Loans	2.3	65.20	27.05
	(vi) Others	2.5	117.77	176.55
	(c) Other current assets	3	8,119.28	6,247.80
	(d) Assets held-for-sale	4	-	729.66
			55,562.36	**50,103.29**
	Total Assets		**95,765.91**	**83,917.14**
	EQUITY & LIABILITIES			
	Equity			
	(a) Equity Share capital	6	5,004.54	1,000.91
	(b) Other Equity	7	40,546.15	36,961.96
			45,550.69	**37,962.87**
	Liabilities			
1	**Non-current liabilities**			
	(a) Financial liabilities	8		
	(i) Borrowings	8.1	7,460.63	5,310.15
	(ii) Other financial liabilities	8.2	-	-
	(b) Provisions	9	219.94	184.65
	(c) Deferred tax liabilities (net)	10	1,709.93	1,587.76
	(d) Other non-current liabilities	11	-	53.33
			9,390.50	**7,135.88**
2	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	12	3,399.86	11,799.55
	(ii) Trade payables	13		
	- total outstanding dues of Micro and Small Enterprise		71.51	52.50
	- total outstanding dues of other than Micro and Small Enterprise		29,945.50	19,878.22
	(iii) Other financial liabilities	8.2	5,984.07	5,108.26
	(b) Provisions	9	188.33	104.94
	(c) Current Tax Liabilities (net)	14	926.30	1,305.11
	(d) Other current liabilities	11	309.15	569.80
			40,824.72	**38,818.39**
	Total Equity and Liabilities		**95,765.91**	**83,917.14**

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

As per our report of even date
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Reg. No.106971W
Nuzhat Khan
Partner
M.No. 124960
UDIN- 19124960AAAAHA7966
Mumbai, Dated : July 15, 2019

For and on behalf of the Board of Directors

Ravi Goenka
Managing Director
DIN-00059267

Vasudeo Goenka
Chairman
DIN-00059215

Partha Roy Chowdhury
Chief Financial Officer

Aniket Hirpara
Company Secretary

Mumbai, Dated : July 2, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(All figures are Rupees in Lakhs unless otherwise stated)

		Note No.	Year ended March 2019	Year ended March 2018
I)	**INCOME:**			
	Revenue from operations (gross)	15	142,880.45	129,044.39
	Other income	16	617.63	382.81
	Total Income (I)		**143,498.08**	**129,427.20**
II)	**EXPENSES:**			
	Cost of raw materials consumed	17	92,159.05	65,909.05
	Purchase of traded goods	18	8,017.30	22,221.07
	Changes in inventories of Finished Goods,Work in progress and Stock in Trade		(2,533.23)	(101.78)
	Excise Duty		-	1,755.11
	Employee benefits expense	20	5,828.79	4,826.98
	Finance cost	21	1,380.10	853.16
	Depreciation & amortisation	22	4,092.10	2,881.42
	Other expenses	23	24,266.13	19,739.67
	Total expenses (II)		**133,210.24**	**118,084.67**
	Profit before tax (I-II)		**10,287.84**	**11,342.53**
	Tax expense	24	**2,509.05**	**3,669.75**
	1. Current tax		2,391.50	2,983.90
	2. Deferred tax liability / (asset)		122.17	685.85
	3. Income Tax (Excess)/Short Provision of previous year		(4.62)	-
	Profit for the period from continuing operations		**7,778.79**	**7,672.78**
	Other comprehensive income			
	Items that will not be reclassified subsequently to profit or loss Reameasurement of the net defined benefit (net of tax)		(9.97)	31.11
	Total other comprehensive income, net of tax		**(9.97)**	**31.11**
	Total comprehensive income for the year		**7,768.82**	**7,703.88**
	Earnings per equity share (nominal value of share `10/- each)			
	Diluted (`)		**15.54**	**15.33**

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

As per our report of even date

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Reg. No.106971W

Nuzhat Khan
Partner
M.No. 124960
UDIN- 19124960AAAAHA7966
Mumbai, Dated : July 15, 2019

For and on behalf of the Board of Directors

Ravi Goenka
Managing Director
DIN-00059267

Vasudeo Goenka
Chairman
DIN-00059215

Partha Roy Chowdhury
Chief Financial Officer

Aniket Hirpara
Company Secretary

Mumbai, Dated : July 2, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(All figures are Rupees in Lakhs unless otherwise stated)

		2018-19		2017-18	
A	**Cash flow from operating activities**				
	Profit / (Loss) before extraordinary items and tax		**10,287.84**		**11,342.53**
	Adjustments for:				
	Depreciation and amortisation expense	4,092.10		2,881.42	
	(Profit) / loss on sale / write off of assets	(4.49)		(1.35)	
	Finance costs	1,380.10		853.16	
	Interest income	(238.69)		(188.75)	
	Guarantee Commission	(5.13)		(5.82)	
	Amortisation of upfront fees	4.86		6.80	
	Sales Tax Receivable w/off	39.66		52.02	
	Loss on sale of investments	23.13		-	
	Provision for doubtful debts/Write off - ECL	(2.38)		3.61	
	Sundry balances written back	(133.87)		(82.94)	
	Net unrealised exchange (gain) / loss	310.85	5,466.14	(227.49)	3,290.66
	Operating profit / (loss) before working capital changes		**15,753.98**		**14,633.19**
	Changes in working capital:				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	(531.75)		(5,914.31)	
	Trade receivables	(1,502.63)		(7,441.61)	
	Financial Assets	(218.58)		(141.41)	
	Other Assets	(1,119.45)		(3,987.04)	
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade Payable	10,220.16		4,172.16	
	Financial Liabilities	(308.85)		(480.05)	
	Non Financial Liabilities	(228.49)		1,076.66	
	Provisions	108.71	6,419.12	59.97	(12,655.63)
	Cash generated from operations		**22,173.10**		**1,977.56**
	Net income tax (paid) / refunds		(2,759.28)		(2,000.58)
	Net cash flow from / (used in) operating activities (A)		**19,413.82**		**(23.02)**
B	**CASH FLOW FROM INVESTMENT ACTIVITIES**				
	Capital expenditure on Property Pant and Equipment	(9,721.79)		(8,837.29)	
	Proceeds from sale of Property Pant and Equipment	15.11		9.05	
	Movement in Other Bank Balances	(3,377.56)		508.85	
	(Purchase)/ Sale of Investments	706.53		(261.25)	
	Interest received	281.87		181.37	
	Net cash flow from / (used in) investing activities (B)		**(12,095.84)**		**(8,399.27)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Long term borrowings	5,638.21		4,000.00	
	Repayment of Long term borrowings	(2,646.44)		(2,894.62)	
	Net Proceeds from Short term borrowings	(8,399.69)		8,081.14	
	Finance costs	(1,369.55)		(853.16)	
	Dividends paid	(150.14)		(120.11)	
	Tax on dividend	(30.86)		(24.45)	
	Net cash flow from / (used in) financing activities (C)		**(6,958.47)**		**8,188.80**
	Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**359.51**		**(233.42)**
	Cash and cash equivalents at the beginning of the year		135.47		368.88
	Cash and cash equivalents at the end of the year		494.98		135.47
			359.51		**(233.41)**

	2018-19	2017-18
Components of Cash and Cash Equivalents		
Cash on Hand	23.32	24.91
Balances with Bank	471.66	110.56
Total Balance	**494.98**	**135.47**

Notes:

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.

(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

(iii) Figure in brackets denote outflows

Statement of significant accounting policies and explanatory notes forms an integral part of the standalone financial statements

In terms of our report attached.

As per our report of even date

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Reg. No.106971W

Nuzhat Khan
Partner
M.No. 124960
UDIN- 19124960AAAAHA7966
Mumbai, Dated : July 15, 2019

For and on behalf of the Board of Directors

Ravi Goenka
Managing Director
DIN-00059267

Vasudeo Goenka
Chairman
DIN-00059215

Partha Roy Chowdhury
Chief Financial Officer

Aniket Hirpara
Company Secretary

Mumbai, Dated : July 2, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019

(All figures are Rupees in Lakhs unless otherwise stated)

A Equity Share Capital

Particulars	March 31, 2019		March 31, 2018	
March 31, 2018	Number of Shares	`	Number of Shares	`
Subscribed and Fully Paid up Capital				
Equity shares of INR 10 each				
Opening Balance	10,009,081	1,000.91	10,009,081	1,000.91
Changes in equity share capital during the year	40,036,324	4,003.63	-	-
Closing Balance	**50,045,405**	**5,004.54**	**10,009,081**	**1,000.91**

B Other Equity

Particulars	Retained Earnings	Capital Reserve	Security Premium Reserve	General Reserve	Total
INDAS balance as at April 1, 2017	**20,656.10**	**55.00**	**5,011.04**	**3,680.50**	**29,402.64**
Profit for the year	7,672.78				7,672.78
Dividend Paid	(120.11)				(120.11)
Dividend Distribution Tax	(24.45)				(24.45)
Re-measurement of net defined benefit plans	31.11				31.11
On issue of equity shares under ESOP					
Balance as at 31 March 2018	**28,215.42**	**55.00**	**5,011.04**	**3,680.50**	**36,961.96**
Profit for the year	7,778.79				7,778.79
Dividend Paid	(150.14)				(150.14)
Dividend Distribution Tax	(30.86)				(30.86)
Re-measurement of net defined benefit plans	(9.97)				(9.97)
Bonus issued during the year	(4,003.63)				(4,003.63)
Balance as at 31 March 2019	**31,799.61**	**55.00**	**5,011.04**	**3,680.50**	**40,546.15**

As per our report of even date

For and on behalf of the Board of Directors

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For Natvarlal Vepari & Co.
Chartered Accountants
Firm Reg. No.106971W

