

+91 265 2335444, 2335757, 2358236
2342262, 2334141
P H O N E

+91 265 2335758
F A X



Transpek Industry Limited

Reg. Office:
6th Floor, Marble Arch
Race Course Circle
Vadodara - 390 007. Gujarat, (India)

Date: 17th August, 2018

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

Sub: Compliance under Regulation 34(1) of SEBI (LODR) Regulations, 2015

Respected Sir/madam,

With reference to the captioned subject we forward herewith the 52nd Annual Report of Transpek Industry Limited for the year 2017-2018 in accordance with Regulation 34(1) of SEBI (LODR) Regulations, 2015.

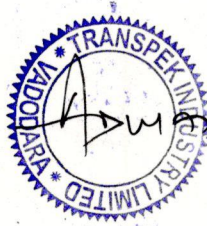
This is for your reference and record please. Kindly take note of the same.

Thanking you,

Yours Faithfully,

For Transpek Industry Limited

Alak D. Vyas
Company Secretary &
Compliance Officer



Works:
At. & Post: Ekalbara
Taluka: Padra
Dist.: Vadodara - 391 440
Gujarat (India)
Ph.: +91-2662-244444, 244318, 244309
Fax: +91-2662-244439, 244207



Company Identification No.: L23205GJ1965PLC001343

www.transpek.com
W E B S I T E
inquiry@transpek.com
E M A I L

52nd Annual Report 2017-18



SELF EMPLOYMENT

Beauty Parlour course in progress to help speech and hearing impaired girls to be self-employed.



MONITORING HEALTH

Haemoglobin Checkup of women for eradicating anaemia in village Hainapura near the factory site



52ND ANNUAL GENERAL MEETING

Annual General Meeting on Tuesday, the 7th day of August, 2018 at 04:00 p.m. at Hotel Grand Mercure - Surya Palace, Opp. Parsi Agiyari, Sayajigunj, Vadodara - 390 020.

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued. You are requested to bring your copy of the Annual Report to the Meeting.

A Request

We are sure you have read with interest the accounts of the year ended 31st March, 2018. You may desire to have some clarification or additional information on the said accounts at the ensuing Annual General Meeting. We shall very much appreciate, if you kindly write to us atleast ten days in advance in order to enable us to keep the information ready for you at the meeting. We solicit your kind co-operation.

BOARD OF DIRECTORS

Ashwin C. Shroff

Chairman

Bimal V. Mehta

Managing Director

Atul G. Shroff

Dipesh K. Shroff

Dr. Bernd Dill

Ravi A. Shroff

Ninad D. Gupte

Nimish U. Patel

Smt. Geeta A. Goradia

Shri Hemant J. Bhatt

Alak D. Vyas

Company Secretary & Compliance Officer

Bankers

State Bank of India

Bank of Baroda

Axis Bank Ltd.

IDBI Bank Ltd.

Auditors

CNK & Associates, LLP

Chartered Accountants

Cost Auditors

Y. S. Thakar & Co.

Cost Accountants

Secretarial Auditors

CS Vijay L. Vyas

Practising Company Secretary

REGISTERED OFFICE

6th Floor, Marble Arch,
Race Course,
Vadodara - 390 007.

WORKS

Village Ekalbara,
Tal. Padra,
Dist. Vadodara - 391 440.

COMPANY'S R & T AGENT

Link Intime India Pvt. Ltd.
B-102 & 103, Shangrila Complex,
First Floor, Nr. Radhakrishna Char Rasta,
Akota, Vadodara - 390 020.

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NOTICE TO THE MEMBERS

NOTICE IS HEREBY GIVEN THAT the 52nd ANNUAL GENERAL MEETING of the Members of **TRANSPEK INDUSTRY LIMITED** will be held at **04.00 p.m. on Tuesday, the 7th day of August, 2018**, at Hotel Grand Mercure – Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara – 390020 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the year ended on 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon, and for that purpose to consider and pass the following resolution as an **Ordinary Resolutions:-**
 - (a) **"RESOLVED THAT** the Audited Financial Statements of the Company for the year ended on 31st March, 2018 and the Reports of the Auditors and the Board of Directors thereon laid before this meeting be and are hereby considered and adopted."
 - (b) **"RESOLVED THAT** the Consolidated Audited Financial Statements of the Company for the year ended on 31st March, 2018 and the Reports of the Auditors and the Board of Directors thereon laid before this meeting be and are hereby considered and adopted."
2. To declare dividend on the equity shares of the Company and for that purpose to consider and pass the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT Dividend at the rate of Rs.9/- (Rupees Nine Only) per Equity Share for the year ended on 31st March, 2018, be and is hereby declared and the same be paid on 55,85,569 Equity Shares of Rs.10/- (Rupees Ten only) each fully paid up, as recommended by the Board of Directors of the Company."
3. To appoint a Director in place of Shri Dipesh K. Shroff, who retires by rotation and being eligible, offers himself for reappointment and for that purpose to consider and pass the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT Shri Dipesh K. Shroff, a Director of the Company, retiring by rotation at this Annual General Meeting and being eligible for re-appointment, pursuant to the provisions of Section 152 of the Companies Act, 2013, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."
4. To ratify and confirm the appointment of M/s. CNK & Associates LLP, Chartered Accountants as Statutory Auditors of the Company until the conclusion of the 54th Annual General Meeting, without further ratification at every general meeting in pursuance to Section 139 of the Companies Act, 2013 and all other applicable provisions, as amended from time to time and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT, pursuant to the provisions of Sections 139, 142 and all other applicable provisions of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, and the Companies (Audit and Auditors) Rules, 2014 as amended by the Companies (Audit and Auditors) Amendment Rules, 2018 and pursuant to the recommendation made by the Audit Committee of Directors and the Board of Directors and in modification of the resolution passed by the members at the 51st Annual General Meeting of the Company held on 10th August, 2017, the appointment of M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No.101961W/W-100036) as the Auditors of the Company to hold office till the conclusion of the 54th Annual General Meeting of the Company be and is hereby ratified and confirmed without the requirement of any further ratifications by the members and the Board of Directors, be and is hereby authorised to fix the remuneration of the Auditors."

SPECIAL BUSINESS:

5. To ratify the remuneration of the Cost Auditors for the Financial Year ending on 31st March, 2019 and for that purpose to consider and pass the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT, pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, if applicable, (including any statutory modification[s] or re-enactment thereof for the time being in force), the remuneration of Rs. 1,40,000/- (Rupees One Lakh Forty Thousand) plus applicable tax on services (by whatever

NOTICE TO THE MEMBERS...

name called) fixed by the Board of Directors of the Company, in respect of M/s Y. S. Thakar & Co., Cost Accountants – Firm Registration Number: 000318, the Cost Auditor of the Company, be and is hereby ratified.”

“RESOLVED FURTHER THAT the Board of Directors of Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

Regd. Office:

6th Floor, Marble Arch,

Race Course,

Vadodara – 390007

Dated: 23rd May, 2018

**By Order of the Board of Directors
For Transpek Industry Limited**

**Alak D. Vyas
Company Secretary &
Compliance Officer**

NOTES:

1. (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY CANNOT VOTE ON E-VOTING.
- (b) The instrument appointing a proxy should be deposited at the Regd. Office of the Company not less than 48 hours before the commencement of the meeting.
- (c) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Company carrying voting rights.
- (d) A member holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative/s to attend the meeting and vote on their behalf pursuant to Section 113 of the Act.
3. A Statement as required under Section 102 of the Act in respect of Business at item no. 4 is annexed hereto.
4. Members are requested to bring their attendance slip or L.F. No. or DP ID and Client ID nos. for easy identification of their attendance at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 1st August, 2018 to 7th August, 2018 (both days inclusive).
6. Payment of the dividend declared at the meeting will be made on or after 14th August, 2018 to the members whose names stand on the Company's Register of Members on 31st July, 2018 and to the beneficial owner(s) as per the beneficiary list at the close of business hours on 31st July, 2018 provided by the National Securities and Depository Limited and Central Depository Services (India) Limited.
7. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend declared at the meeting. The Company or its Registrars & Transfer Agents viz. Link Intime India Private Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates or their address. Such changes are to be advised only to the Depository Participants by the members.
8. Payment of dividend declared at the meeting will be made through National Automated Clearing House (NACH)/ National Electronic Clearing Service (NECS) at the RBI Centres by crediting the dividend amount to the bank accounts of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and covered under the RBI Centres who have not furnished the requisite information and who wish to avail of the NACH/NECS facility to receive the dividend from the Company may furnish the information to M/s. Link Intime India Private Limited, the

NOTICE TO THE MEMBERS...

Registrars and Transfer Agents not later than 25th July, 2018. Members holding shares in electronic form may furnish the information to their Depository Participants in order to receive dividend through the NACH/NECS mechanism.