Ravi Goenka
Managing Director
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1. Detailed Asset Class Wise Addition, Adjustment, Depreciation, Changes at Net Block

A. Property, plant and equipment

(` in Lakhs)

PARTICULARS	Land covered under finance lease	Factory Building	Non Factory Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Windmill	Tangible Total	Intangibles - Softwares
Cost											
As at 1st April 2017	293.67	2,418.23	2,045.41	16,677.18	140.26	25.24	58.19	275.29	223.13	22,156.61	37.45
Additions	-	1,000.27	231.21	8,795.43	231.78	80.68	25.50	290.38	-	10,655.25	1.77
Disposals/Adjustments	-	-	-	-	-	-	-	31.39	-	31.39	-
As at 31st March 2018	**293.67**	**3,418.50**	**2,276.62**	**25,472.61**	**372.04**	**105.92**	**83.69**	**534.28**	**223.13**	**32,780.47**	**39.22**
Additions		**1,868.69**	**129.70**	**7,168.48**	**141.30**	**55.77**	**34.87**	**63.25**		**9,462.06**	**107.29**
Disposals/Adjustments								66.91		66.91	
As at 31st March 2019	**293.67**	**5,287.19**	**2,406.32**	**32,641.09**	**513.34**	**161.69**	**118.56**	**530.62**	**223.13**	**42,175.62**	**146.51**
Depreciation											
Depreciation 1st April 2017	7.74	243.32	99.43	2,218.44	37.10	-0.74	24.63	18.27	24.46	2,672.65	15.35
Charge for the Year	7.61	245.76	120.58	2,256.82	58.73	27.23	23.46	107.12	21.78	2,869.07	12.35
Disposals/Adjustments	-	-	-	-	-	-	-	23.70	-	23.70	
As at 31st March 2018	**15.34**	**489.07**	**220.01**	**4,475.26**	**95.83**	**26.48**	**48.09**	**101.70**	**46.25**	**5,518.02**	**27.70**
Charge for the Year	4.13	380.79	184.02	3,197.02	71.69	40.11	21.47	146.10	22.52	4,067.85	24.25
Disposals/Adjustments	-	-	-	-	-	-	-	56.29	-	56.29	
As at 31st March 2019	**19.47**	**869.86**	**404.03**	**7,672.28**	**167.52**	**66.59**	**69.56**	**191.51**	**68.77**	**9,529.58**	**51.95**
NET BLOCK											
As at 31st March 2018	**278.32**	**2,929.43**	**2,056.61**	**20,997.35**	**276.21**	**79.44**	**35.61**	**432.59**	**176.89**	**27,262.45**	**11.52**
As at 31st March 2019	**274.19**	**4,417.33**	**2,002.29**	**24,968.81**	**345.82**	**95.10**	**49.01**	**339.12**	**154.37**	**32,646.04**	**94.56**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES

A Corporate Information :

Laxmi Organic Industries Limited (LOIL) is the Goenka Group's flagship company, established in 1989 and is in the business on specialty chemicals. The Company primarily manufactures Ethyl Acetate, Acetic Acid and Diketene Derivative Products (DDP). DDP is a specialty chemical group, the technology and business of which has been acquired by LOIL from Clariant Chemicals India Limited. LOIL is currently the only manufacturer of DDP in India.

The financial statements were authorised for issue in accordance vide resolution of the Board of Directors on July 2, 2019.

B New standards and interpretations not yet adopted

1 Ind AS 116 Leases:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

i) "Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors."

ii) Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

"The effect of adoption as on transition date would result in an increase in Right of use asset and an increase in lease liability."

2. Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

*) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

***) Amendment to Ind AS 12 – Income taxes:**

"On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements."

3. Amendment to Ind AS 19 Plan amendment, curtailment or settlement

"On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

1. To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
2. To recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

   Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment."

4. Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The company does not expect this amendment to have any impact on its financial statements.

5. Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not expect any impact from this amendment.

6. Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The company does not currently have any long-term interests in associates and joint ventures.

7. Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The company will apply the pronouncement if and when it obtains control/joint control of a business that is a joint operation.

C Basis of Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values, which are disclosed in the Financial Statements.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of reliability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lacs, except otherwise indicated.

D Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

E Summary of significant accounting policies

a) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

An asset is treated as current when:

It is expected to be realised or intended to be sold or consumed in normal operating cycle;

It is held primarily for the purpose of trading

It is expected to be realised within 12 months after the reporting period; or

It is 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 non-current.

A liability is treated as 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 12 months after the reporting period.

The Company classifies all other liabilities as non-current

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

b) Property, plant and equipment (PPE)

i Property, plant and equipment are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. up to the date the asset is ready for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

ii Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes Project expenses pending allocation. Project expenses pending allocation are apportioned to the property, plant and equipment of the project proportionately on capitalisation.

iii Borrowing costs on Property, Plant and Equipment's are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met.

iv Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.

v An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

vi Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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

viii The Property, plant and equipment existing on the date of transition are accounted on deemed cost basis by applying para D7AA in accordance with the exemption provided in Ind AS 101 "First-time Adoption of Indian Accounting Standards" at previous GAAP carrying value.

c) Leased Assets

"Leasehold lands are amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands. Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the 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 a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

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. Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis."

d) Intangible assets

"Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible Assets without finite life are tested for impairment at each Balance Sheet date and Impairment provision, if any are debited to profit and loss.

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 recognised in the statement of profit or loss when the asset is derecognised."

e) Depreciation methods, estimated useful lives and residual value

Depreciation on all assets of the Company is charged on Written down Value over the useful life of assets mentioned in Schedule II to the Companies Act ,2013 except in case of Property Pant and Equipment of Distillery unit at Satara which is calculated on straight line method on a pro-rata basis calculated as per useful life of assets mentioned in Schedule II to the Companies Act, 2013.

Lease hold land is amortized over the period of Lease.

f) Borrowing costs

"Borrowing costs 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 or sale are capitalised as 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. In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred."

g) Impairment of Non-financial Assets:

"On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is higher of an asset's fair value less cost to sell.

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there is separately identifiable cash flows (cash-generating units). "

h) Inventories

Items of inventories are valued lower of cost or estimated net realisable value as given below.

i "Raw Materials and Packing Materials:

Raw Materials and packing materials are valued at Lower of Cost or market value, (Cost is net of Excise duty and Value Added Tax, wherever applicable). However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on Weighted Average method "

ii "Work in process:

Work in process are valued at the lower of cost and net realizable value. The cost is computed on weighted average method."

iii "Finished Goods & semi finished goods:

Finished Goods & semi finished goods are valued at lower of cost and net realizable value. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition. Excise duty is considered as cost for finished goods, wherever applicable."

iv "Stores and Spares:

Stores and spare parts are valued at lower of purchase Costs are determined on Weighted Average method and net realisable value."

v "Traded Goods:

Traded Goods are valued at lower of purchase cost and net realisable value."

i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks, which are short-term, highly liquid investments, that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

j) Equity investment

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to 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 FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

k) Foreign Currency Translation:

"The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

Non-monetary items, which are carried at historical cost denominated in a foreign currency, are reported using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference.

The exchange gain or loss on conversion of the financial statements for the purposes of consolidation are carried in other comprehensive income to be reclassified into statement of profit and loss on disposal."

l) Provisions, Contingent Liabilities and Contingent Assets

i Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates. Long term provisions are fair valued to the net present value and the same are increased each year by providing for the finance portion at the EIR of the respective company.

ii Contingent liabilities

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

iii Contingent Assets

A contingent asset is not recognised 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 financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

m) Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

n) Employee Share – based payment plans ('ESOP')

The Company accounts for the benefits of Employee share based payment plan in accordance with IND AS 102 "Share Based Payments" except for the ESOP granted before the transition date which are accounted as per the previous GAAP as provided in IND AS 101 first time adoption.

o) Fair Value Measurement

"The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest."

"A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above."

p) Financial instruments

A Financial assets

i Initial recognition and measurement

"All financial assets are recognized 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.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost."

ii Subsequent measurement

"For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income)."

"A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option."

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at Fair Value through Other Comprehensive Income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

"Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments other than investment on subsidiary , joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss."

iii Derecognition of financial instruments

"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 recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

iv Impairment of financial assets

"The Company assesses impairment based on expected credit losses (ECL) model to the Financial assets measured at amortized cost.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables"

"Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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 receivable 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.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis."

B Financial liabilities

i Initial recognition and measurement

"All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments."

ii Subsequent measurement

"The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied."

iii "Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the statement of profit and loss."

iv "Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization."

iv Derecognition

A financial liability is derecognized 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 recognized in the statement of profit and loss.

C Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

D Derivative financial instruments and hedge accounting

"Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively.

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.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss."

q) Revenue Recognition

A Revenue from Operations :

The company earns revenue primarily from sale of Chemicals. Laxmi Organic Industries is a speciality chemical manufacturer, focused on two key areas Acetyl Intermediates and Speciality Intermediates.

Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18. The company has adopted Ind AS 115 using the cumulative catch up transition method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18. Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18. The adoption of Ind AS 115 does not have significant effect on the financial results.

"Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is recognised 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 being made."

Revenue is recognized at point in time when the performance obligation with respect to Sale of Chemicals or rendering of]services to the Customer which is the point in time when the customer receives the goods and services .

Revenue from related parties is recognized based on transaction price which is at arm's length.

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates , sales return on transfer of control in respect of ownership to the buyer which is generally on dispatch of goods and any other taxes or duties collected on behalf of the Government which are levied on sales such as Goods and Services Tax (GST). Discounts given include rebates, price reductions and other incentives given to customers. No element of financing is deemed present as the sales are made with a payment term which is consistent with market practice.

Revenue from services is recognised when all relevant activities are completed and the right to receive income is established. This is applicable in case of Job Work services given by the Company to the Customers.

The Company disaggregates revenue from sale of goods or rendering of services with customers by product classification , geographical region and Customer Category.

Use of significant judgements in revenue recognition

- The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, price concessions. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct service promised in the contract.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. "

B Other Operating Income / Other Income

i) Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability. In respect of incentives attributable to the export of goods, the Company following the accounting principle of matching revenue with the cost has recognised export incentive receivable when all conditions precedent to the eligibility of benefits have been satisfied and when it is reasonably certain of deriving the benefit. Since these schemes are meant for neutralisation of duties and taxes on inputs pursuant to exports, the same are grouped under material costs.

The other export incentives that do not arise out of neutralisation of duties and taxes are disclosed under other operating revenue.

ii) Revenue in respect of Insurance /other claims, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.

iii) Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

iv) Dividend income is recognised when the right to receive the same is established.

v) Current investments are marked to market at the end of the relevant period and the resultant gains or losses are recognised in the Income statement.

vi) For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. 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. Interest income is included in finance income in the statement of profit and loss.

vii) Financial guarantee income: Under Ind AS, financial guarantees given by the Company for its subsidiaries are initially recognised as a liability at fair value which is subsequently amortised as an interest income to the Statement of Profit and Loss.

r) Employee benefits :

"All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in 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 to other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income."

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits :

Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

Termination benefits are recognized as an expense in the period in which they are incurred.

s) Taxes :

Tax expenses comprise Current Tax and Deferred Tax.:

i Current Tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. 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.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii Deferred Tax :

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount in the standalone financial statement for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting and are recognized to the extent that it has become probable 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 is realized or liability settled, based on the tax rates (tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

iii MAT Credit :

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as a deferred tax asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the Statement of profit and loss and corresponding debit is done to the Deferred Tax Asset as unused tax credit.

t) Leases :

At the inception of each lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

Operating lease :

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase

Finance leases :

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Leasehold lands are amortized over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortized over the primary lease period of the lands.

u) Research and Development :

Revenue expenditure on research and development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on research and development is considered as an addition to property, plant & equipment / intangible assets.

v) Earnings Per Share :

Earnings per share are calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

w) Dividend Distribution :

Dividend distribution to the Company's equity holders is recognized as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.

x) Trade Payables & Trade Receivables :

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

y) Government Grants :

Government grants 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 the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.
- 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.

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NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED MARCH 31, 2019

(All figures are Rupees in Lakhs unless otherwise stated)

(` in Lakhs)

2 Financial Assets	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
2.1 A Investments in Subsidiaries, Joint Ventures and Associates (Unquoted at cost)				
i) Equity Instrument of Subsidiaries				
Laxmi Organic Industries BV of Euro 100 each (180 shares (March 31, 2018: 180 shares))	12.63	12.63		
Laxmi Petrochem Middle East FZE of AED 1,000 each (34 shares (March 31, 2018: 34 shares))	11.03	11.03	-	-
Cellbion Lifesicence Pvt. Ltd. of Rs 10 each (10,000 shares (March 31, 2018: 10,000 shares))	399.47	399.47	-	-
Laxmi Lifescience Pvt. Ltd. of Rs 10 each (10,000 shares (March 31, 2018: 10,000 shares))	1.00	1.00	-	-
Viva Lifescience Pvt. Ltd. of Rs 10 each (10,000 shares (March 31, 2018: 10,000 shares))	1.00	1.00	-	-
ii) 4% Cumulative Reedemable Preference Shares				
Laxmi Organic Industries BV of Euro 20,00,000 each (1 share (March 31, 2018: 1 share))			1,554.05	1,612.44
Total	**425.13**	**425.13**	**1,554.05**	**1,612.44**

a) Laxmi Organic Industries (Europe) BV has issued One Cumulative Preference Share to Laxmi Organic Industries Limited @ 20,00,000 Euro Redeemable on August 28, 2018. The term of the said Preference shares are further extended for two years vide agreement dated August 28, 2018 till August 28, 2020. The above preference Shares carry dividend coupon rate of 4%.

b) Details Of loans given, investments made and guarantee given covered under section 186 (4) Of The Companies Act, 2013:

The following is the details as of March 31, 2019 of the Loans, Investments and Guarantees given by the Company to the Subsidiary Companies and Joint Venture (JV) Company:

	Particulars	Nature	2018-19	2017-18
1	Suvas Holdings Limited - JV	Investment	9.11	24.56
2	Suvas Holdings Limited - JV	Corporate Guarantee	-	26.02
3	Laxmi Organic Industries (Europe) B.V.- WOS	Corporate Guarantee	388.51	-
4	Laxmi Petrochem Middle Ease FZE- WOS	Loan	38.15	-

(` in Lakhs)

		As at		As at	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
		Non- Current		Current	
2.2	**Trade Receivables**				
	(Unsecured, at amortised cost)				
i)	Considered good	-	-	30,396.34	28,891.33
ii)	Considered doubtful	-	-	29.33	40.21
	Less: Allowance for Credit Loss	-	-	(29.33)	(40.21)
	Total	-	-	**30,396.34**	**28,891.33**

Expected Credit Loss Note

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed. Based on the past experience of receivables the Company has not provided for expected credit loss. However, the life time credit loss is provided on case to case basis.

The Company estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss. In view thereof, the additional disclosures for changes in credit risk and credit impaired are not disclosed.

a) Movement in Allowance for Credit Loss

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the period	40.21	112.77
Addition during the year	-	-
Reversal during the year	(10.88)	(72.56)
Provision at the end of the period	**29.33**	**40.21**

(` in Lakhs)

		As at		As at	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
		Non- Current		Current	
2.3	**Loans and Advances (at amortised cost)**				
	(Unsecured, Considered good)				
i)	Security Deposit	397.63	291.02	-	-
ii)	Loans to Related Party	698.08	619.51	-	-
iii)	Other receivable from related party	-	-	65.20	27.05
		1,095.71	**910.53**	**65.20**	**27.05**
	Details of Related Party:				
	Celbion LifeSciences Private Limited	698.08	619.51	-	-
	Laxmi Petrochem Middle East (FZE)	-	-	65.20	27.05
		698.08	**619.51**	**65.20**	**27.05**

(` in Lakhs)

	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
2.4 Cash and Bank Balances				
A Cash and cash equivalents				
i) Balances with banks	-	-	471.66	110.56
ii) Cash on hand	-	-	23.32	24.91
Total	**-**	**-**	**494.98**	**135.47**
B Other bank balances				
i) Fixed Deposit	-	-	2,000.00	-
Fixed Deposit against BG/ Margin money	1,954.15	576.59	-	-
Total	**1,954.15**	**576.59**	**2,000.00**	**-**
Grand Total	**1,954.15**	**576.59**	**2,494.98**	**135.47**

	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
2.5 Other Financial Assets				
(Unsecured considered good unless otherwise stated)				
i) Advance to Staff	18.18	12.19	21.79	67.46
ii) Interest accrued receivable				
From related parties	-	-	26.53	92.38
From Banks	-	-	34.86	2.39
From others	-	-	-	9.80
iii) Insurance Claim Receivable	-	-	0.23	4.52
iv) Unbilled revenue	-	-	34.36	-
	18.18	**12.19**	**117.77**	**176.55**

	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
3. Other Assets				
i) Capital Advance	180.53	876.93	-	-
ii) Prepaid expenses	2.33	2.50	143.50	146.80
iii) Prepaid Upfront fees	3.16	8.03	-	-
iv) Prepaid Rent	43.16	52.61	-	-
v) Prepaid taxes (net of provisions)	73.54	79.95	-	-
vi) Balance with Government Authorities	519.20	575.68	4,023.83	2,254.89
vii) Advances to Supplier				
- Considered good	-	-	3,444.83	3,433.43
- Considered doubtful	-	-	277.21	277.21
	-	-	3,722.04	3,710.64
Less : Impairment of doubtful advances	-	-	277.21	277.21
	-	-	3,444.83	3,433.43
viii) Export Incentive receivable	-	-	287.24	132.09
ix) Export Licenses on hand	-	-	219.75	279.91
x) Other Receivables	-	-	0.13	0.68
xi) Contribution to Gratuity Fund	-	24.32	-	-
Total	**821.92**	**1,620.02**	**8,119.28**	**6,247.80**

(` in Lakhs)

	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
4. Assets held-for-sale				
i) Equity Instruments of Joint Venture				
Suvas Holding of ` 10 each (Nil shares (March 31, 2018: 65,21,932 shares))	-	-	-	729.66
Total	**-**	**-**	**-**	**729.66**

(a) During the year, the Company has sold Shares of Suvas Holdings Limited to Ravi Goenka and Rajeev Goenka (18,58,329 and 55,74,988 shares respectively) @ `10 per equity share.