9. Electronic copy of the Annual Report for 2017-2018, the Notice of the 52nd Annual General Meeting of the Company to be held on 7th August, 2018 *inter alia* indicating the process and manner of e-voting along with attendance slip and Proxy Form are being sent to all the members whose email addresses are registered with the Company/Depository Participants for communication purposes, unless any such member requests for a physical printed copy of the same. Even after registering for e-communication, such members can send their written request for printed copy of the said documents which will be then supplied free of cost by post/courier to their registered address. The shareholders may send requests/communication by email to the Company's investor relations email id: (investorrelations@transpek.com), quoting their L.F.No. or Client ID and DP ID nos. For members who have not registered their email addresses, physical printed copies of the Annual Report for 2017-2018 are being sent.
10. Members may note that the notice for the 52nd Annual General Meeting to be held on 7th August, 2018, the statement under Section 102, and the Annual Report for the FY 2017-2018 will also be available on the Company's website www.transpek.com. Physical copies of the aforesaid documents and the documents referred to in the statement under Section 102 will also be available at the Company's Registered Office for inspection by members during 14.00 hours to 16.00 hours on any working day (Monday to Saturday, except holidays) before the date of the Annual General Meeting.
11. Members are requested to notify promptly any changes in their postal/email addresses or bank mandates to their respective Depository Participants in respect of their electronic share accounts quoting Client ID no. and in respect of their physical shares, quoting their Folio no. to Link Intime India Pvt. Ltd., Vadodara, the Company's Registrars and Transfer Agents.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form shall submit their PAN to the Company / R & T Agent viz. Link Intime India Pvt. Ltd., Vadodara.
13. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. Nomination form is available on the Company's website, which may be printed, filled up, signed and sent to the Company/R & T Agent viz. Link Intime India Pvt. Ltd., Vadodara.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited, Vadodara for consolidation into a single folio.
15. Non-Resident Indian Members are requested to inform the Company's R & T Agent viz., Link Intime India Private Limited, Vadodara immediately of:
 - I. Change in their Residential Status on return to India for permanent settlement.
 - II. Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the bank with Pin code no., if not furnished earlier.
16. Members who have not registered their email addresses so far are requested to register their email addresses for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically, as provided for in the Companies Act, 2013 and the Rules made thereunder.
17. The Company has transferred the unpaid or unclaimed dividends declared upto financial year 2009-2010, from time to time on due dates, to the Investor Education and Protection Fund Account established by the Central Government. Further, as per the provisions of the Act and IEPF Rules, 2017, the Company has transferred those equity shares to the said account whose dividend had been lying unclaimed with the Company for a period of seven consecutive years. The Company has uploaded the details of unpaid and unclaimed Dividends and Matured Deposits and Unclaimed interest on deposits lying with the Company as on 31st March, 2018 on the website of the Company www.transpek.com. Members who have not encashed their Dividend Warrants for the financial year 2010-2011 or subsequent financial years are requested to write immediately to

NOTICE TO THE MEMBERS...

the Company enclosing their Dividend Warrants for issue of cheque/ demand draft against such invalid Dividend Warrants before such unclaimed dividend becomes due for transfer to the Investor Education and Protection Fund (IEPF).

18. In case of two or more joint holders attending the meeting, only such joint holder who is higher in the order of names on the Company's record will be entitled to vote at the meeting. Shareholders are requested to provide their Ledger Folio No. or DP ID and Client ID no. at the time of voting.

19. **Voting through electronic means:**

In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer 'remote e-voting' (e-voting from a place other than the venue of the Annual General Meeting) facility as an alternative mode of voting which will enable the members to cast their votes electronically. Necessary arrangements have been made by the Company with the Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The facility for voting, either through the electronic voting system or through ballot/polling paper shall also be made available at the venue of the 52nd Annual General Meeting. Only the persons who are members of the Company as on 31st July, 2018 (i.e. the cut-off date) will be eligible to vote by electronic means or at the 52nd Annual General Meeting.

Members of the Company attending the meeting, if they have not cast their votes through remote e-voting, shall be eligible to exercise their voting rights at the meeting. Members who have already cast their votes through remote e-voting, may attend the meeting but shall not be entitled to cast their vote at the Annual General Meeting.

The Company has appointed CS Vijay L. Vyas, Company Secretary in Practice, as the Scrutinizer for conducting the remote e-voting and the voting process at the Annual General Meeting in a fair and transparent manner. E-voting is optional. In terms of the requirement of the Companies Act, 2013 and the relevant Rules thereunder, the Company has fixed 31st July, 2018 as the 'cut-off date'. The remote e-voting/voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the cut-off date.

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period shall begin on Saturday, 4th August, 2018 at 10.00 a.m. and end on Monday, 6th August, 2018 at 05.00 p.m. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (31st July, 2018) may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members holding shares in the Company in physical or in demat form as on 31st July, 2018 shall only be eligible for e-voting.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com (ONLY MEMBERS CAN VOTE ON REMOTE E-VOTING).
- (iii) Click on Shareholders.
- (iv) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 character DP ID followed by 8 digits Client ID
 - c. Members holding shares in physical form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are the FIRST TIME USER, follow the steps given below:

NOTICE TO THE MEMBERS...