(` in Lakhs)

	As at	
	March 31, 2019	March 31, 2018
	Current	
5. Inventories		
(at lower of cost and net realisable value)		
a) Raw material	7,267.43	9,636.82
b) Work-in-progress	880.35	428.20
c) Finished goods	3,335.68	1,218.91
d) Consumable Stores and spares	1,108.97	718.28
e) Fuels and consumables	170.92	184.56
f) Packing Material	51.39	60.53
g) Trading	-	35.69
	12,814.74	**12,282.99**

	As at	
	March 31, 2019	March 31, 2018
6. Equity Share capital		
i) Authorised shares :		
5,10,00,000 (March 31, 2018 : 2,10,00,000) Equity Shares of ` 10/- each	5,100.00	2,100.00
Total	**5,100.00**	**2,100.00**
ii) Issued and subscribed and paid-up shares :		
5,00,45,405 (March 31, 2018 : 1,00,09,081) Equity Shares of ` 10/- each	5,004.54	1,000.91
Total paid-up share capital	**5,004.54**	**1,000.91**

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the period

	As at		As at	
	March 31, 2019 Number	March 31, 2019 Amount	March 31, 2018 Amount	March 31, 2018 Number
Balance, beginning of the period	10,009,081	1,000.91	10,009,081	1,000.91
Add: Bonus shares issued during the year	40,036,324	4,003.63	-	-
Balance, end of the period	**50,045,405**	**5,004.54**	**10,009,081**	**1,000.91**

b) Terms / rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of ` 10/- each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

c) Details of shares held by each shareholder holding more than 5% shares:

Particulars	March 31, 2019		March 31, 2018	
	Number of shares	%	Number of shares	%
Ravi Goenka Trustee of Yellow Stone Trust	40,186,120	80%	8,037,224	80%
International Finance Corporation (Washington D.C.)	5,029,010	10%	1,005,802	10%

d) As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownerships of the shares.

e) In January, 2019 the company has issued Bonus shares - (4,00,36,324 shares) to all its existing share holders in the ratio of 4:1 shares at face value of ` 10/-. The aforesaid issue is made by utilising the balance in Retained Earnings of the Company.

However the above bonus allotment is not reflected in the DMAT account of the Company due to some technical problem.

(` in Lakhs)

	As at March 31, 2019	As at March 31, 2018
7. Other Equity		
i) Retained Earnings	31,799.61	28,215.42
ii) General Reserve	3,680.50	3,680.50
iii) Security Premium Reserve	5,011.04	5,011.04
iv) Capital Reserve	55.00	55.00
	40,546.15	**36,961.96**

	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
8. Financial Liabilities (at amortised cost)				
10.1 Long term Borrowings				
a) Term loans :				
Rupee Term Loan from Bank	4,222.22	3,111.11	1,555.56	888.89
Foreign Currency Loan from Bank	2,397.94	-	368.91	-
Foreign Currency Loan from Multi Lateral Agency (I.F.C.)	691.71	1,951.32	1,383.43	1,300.88
(b) Vehicle loans :				
Vehicle Loans - Other than Bank	19.16	27.21	8.04	10.92
(c) Government Grant	129.60	220.51	90.91	112.41
			3,406.85	**2,313.10**
Less: Disclosed in Other Current Financial Liabilities	-	-	(3,406.85)	(2,313.10)
	7460.63	**5310.15**		
The break-up of above:				
Secured	7,331.03	5,089.64	3,315.94	2,200.69
Unsecured	129.60	220.51	90.91	112.41
	7,460.63	**5,310.15**	**3,406.85**	**2,313.10**

Notes:

A) Term Loan includes :

i) Rupee Term loans from banks (HDFC Bank Ltd):

Tenure of Loan : Max 60 Months

Repayment : 18 Equal Quarterly Installments after a moratorium period of 6 months from the date of 1st disbursement

Interest : Linked with HDFC Bank 1 Year MCLR + 35 bps for ` 50 Crs sanctioned TL and 1 Year MCLR + 80 bps for ` 20 Crs sanctioned TL

ii) Foreign Currency Term loans from banks (Citi Bank NA, Jersey) :

15 equal quarterly installments in Foreign Currency will start from October 2019. Interest is payable @ 3 months USD Libor plus 175 bps p.a.

iii) Foreign Currency Loan from Multi Lateral Agency (I.F.C.):

10 half yearly installments from December 2015. Interest rate is six months Libor plus 400 bps.

B) Security of Term Loans :

a) First pari passu charge on all present and future movable and immovable Property Plant and Equipment of the Company situated at A/22/2/3, A/22/2/3(P), A A-22/2/2 MIDC, B-3/1/2 Mahad Industrial Area, Dist Raigad Maharashtra.

b) First Charge on all present and future movable and immovable Property Plant and Equipment of the Company situated at B/2/2, B-3/1/1 MIDC B-3/1/2 Mahad Industrial Area, District. Raigad.

c) First Pari Passu charge on all movable fixed assets of borrower at 795/1, Chimangaon, taluka Koregaon, Dist. Satara, Maharashtra (Note: This is not applicable to loan taken from I.F.C.)

d) Second pari passu charge on entire current assets of the Company.

C) Vehicle Loan:

Vehicle loans are secured against the same vehicle for which loan is taken. Charge on the Vehicle taken during the year is yet be registered.

D) Government Grant

There are multiple Interest free sales tax loans which are repayable in five installments from their due date. The Company has outstanding of ` 220.51 lakhs as at March 31, 2019 (Previous Year 332.91 lakhs). The first installment date was May 2009 and last terminal date is May 2023.

E) Maturity Profile of Long term Borrowings:

(` in Lakhs)

Particulars	March 31, 2019	March 31, 2018
Instalment payable within one year	3,406.85	2,313.10
Instalment payable between 1 to 2 years	3,026.26	2,288.73
Instalment payable between 2 to 5 years	4,434.36	2,989.02
Instalment payable beyond 5 years	-	32.40
Total	**10,867.48**	**7,623.25**

F) As per the Amendment to INDAS 7 " Statement of Cash Flow "

An entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Particulars	Non-current borrowings	Current borrowings	Current maturities of long term borrowings	Total
Opening balance	5,310.16	11,799.55	2,313.10	19,422.80
Changes from financing cash flows	5,304.87	(8,788.39)	(2,313.10)	(5,796.62)
The effect of changes in foreign exchange rates	252.46	-	-	252.46
Bill Discounting	-	388.71	-	388.71
Other changes (transfer within categories)	(3,406.85)	-	3,406.85	-
Closing balance	**7,460.63**	**3,399.86**	**3,406.85**	**14,267.34**

(` in Lakhs)

	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
8.2 Other Financial Liabilities (at amortised cost)				
i) Current maturity of long term borrowings	-	-	3,406.85	2,313.10
ii) Advance received sale of Investments(*)			-	566.00
iii) Payable for Capital Goods	-	-	1,081.75	692.30
iv) Interest accrued (**)	-	-	130.56	120.01
v) Deposit received			96.00	102.00
vi) Staff Salary and other Payable	-	-	1,143.59	1,314.12
vii) Amount payable on hedging transactions			125.32	0.73
Total	**-**	**-**	**5,984.07**	**5,108.26**

(*) Refer Note 4(a) for Advance received for sale of investment.

(**) Interest accrued includes interest accrued and due as at March 31, 2019 which is debited by bank in first week of April.

	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
9 Provisions				
i) Provision for employee benefits :				
Leave Encashment	219.94	184.65	103.07	42.60
Gratuity	-	-	28.68	-
ii) Provision for Sales Return	-	-	56.58	62.34
Total	**219.94**	**184.65**	**188.33**	**104.94**

(a) Disclosure under IND AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Provision for Sales Return

As at	Opening Balance	Addition during the period	Utilised during the year	Closing Balance
March 31, 2019	62.34	1,268.58	1,274.35	56.58
March 31, 2018	48.10	171.74	157.50	62.34

(b) Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits-Gratuity.

The Company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service restricted to ` 20 lakhs (previous year ` 10 lakhs). The Company's gratuity liability is entirely funded and leave encashment is non-funded.

i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as under:

(` in Lakhs)

	Particulars	March 31, 2019	March 31, 2018
a)	**Reconciliation of opening and closing balances of Defined benefit Obligation**		
	Defined Benefit Obligation at the beginning of the year	261.74	234.44
	Current Service Cost	47.94	35.56
	Interest Cost	19.62	15.93
	Actuarial (Gain) /Loss-Other Comprehensive Income	9.97	(31.11)
	Past Service Cost	0.00	18.99
	Benefits paid	0.00	(12.07)
	Defined Benefit Obligation at the year end	**339.28**	**261.74**
b)	**Reconciliation of opening and closing balances of fair value of plan assets**		
	Fair Value of plan assets at the beginning of the year	286.06	230.25
	Investment Income	21.46	15.65
	Employer Contribution	3.10	52.23
	Benefits Paid	-	(12.07)
	Fair Value of Plan Assets at the year end	**310.60**	**286.06**
c)	**Reconciliation of fair value of assets and obligations**		
	Present value of Defined Benefit Obligation	339.28	261.74
	Fair Value of Plan Assets	310.60	286.06
	Net Asset / (Liability)	**(28.68)**	**24.32**
d)	**Expenses recognized during the year (Under the head " Employees Benefit Expenses)**		
	In Income Statement	46.12	54.83
	In Other Comprehensive Income	9.97	(31.11)
	Total Expenses Recognized during the period	**56.10**	**23.72**
e)	**Actuarial (Gain)/Loss- Other Comprehensive Income**	**9.97**	**(31.11)**
f)	**Net liabilities recognised in the balance sheet**		
	Long-term provisions	-	(24.32)
	Short-term provisions	28.68	-
		28.68	**(24.32)**

ii) Actuarial Assumptions

Particulars	March 31, 2019	March 31, 2018
Discount rate (per annum)	7.40%	6.80%
Salary growth rate (per annum)	5%	5%
Attriation rate	7%	7%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

iii) Sensitivity analysis

A quantitative Sensitivity analysis for significant assumption

Particulars	Discount Rate	Salary Growth Rate	Attriation Rate	Mortality Rate
Changes in Assumption				
March 31, 2019 (%)	1%	1%	1%	1%
March 31, 2018 (%)	1%	1%	50%	10%
Increase in assumption				
March 31, 2019	319.58	360.68	344.48	339.40
March 31, 2018	245.64	278.70	266.34	261.84
Decrease in assumption				
March 31, 2019	361.36	319.76	344.48	339.16
March 31, 2018	279.78	245.67	254.19	261.64

(c) Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

i) **Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

ii) **Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

iii) **Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

iv) **Demographic Risk**: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

v) **Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs (e.g. Increase in the maximum limit on gratuity of ` 20,00,000).

vi) **Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

vii) **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

(` in Lakhs)

	As at	
	March 31, 2019	**March 31, 2018**
10. Deferred Tax Liability		
a) Deferred Tax Liability on account of :		
i) Property Plant & Equipment	2,175.87	2,024.11
	2,175.87	**2,024.11**
b) Deferred Tax Asset on account of :		
i) Minimum Alternate Tax	245.95	245.95
ii) Provision for doubtful advances and debts	107.12	111.00
iii) Tax disallowances	112.87	79.41
	465.94	**436.35**
Deferred Tax Liability, net	**1,709.93**	**1,587.76**

(` in Lakhs)

	As at		As at	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Non- Current		Current	
11 Other Liabilities				
i) Duties and Taxes payable	-	-	204.46	248.47
ii) Advance from customers	-	-	104.69	315.19
iii) Guarantee Liability	-	53.33	-	6.14
Total	**-**	**53.33**	**309.15**	**569.80**

	As at	
	March 31, 2019	March 31, 2018
12 Short Term Borrowings (at amortised cost)		
From Banks		
Cash Credit	1,946.15	8,664.11
Short term Loans	1,000.00	-
Buyers Credit	-	3,070.44
Bill Discounting	388.71	-
From Others		
From Directors	65.00	65.00
Total	**3,399.86**	**11,799.55**
Secured	1,946.15	11,734.55
Unsecured	1,453.71	65.00

	As at	
	March 31, 2019	March 31, 2018
13 Trade Payables (at amortised cost)		
i) Micro and Small Enterprise	71.51	52.50
ii) Other than Micro and Small Enterprise	29,945.50	19,878.22
Total	**30,017.01**	**19,930.72**

a) Amounts due to Micro, Small and Medium Enterprises

Details of Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly disclosed hereunder.

The information given below regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified by the Company. This is relied upon by the auditors.

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Principal amount due	71.51	52.50
Interest due on above	3.28	0.04
Amount paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-
- Principal amount paid beyond appointed day	219.84	234.01
- Interest paid thereon	-	-
Amount of interest due and payable for the period of delay	3.28	2.70
Amount of interest accrued and remaining unpaid as at year end	16.27	12.99
Amount of further interest remaining due and payable in the succeeding year	-	-

(` in Lakhs)

	As at	
	March 31, 2019	**March 31, 2018**
14. Current Tax Liabilities (net)		
Current Tax Liabilities (net of taxes paid)	926.30	1,305.11
Total	**926.30**	**1,305.11**

	2018-19	2017-18
15. Revenue from Operations		
i) Sales/ Rendering :		
- Products	141,304.83	127,957.68
- Services	662.66	268.16
	141,967.49	**128,225.84**
ii) Other Operating Revenue:		
Sale of Scrap	78.65	59.78
Export Incentives	799.60	546.79
Income from DEPB purchase at discount	21.97	161.40
Insurance claim received	12.74	50.58
	912.96	818.55
Total	**142,880.45**	**129,044.39**

Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

1 Revenue disaggregation based on :	**2018-19**	**2017-18**
(a) Category of good and services		
Chemicals	135,445.32	112,473.06
Coal	5,688.79	15,318.37
Others	170.72	166.25
Jobwork and Other Services	662.66	268.16
	141,967.49	**128,225.84**

(b) Geographical region	**2018-19**	**2017-18**
India	102,249.88	99,593.62
International	39,717.61	28,632.22
	141,967.49	**128,225.84**

(c) Market or type of customer	**2018-19**	**2017-18**
PSU	7,583.34	1,335.32
Non - PSU	134,384.15	126,890.52
	141,967.49	**128,225.84**

	2018-19	2017-18
16. Other Income		
i) Interest Income on Financial Asset	238.69	188.75
ii) Income from Brokerage	-	0.01
iii) Guarantee Commission	5.13	5.82
iv) Interest on Income Tax Refund	-	6.73
v) Sundry balances written back	133.87	82.94
vi) Profit on Sale of Property Plant & Equipment	4.49	1.35
vii) Miscellaneous Income	233.07	97.21
viii) Reversal of Expected Credit Loss	2.38	-
Total	**617.63**	**382.81**

(` in Lakhs)

	2018-19	2017-18
17. Cost of Materials Consumed		
Opening Stock of Raw Material	9,636.82	3,818.52
Add : Purchases	89,789.66	71,727.34
	99,426.48	75,545.86
Less : Closing Stock of Raw Material	(7,267.43)	(9,636.82)
Cost of Material Consumed	**92,159.05**	**65,909.05**

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	2018-19	2017-18
(i) Amount of inventories recognised as an expense during the period.	99,507.80	90,019.31
(ii) Amount of write - down of inventories recognised as an expense during the period.	-	-
	99,507.80	**90,019.31**

	2018-19	2017-18
18 Purchase of Stock in trade		
i) Chemicals and Other Purchases	2,328.51	11,240.66
ii) Coal	5,688.79	10,980.41
Total	**8,017.30**	**22,221.07**

	2018-19	2017-18
19 Changes in inventories of Finished Goods,Work in progress and Stock in Trade		
WIP Inventory at the beginning of the year	428.20	303.07
WIP Inventory at the end of the year	880.35	428.20
	(452.15)	(125.13)
FG Inventory at the beginning of the year	1,218.91	1,433.01
FG Inventory at the end of the year	3,335.68	1,218.91
	(2,116.77)	214.10
FG Inventory of Traded Goods at the beginning of the year	35.69	28.04
FG Inventory of Traded Goods at the end of the year	-	35.69
	35.69	(7.65)
(Increase) / Decrease in Excise Duty on Finished Goods		
Stock at the end of the year	-	183.10
Stock at the beginning of the year	-	(183.10)
	(2,533.23)	**(101.78)**

	2018-19	2017-18
20 Employee benefit expenses		
i) Salaries, wages and bonus	4,208.15	3,344.87
ii) Contribution to Employees gratuity , leave encashment and Other Funds	427.97	217.40
iii) Director's Remuneration	1,061.11	1,158.54
iv) Staff Welfare Expenses	131.56	106.17
Total	**5,828.79**	**4,826.98**

	2018-19	2017-18
21 Finance Costs:		
i) Interest on Financial Liabilities at amortised cost	1,283.88	739.32
ii) Interest on Direct Taxes	9.15	76.36
iii) Interest on Indirect Taxes	0.65	2.27
iv) Other borrowing costs	81.56	28.41
v) Amortisation of Upfront Fees	4.86	6.80
Total	**1,380.10**	**853.16**

(` in Lakhs)

		2018-19	2017-18
22	**Depreciation & amortization**		
i)	Depreciation	4,067.85	2,869.07
ii)	Amortisation	24.25	12.35
	Total	**4,092.10**	**2,881.42**

		2018-19	2017-18
23	**Other expenses**		
	Power & Fuels	9,637.92	8,173.21
	Consumption of Consumables Stores and Spares	790.09	1,144.54
	Consumption of Packing Materials	1,074.59	846.43
	Water Charges	311.48	320.23
	Labour Charges	590.41	403.27
	Inward Freight Charges	242.54	342.07
	Outward Export Freight Charges	2,570.26	2,218.87
	Clearing and Forwarding Expenses	148.76	92.09
	Repairs and Maintenance		
	Buildings	133.55	123.88
	Machineries	782.91	454.08
	Others	375.63	287.70
	Transportation Charges	2,455.65	1,864.52
	Commission on sales	320.11	420.08
	Advertisement	5.82	5.05
	Director's Sitting Fees	9.61	8.20
	Books and Periodicals	6.40	1.82
	Business Promotion Expenses	57.22	110.98
	Commission to Non-Executive Director	36.50	36.50
	Computer Maintenance	90.04	65.72
	Conveyance Expenses	23.29	16.76
	Donation	35.89	28.76
	CSR Expenditure	323.58	58.83
	General Expenses	86.17	55.29
	Inspection charges	31.44	4.55
	Insurance Charges	274.32	191.22
	Membership & Subscription	51.15	272.24
	Postage & Telegram	19.43	21.50
	Professional and Legal Expenses	1,319.00	804.93
	Printing & Stationery	40.64	32.21
	Rent	246.66	152.60
	Rates and Taxes	100.44	81.83
	Security Service Charges	104.71	92.70
	Travelling Expenses	449.55	260.49
	Telephone Expenses	49.07	51.34
	Vehicle Expenses	222.09	155.18
	Auditors' remuneration	21.96	17.07
	Bank Charges	196.24	191.76
	Expected credit loss	-	3.61
	Exchange Loss	826.24	204.55
	Other Expenses	141.98	70.99
	Sales Tax Receivable w/off	39.66	52.02
	Loss on sale of investments	23.13	-
	Total	**24,266.13**	**19,739.67**

(` in Lakhs)

	2018-19	2017-18
Payments to the auditors comprises (net of tax input credit, where applicable) :		
To Statutory auditors		
For audit including consolidation	15.50	11.36
For limited review	2.25	2.83
For certification and other services	4.21	2.88
Total	**21.96**	**17.07**

24 Tax Expense

	2018-19	2017-18
a) Income tax expense in the statement of profit and loss consists of:		
Current Tax	2,391.50	2,983.90
Deferred tax	122.17	685.85
Income Tax (Excess)/Short Provision of previous year	(4.62)	-
Income tax recognised in statement of profit or loss	**2,509.05**	**3,669.75**

b) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows :

		2018-19	2017-18
A Current Tax			
Profit Before tax		10,287.84	11,342.53
Enacted tax rates in India (%)		34.94%	34.61%
Computed expected tax expenses		3,594.98	3,925.42
Effect of non- deductible expenses		1,620.60	1,133.89
Effects of deductible Expenses		(1,522.21)	(1,379.52)
Non Taxable effects		(1,301.87)	(695.88)
Income tax expenses - Net	**A**	**2,391.50**	**2,983.91**
Tax liability as per Minimum Alternate Tax on book profits			
Minimum Alternate Tax rate		21.55%	21.34%
Computed tax liability on book profits		2,217.03	2,420.68
Tax effect on adjustments:			
1/5 portion of Opening IND AS Reserve as on March 31, 2017		(8.95)	(8.19)
Effect of non deductible expense		6.29	157.78
Minimum Alternate Tax on Book Profit	**B**	**2,214.36**	**2,570.27**
Higher of A or B		**2,391.50**	**2,983.91**

B Deferred Tax

Deferred tax assets / (liabilities) in relation to:

(` in Lakhs)

	Opening	Recognised in profit and loss	Closing
Property Plant & Equipment	(1,355.22)	668.89	(2,024.11)
Minimum Alternate Tax	245.95	-	245.95
Provision for doubtful advances and debts	135.00	24.00	111.00
Tax disallowances	72.14	(7.27)	79.41
Preliminary expenses	0.22	0.22	-
As at March, 31, 2018	**(901.91)**	**685.85**	**(1,587.76)**
Property Plant & Equipment	(2,024.11)	151.75	(2,175.87)
Minimum Alternate Tax	245.95	-	245.95
Provision for doubtful advances and debts	111.00	3.88	107.12
Tax disallowances	79.41	(33.46)	112.87
As at March, 31, 2019	**(1,587.76)**	**122.17**	**(1,709.93)**

25 Disclosure as required by Accounting Standard – IND AS 33 "Earning Per Share" of the Companies (Indian Accounting Standards) Rules 2015.

Net Profit / (loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:

Particulars	2018-19	2017-18
Net Profit / (Loss) as per Statement of Profit and Loss	7,778.79	7,672.78
Outstanding equity shares at period end	50,045,405	10,009,081
Weighted average Number of Shares outstanding during the period – Basic	50,045,405	10,009,081
Weighted average Number of Shares outstanding during the period - Diluted	50,045,405	10,009,081
Weighted average number of shares as per para 26 of Ind AS 33" Earning per Share"	50,045,405	50,045,405
Earnings per Share - Basic (Rs.)	15.54	15.33
Earnings per Share - Diluted (Rs.)	15.54	15.33

Reconciliation of weighted number of outstanding during the period:

	2018-19	2017-18
Nominal Value of Equity Shares (Rs per share)	10.00	10.00
For Basic EPS :		
Total number of equity shares outstanding at the beginning of the period	10,009,081	10,009,081
Add : Issue of Equity Shares	40,036,324	-
Total number of equity shares outstanding at the end of the period	**50,045,405**	**10,009,081**
For Basic EPS :		
Weighted average number of equity shares at the end of the period	50,045,405	10,009,081
For Dilutive EPS :		
Weighted average number of shares used in calculating basic EPS	50,045,405	10,009,081

(` in Lakhs)

26 Details of research and development expenditure recognised as an expense

Particulars	2018-19	2017-18
Employee benefits expense	140.53	160.80
Legal & Professional fees	44.83	40.80
Other expenses	4.56	5.20
Depreciation and amortisation expense	16.06	51.76
Capital expenditure (Refer Note 3(iii))	106.04	584.40
Total	**312.01**	**842.96**

27 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at March 31, 2019	As at March 31, 2018
i) Contingent liabilities		
a) Liabilities Disputed - Appeals filed with respect to :		
i) Income Tax on account of Disallowances /Additions and default of TDS	174.34	54.42
ii) VAT credits disallowed by the authorities against which the company has preferred appeals.	23.27	23.27
b) Guarantees:		
i) Given on behalf of WOS to their Vendors	1,165.54	1,066.41
ii) Furnished by banks on behalf of the Company	756.05	980.01
c) Other money for which the Company is contingently liable (give details)		
i) Standby letter of credit given on behalf of WOS	3,008.95	2,829.42
ii) Commitments		
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	355.24	2,180.27
b) Export obligation under Advance License Scheme on duty free import of specific raw materials remaining outstanding	11,135.82	7,709.62
iii) Letters of Credit	5,048.79	6,576.51

28 Disclosure in accordance with Ind AS – 17 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.

The Company has taken office premises on leave and license basis which are cancellable contracts.

29 Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.

The Company is engaged in 'chemicals business' and 'power generation' and it is the primary segment. During the year ended March 31, 2019 and March 31, 2018, the power generation business does not meet the criteria mentioned in para 13 of the Indian Accounting Standard "Operating Segment " (Ind AS 108) and hence the same is not separately disclosed.

Sale to one of the Subsidiary contribute 11% of the total Sales in the current year 2018-19, which was less than 10% in the previous year 2017-18.

30 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015.

Details are given in **Annexure -1**

31 Derivative Instruments and Unhedged Foreign Currency Exposure

Details on unhedged foreign currency exposures

	As at March 31, 2019		As at March 31, 2018	
	Foreign Currency	INR	Foreign Currency	INR
Trade Receivable (USD)	1,697,480	1,136.93	3,882,900	2,525.60
Trade Receivable (EURO)	265,799	167.12	-	-
Interest receivable (USD)	42,027	29.07	142,027	92.38
Advances to suppliers - USD	1,667,935	1,154.27	-	-
Loans and Advances Given (EURO)	-	-	39,800	32.16
Loans and Advances Given (AED)	332,803	62.66	-	-
Advance from Customers (USD)	231,259	160.83	-	-
Advance from customer (EURO)	59,550	46.36	-	-
Interest payable (USD)	97,576	67.49	85,541	55.64
Trade payable (USD)	762,044	377.80	8,933,351	5,810.62
Trade payable (CHF)	7,880	5.42	-	-
Borrowings (USD)	6,000,000	4,131.24	9,720,588	6,322.67

Details on hedged foreign currency exposures

	As at March 31, 2019		As at March 31, 2018	
	Foreign Currency	INR	Foreign Currency	INR
Forwards - USD - Sales	4,638,435	3,245.71	42,554	27.81
Forwards - EURO - Sales	4,012,581	3,157.28	1,000,000	834.58
Forwards - USD Purchase	27,707,500	19,314.95	7,819,855	5,109.01
Options - USD - Buy	1,000,000	710.75	-	-

Details on Interest rate swap on Borrowings

	As at March 31, 2019		As at March 31, 2018	
	Foreign Currency	INR	Foreign Currency	INR
Interest Rate Swap - USD	944,444	681.15	-	-

32. Value of imports calculated on CIF basis

(` in Lakhs)

Particulars	2018-19	2017-18
Traded goods	2,549.29	10,059.07
Raw material	73,486.80	56,917.11
Capital goods	194.45	153.41
Spare parts	16.17	12.68

33 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires managements judgments, estimates and assumptions that impacts the reported amounts of revenues, expenses, assets and liabilities, and the accompanying notes thereon. Uncertainty about these assumptions and estimates could result in outcomes that might require a material adjustment to the carrying amount of assets or liabilities in future periods.

Judgements

The Company's management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements, while formulating the Company's accounting policies:

a. Taxes

The Company is eligible for 100% tax holiday under section 80-IA of the Income Tax Act, 1961. As a result, timing differences arising and reversing during the tax holiday period are not recognized by the Company. Defined benefit plans (gratuity benefits).

b. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Discount rate: The said parameter is subject to change. In determining the appropriate discount rate (for plans operated in India), the management considers the interest rates of government bonds in currencies which are consistent with the post-employment benefit obligation. The underlying bonds are reviewed periodically for quality. Those having excessive credit spreads are excluded from the analysis since that they do not represent high quality corporate bonds.

Mortality rate: It is based on publicly available mortality tables. Those mortality tables tend to change at an interval in response to demographic changes. Prospective increase in salary and gratuity are based on expected future inflation rates.

34. Financial Instruments

(` in Lakhs)

i) The carrying value and fair value of financial instruments by categories as at March 31, 2019 and March 31, 2018 is as follows:

	Carrying Value		Fair Value	
	March 31, 2019	**March 31, 2018**	**March 31, 2019**	**March 31, 2018**
a. Financial Assets				
Amortised Cost				
Loans	1,160.91	937.58	1,160.91	937.58
Investments	1,554.05	1,612.44	1,554.05	1,612.44
Others	135.95	188.74	135.95	188.74
Trade receivables	30,396.34	28,891.33	30,396.34	28,891.33
Cash and cash equivalents	494.98	135.47	494.98	135.47
Other Bank Balanaces	3,954.15	576.59	3,954.15	576.59
Total Financial Assets	**37,696.38**	**32,342.15**	**37,696.38**	**32,342.15**
b. Financial Liabilities				
Amortised Cost				
Borrowings	10,860.49	17,109.70	10,860.49	17,109.70
Trade payables	30,017.01	19,930.72	30,017.01	19,930.72
Others	5,984.07	5,108.26	5,984.07	5,108.26
Total Financial Liabilities	**46,861.57**	**42,148.68**	**46,861.57**	**42,148.68**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

35 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the 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).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2019 and March 31, 2018.

	Fair Value measurement using			
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities measured at fair value:				
Forward Contracts	31-Mar-19		125.32	
Forward Contracts	31-Mar-18		0.73	

36 Financial Risk Management

The Company is exposed to various financial risks arising from its underlying operations and financial activities. The Company is primarily exposed to market risk (i.e. interest rate and foreign currency risk), credit risk and liquidity risk. The Company's Corporate Treasury function plays the role of monitoring financial risk arising from business operations and financing activities.

Financial risk management, which includes foreign currency risk, interest rate risk, credit and liquidity risk are very closely monitored by the senior management, the Finance Committee and the Board of Directors. The Company has a Forex Risk Management policy under which all the forex hedging operations are done. The Company's policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Compliance with the policies and guidelines is managed by the Corporate Treasury function. The objective of financial risk management is to manage and control financial risk exposures within acceptable parameters, while optimising the return.

1) Market Risk

Market risk is the risk arising out of the fluctuations in fair value of future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. The Company enters into the derivative contracts as approved by the Board to manage its exposure to interest rate risk and foreign currency risk, from time to time.

A) Foreign Currency Risk

Foreign currency risk also known as Exchange Currency Risk is the risk arising out of fluctuation in the fair value or future cash flows of an exposure because of changes in foreign exchange rates. Foreign currency risk in the company is attributable to company's operating activities and financing activities. In the operating activities, the company's exchange rate risk primarily arises when revenue / costs are generated in a currency that is different from the reporting currency (transaction risk). The Company manages the Net exposure based on a duly approved policy by the Board. The information is monitored by the Audit committee and the Board of Directors on a quarterly basis. This foreign currency risk exposure of the Company is mainly in U.S. Dollar (USD) and Euro (EUR). The Company's exposure to foreign currency changes for all other currencies is not material.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods expressed in foreign currency are as follows:

	Assets		Liabilities	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD	3,407,441.97	4,024,927	7,090,879.52	18,739,480
EUR	265,799.39	39,800.00	59,550.37	-
AED	332,803.44	-		
CHF			7,880.00	-

Foreign Currency Sensitivity analysis:

The company is mainly exposed to USD and EURO fluctuations

Impact on profit/loss for the year	As at March 31, 2019		As at March 31, 2018	
	Rupee Strengthens by 1%	Rupee weakens by 1%	Rupee Strengthens by 1%	Rupee weakens by 1%
USD	25.23	(25.23)	144.30	(144.30)
EUR	(1.59)	1.59	(2.99)	2.99
AED	(0.62)	(0.62)	-	-
CHF	0.05	(0.05)	-	-

Foreign exchange derivative contracts

The Company uses derivative financial instruments exclusively for hedging the financial risks that arise from its commercial business or financing activities. The Company's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within 12 months for hedges of projected sales, purchases and capital expenditures. When a derivative contract is entered for the purpose of hedging, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of projected transactions, the derivatives cover the period of exposure from the point the cash flows of the said transactions are projected to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

B) Interest Rate Risk Management

Interest rate risk arises from the movements in interest rates which could have effects on the Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest-bearing assets and liabilities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having an agreed portfolio of fixed and variable rate borrowings. Out of the total borrowings, the amount of fixed interest loan is ` 247.71 lacs and floating interest loan is ` 10,619.77 lacs (March 31, 2018: Fixed interest loan ` 371.00 lacs and Floating interest loan ` 7252.20 lacs). With all the other variables remaining constant, the following table demonstrates the sensitivity to a reasonably change in interest rates on the borrowings:

	2018-19		2017-18	
	Rupee loans interest rate decreases by 1.00 %	USD loans interest decreases by 0.15%	Rupee loans interest rate decreases by 1.00 %	USD loans interest decreases by 0.15%
Impact on Profit and Loss: Profit /(Loss)	57.78	7.26	40.00	4.88

C) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

To manage trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with counter parties who meet the parameters specified in Investment Policy of the Company. The investment policy is reviewed by the Company's Board of Directors on an annual basis and if required, the same may be updated during the year. The investment policy specifies the limits of investment in various categories of products so as the minimize the concentration of risks and therefore mitigate financial loss due to counter party's potential failure.

Financial assets for which loss allowance is measured.

(` in Lakhs)

	As At March 31, 2019	As At March 31, 2018
Trade receivables *(Refer Note 4.2)*	30,396.34	28,891.33
Allowances for Credit Loss *(Refer Note 4.2 (a))*	(29.33)	(40.21)

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due. There were no indications that there would be defaults in payment obligations.

D) Liquidity Risk Management

Liquidity risk is the risk of non-availability of financial facilities available to the Company to meet its financial obligations. The Company's objective is to maintain a balance between continuity of funding and flexibility using money market instruments, bank overdrafts, bank loans and other types of facilities. The liquidity management is governed by the Board approved liquidity management policy. Any deviation from the policy has to be approved by the Treasury Management comprising of Managing Director, Chief Financial Officer and Treasury Head. The Company assesses the concentration of risk with respect to refinancing its debt, guarantee given and funding of its capital expenditure needs of the future. The Company manages its liquidity by holding appropriate volumes of liquid assets which are available to its disposal on T+1 basis and by maintaining open credit lines with banks / financial institutions.

The table below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities:

(` in Lakhs)

	Within one year	Between 1 to 2 years	Between 2 to 5 years	Beyond 5 years
As at March 31, 2019				
Borrowings*	6,806.72	3,026.26	4,434.36	-
Trade Payables	30,017.01			
Other financial Liabilities	2,577.22			
	39,400.95	**3,026.26**	**4,434.36**	**-**
As at March 31, 2018				
Borrowings*	14,112.65	2,288.73	2,989.02	32.40
Trade Payables	19,930.72			
Other financial Liabilities	2,795.16			
	36,838.53	**2,288.73**	**2,989.02**	**32.40**

* including Current Maturity of non current borrowing

37 Capital management

The Company continues its policy of a conservative capital structure which has ensured that it retains the highest credit rating even amidst an adverse economic environment. Low gearing levels also equip the Company with the ability to navigate business stresses on one hand and raise growth capital on the other. This policy also provides flexibility of fund raising options for future, which is especially important in times of global economic volatility.

	March 31, 2019	March 31, 2018
Gross Debt	14,267.34	19,422.80
Less:		
Cash and Cash Equivalent	494.98	135.47
Other Bank Balance	2,000.00	-
Net debt (A)	**11,772.36**	**19,287.33**
Total Equity (B)	**45,550.69**	**37,962.87**
Gearing ratio (A/B)	**0.26**	**0.51**

38 The Board of Directors at their meeting held on July 2, 2019 has recommended dividend of Rs. 0.35 per equity share which is subject to shareholder approval at the Annual General Meeting. The total payment of this account on approval by the members would be Rs. 211.16 lac (previous year Rs. 181 lac) including dividend distribution tax thereon.

39 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2019.

As per our report of even date

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Reg. No.106971W

Nuzhat Khan
Partner
M.No. 124960
Mumbai, Dated : July 15, 2019

For and on behalf of the Board of Directors

Ravi Goenka
Managing Director
DIN-00059267

Vasudeo Goenka
Chairman
DIN-00059215

Aniket Hirpara
Company Secretary

Partha Roy Chowdhury
Chief Financial Officer

Mumbai, Dated : July 2, 2019

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Annexure -1

Disclosure in accordance with Ind AS - 24 “Related Party Disclosures”, of the Companies (Indian Accounting Standards) Rules, 2015

Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting, enterprise

A	**Subsidiaries**	
1	Cellbion Lifesciences Pvt. Ltd.	
2	Laxmi Lifesciences Pvt. Ltd.	
3	Laxmi Organic Industries (Europe) BV	
4	Laxmi Petrochem Middle East FZC	
5	Viva Lifesciences Pvt Ltd.	
6	Saideep Traders	
B	**Associates and joint ventures of the reporting enterprise**	
1	Suvas Holding Ltd.	Till February 15, 2019
C	**Key Management Personnel and**	
1	Vasudeo Goenka	
2	Ravi Goenka	
4	Radhesh Welling	Till November 15, 2018
D	**Relatives of Key Management Personnel**	
1	Rajeev Goenka	
2	Aditi Goenka	
3	Aryavrat Goenka	
4	Avantika Goenka	
5	Harshvardhan Goenka	
6	Manisha Goenka	
7	Niharika Goenka	
8	Vimladevi Goenka	
E	**Enterprises over which any person described in (C) is able to exercise control**	
1	Amrutsagar Construction Pvt. Ltd.	
2	Brady Investments Pvt. Ltd.	
3	Crescent Oils Pvt. Ltd	
4	Enersun Power Tech Pvt. Ltd.	
5	International Knowledge Park Pvt. Ltd.	
6	Laxmidevi Nathmal Goenka Charitable Trust	
7	Maharashtra Aldehydes & Chemicals Ltd.	
8	Merton Finance & Trading	
9	Ojas Dye-Chem (India) Pvt. Ltd.	
10	Pedestal Finance & Trading Pvt. Ltd.	
11	Rajeev Goenka HUF	
12	Ravi Goenka HUF	
13	Sherry Exports Pvt. Ltd	
14	Zenith Distibutors	
15	Wintech Systems	
16	Varadvinayak Multi Impex Pvt Ltd	
17	Merton Finance & Trading Pvt. Ltd	
18	Pedestal Finance & Trading Pvt. Ltd.	
19	Ravi Goenka as a Trustee of Yellow Stone Trust	

B The following are the transactions with related parties

Related party transactions

(` in Lakhs)

Related Parties Transactions	**1** **Entities where control exists**	**2** **Associate & Joint Venture**	**3** **Key Manage-ment Personnel**	**4** **Relatives of Key Manage-ment Personnel**	**5** **Entities where KMP / Relative of KMP exercise significant Influence**	**Total**
Interest Paid	**-**	**-**	**-**	**-**	**-**	**-**
	(16.20)	-	-	-	-	(16.20)
Laxmi Organic Industries (Europe) BV	-	-	-	-	-	-
	(16.20)	-	-	-	-	(16.20)
Interest Received	**86.70**	**-**	**-**	**-**	**-**	86.70
	(77.53)	**-**	**-**	**-**	**-**	(77.53)
Laxmi Organic Industries (Europe) BV	8.13	-	-	-	-	8.13
	(7.80)	-	-	-	-	(7.80)
Cellbion Lifesciences Pvt. Ltd.	78.57	-	-	-	-	78.57
	(69.73)	-	-	-	-	(69.73)
Rent, Commission and Other Expenses	-	-	-	-	6.26	6.26
	-	-	-	-	(5.90)	(5.90)
Merton Finance & Trading Pvt. Ltd	-	-	-	-	1.08	1.08
	-	-	-	-	(1.08)	(1.08)
Sherry Exports Pvt. Ltd.	-	-	-	-	5.18	5.18
	-	-	-	-	(4.80)	(4.80)
Donation	-	-	-	-	314.00	314.00
	-	**-**	**-**	**-**	(16.00)	(16.00)
Laxmidevi Nathmal Goenka Charitable Trust	-	-	-	-	108.25	108.25
	-	-	-	-	(1.00)	(1.00)
Laxmi Foundation	-	-	-	-	205.75	205.75
	-	-	-	-	(15.00)	(15.00)
Expenses Incurred on behalf of	34.93	-	-	-	9.11	44.05
	(27.10)	-	-	-	(10.69)	(37.79)
Brady Investments Pvt. Ltd.	-	-	-	-	9.11	9.11
	-	-	-	-	(10.69)	(10.69)
Laxmi Petrochem Middle East FZC	34.93	-	-	-	-	34.93
	(27.10)	-	-	-	-	(27.10)
Expenses Recovered	-	-	-	-	1.11	1.11
	-	**-**	**-**	**-**	**(8.32)**	**(8.32)**
Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	1.11	1.11
	-	-	-	-	(8.32)	(8.32)
Sales	16,800.92	-	-	-	36.77	16,837.70
	(12,821.03)	-	-	-	(285.36)	(13,106.39)
Laxmi Organic Industries (Europe) BV	16,684.73	-	-	-	-	16,684.73
	(12,071.96)	-	-	-	-	(12,071.96)
Laxmi Petrochem Middle East FZC	21.24	-	-	-	-	21.24
	-	**-**	**-**	**-**	**-**	**-**
Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	36.77	36.77
	-	-	-	-	(285.36)	(285.36)
Purchases	5,040.85	-	-	-	7.23	5,048.08
	(1,220.77)	-	-	-	(50.65)	(1,271.42)
Laxmi Petrochem Middle East FZC	2,287.04	-	-	-	-	2,287.04
	(451.08)	-	-	-	-	(451.08)
Saideep Traders	2,753.82	-	-	-	-	2,753.82
	(769.69)	-	-	-	-	(769.69)

(` in Lakhs)

Related Parties Transactions	1 Entities where control exists	2 Associate & Joint Venture	3 Key Manage-ment Personnel	4 Relatives of Key Manage-ment Personnel	5 Entities where KMP / Relative of KMP exercise significant Influence	Total
Sitting Fees	-	-	1.60	0.80	-	2.40
	-	-	(1.40)	(0.80)	-	(2.20)
Vasudeo Goenka	-	-	1.60	-	-	1.60
	-	-	(1.40)	-	-	(1.40)
Rajeev Goenka	-	-	-	0.80	-	0.80
	-	-	-	(0.80)	-	(0.80)
Salary	-	-	-	192.35	-	192.35
	-	-	-	(39.10)	-	(39.10)
Harshvardhan Goenka	-	-	-	192.35	-	192.35
	-	-	-	(39.10)	-	(39.10)
Directors Remuneration	-	-	1,061.11	-	-	1,061.11
	-	-	(1,158.59)	-	-	(1,158.59)
Ravi Goenka	-	-	863.10	-	-	863.10
	-	-	(804.88)	-	-	(804.88)
Radhesh Welling	-	-	198.01	-	-	198.01
	-	-	(353.71)	-	-	(353.71)
Sales Investment (Suvas Holding Ltd)	-	-	60.83	116.50	-	177.33
	-	-	(191.00)	(375.00)	-	(566.00)
Ravi Goenka	-	-	60.83	-	-	60.83
	-	-	(191.00)	-	-	(191.00)
Rajeev Goenka	-	-	-	116.50	-	116.50
	-	-	-	(375.00)	-	(375.00)
Equity Investment In JV	-	91.63	-	-	-	91.63
	(227.49)	(245.60)	-	-	-	(473.09)
Suvas Holding Ltd.	-	91.63	-	-	-	91.63
	-	(245.60)	-	-	-	(245.60)
Dividend Paid	-	-	0.00	0.76	129.75	130.51
	-	-	(57.64)	(39.42)	(7.36)	(104.41)
Vasudeo Goenka	-	-	0.00	-	-	0.00
	-	-	(11.95)	-	-	(11.95)
Ravi Goenka	-	-	0.00	-	-	0.00
	-	-	(45.69)	-	-	(45.69)
Rajeev Goenka	-	-	-	0.20	-	0.20
	-	-	-	(11.74)	-	(11.74)
Yellow Stone Trust	-	-	-	-	120.56	120.56
	-	-	-	-	-	-
Balance Payable As On 31.03.2019	-	-	73.32	118.20	2.15	193.67
	(451.08)	-	-	-	(6.70)	(457.78)
Laxmi Petrochem Middle East FZC	-	-	-	-	-	-
	(451.08)	-	-	-	-	(451.08)
Balance Receivable As On 31.03.2019	4,418.91	-	-	-	23.16	4,442.07
	(2,207.20)	-	-	-	(27.44)	(2,234.65)
Laxmi Organic Industries (Europe) BV	3,151.89	-	-	-	-	3,151.89
	(244.30)	-	-	-	-	(244.30)
Cellbion Lifesciences Pvt. Ltd.	698.08	-	-	-	-	698.08
	(619.51)	-	-	-	-	(619.51)
Saideep Traders	557.32	-	-	-	-	557.32
	(762.87)	-	-	-	-	(762.87)
Laxmi Petrochem Middle East (FZE)	-	-	-	-	-	-
	(119.40)	-	-	-	-	(119.40)

(` in lakhs)

Related Parties Transactions	1	2	3	4	5	
	Entities where control exists	Associate & Joint Venture	Key Manage-ment Personnel	Relatives of Key Manage-ment Personnel	Entities where KMP / Relative of KMP exercise significant Influence	Total
Corporate Gurantee As On 31.03.2019	1,165.54	-	-	-	-	1,165.54
Corporate gurantee given	(806.22)	-	-	-	-	(806.22)
Laxmi Organic Industries (Europe) BV	1,165.54	-	-	-	-	1,165.54
	(806.22)	-	-	-	-	(806.22)
	-	-	(12.95)	-	-	(12.95)
Ravi Goenka	-	-	-	-	-	-
	-	-	(24.11)	-	-	(24.11)
Rajeev Goenka	-	-	-	-	-	-
	-	-	-	(31.39)	-	(31.39)
Advance received sale of Investments	-	-	19.10	37.50	-	56.60
	-	-	-	-	-	-
Ravi Goenka	-	-	19.10	-	-	19.10
	-	-	-	-	-	-
Rajeev Goenka	-	-	-	37.50	-	37.50
	-	-	-	-	-	-
Equity Investment In JV	22.75	24.56	-	-	-	47.31
	-	(5.95)	-	-	-	(5.95)
Suvas Holding Ltd.		24.56	-	-	-	24.56
	-	(5.95)	-	-	-	(5.95)
Laxmi Organic Industries (Europe) BV				-	-	-
	-	-	-	-	-	-
Dividend Paid	-	-	5.76	3.94	0.74	10.44
	-	-	(4.61)	(2.59)	(0.61)	(7.81)
Vasudeo Goenka	-	-	1.19	-	-	1.19
	-	-	(0.90)	-	-	(0.90)
Ravi Goenka	-	-	4.57	-	-	4.57
	-	-	(3.71)	-	-	(3.71)
Mr. Rajeev Goenka	-	-	-	1.17	-	1.17
	-	-	-	(1.07)	-	(1.07)
Balance Payable As On 31.03.2018	45.11	-	-	-	0.67	45.78
	-	-	-	(8.38)	(20.26)	(28.64)
Laxmi Petrochem Middle East FZC	45.11	-	-	-	-	45.11
	-	-	-	-	-	-
Maharashtra Aldehydes & Chemicals Ltd.	-	-	-	-	-	-
	-	-	-	-	(5.21)	(5.21)
Enersun Power Tech Pvt. Ltd.	-	-	-	-	-	-
	-	-	-	-	(14.50)	(14.50)
Harshvardhan Goenka				-		
				(8.38)		
Balance Receivable As On 31.03.2018	198.80	-	-	-	2.74	201.55
	(220.72)	-	-	-	(12.62)	(233.34)
Laxmi Organic Industries (Europe) BV	24.43	-	-	-	-	24.43
	(62.63)	-	-	-	-	(62.63)
Cellbion Lifesciences Pvt. Ltd.	61.95	-	-	-	-	61.95
	(54.98)	-	-	-	-	(54.98)
Saideep Traders	76.29	-	-	-	-	76.29
	-	-	-	-	-	-
Laxmi Petrochem Middle East (FZE)	11.94	-	-	-	-	11.94
	(67.88)	-	-	-	-	(67.88)

Note: Figures in parenthesis are pertaining to previous year.