For FIRST TIME USER MEMBERS holding shares in demat form and physical form

PAN	Enter your 10 digit alpha-numeric * PAN issued by the Income-tax Department (applicable for both Demat and Physical Shareholders) * Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number printed on Attendance Slip indicated in PAN field.
DOB OR Dividend Bank Details	Enter the Date of Birth (DOB) as recorded in your demat account or in the Company's records for the said demat account in dd/mm/yyyy format or Folio No.; OR Enter the Dividend Bank Details as recorded in your demat account or in the Company's records for the said demat account or Folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or the Company, please enter the User ID/Folio Number in the Dividend Bank details fields as mentioned in instruction (iv) above.

- (viii) After entering the details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat shareholder for voting on resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant < Company Name > on which you choose to vote.
- (xii) On the voting page you will see "RESOLUTION DESCRIPTION" and against the same the options of "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the resolution and option "NO" implies that you dissent to the resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly, modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out the print of the voting done by you by clicking on "click here to print" option on the voting page.
- (xvii) If a demat account holder has forgotten the password then enter the User ID and the image verification code and click on "forgot password" and enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile application while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians
 - a) Non – Individual Shareholders (i.e. other than individuals, HUF, NRI, etc.) and Custodian are required to logon to www.evotingindia.com and register themselves as Corporates.
 - b) A scanned copy of registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com

NOTICE TO THE MEMBERS...

- c) After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they vote on.
- d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) A scanned copy of Board Resolution and Power of Attorney (POA) which they have issued in favour of Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer to Frequently Asked Questions ("FAQ") and e-voting manual available at www.evotingindia.com, under "Help" section or send query by an email to helpdesk.evoting@cdslindia.com.

A copy of this notice has been placed on the website of the Company and the website of CDSL.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the vote cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall counter-sign the same. The Chairman or the person authorized by him in writing shall declare the result of the voting forthwith, in the format prescribed under Regulation 44 (3) of the SEBI (LODR) Regulations, 2015.

The results declared along with the Scrutinizer's Report shall immediately be placed on the Company's website www.transpek.com and on the website of CDSL. The said results shall also be communicated to BSE Limited, which shall place it on its website thereafter.

20. The Information as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 in respect of the Director seeking re-appointment is as under:

Name of Director	Dipesh K. Shroff
Date of Birth	3rd February, 1960
Date of re-appointment	18th September, 2014
Expertise in Specific Functional Areas	Corporate Management
Qualifications	Diploma in Civil Engineering; Management Excellence Programme from IIM, Ahmedabad; Owners/President Management Programme (OPM) – Harvard Business School, Boston.
Brief Resume of Shri Dipesh K. Shroff	Mr. Dipesh K. Shroff is a Director of the Company since 27th March, 2001. He is presently the Managing Director of Agrocel Industries Private Limited. Previously, he was the Managing Director of Excel Crop Care Limited. He is also a Trustee of Vivekananda Research & Training Institute, International Resources for Fairer Trade, Mumbai, Kutch Nav Nirman Abhiyaan, Shrujan and Shrujan Creations, Kutch
Other Companies in which Directorship held	<ul style="list-style-type: none"> • Excel Industries Limited (Listed Company) • Excel Crop Care Limited (Listed Company) • Kutch Crop Services Limited • Neo Seeds India Private Limited • Agrocel Industries Private Limited • Vibrant Greentech India Private Limited

ANNEXURE TO THE NOTICE

- Hyderabad Chemical Products Private Limited
- Pritami Investments Private Limited
- Shrodip Investments Private Limited
- Dipkanti Investments and Financing Private Limited
- Devnidhi Plastics Private Limited
- Shroff Engineering Limited

Listed Companies in which Membership of Committees of Directors held

Member of Stakeholders Relationship/ Investors Grievance Committee

- Excel Industries Limited

Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee

- Transpek Industry Limited

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 4:

At the 51st Annual General Meeting held on 10th August, 2017, the members of the Company had approved the ratification of appointment of M/s. CNK & Associates LLP, Chartered Accountants, Mumbai, as the Auditors of the Company for a term from the conclusion of 51st Annual General Meeting until the conclusion of 52nd Annual General Meeting of the Company, subject to ratification of such appointment by the members at every annual general meeting, in pursuance of *inter alia* Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

However, vide the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018, the requirement for 'seeking ratification of appointment of the Auditors (appointed for five year term) at every annual general meeting' has been omitted. This amendment has come into effect on 7th May, 2018.

In view of the aforesaid amendment, the ratification of the appointment of auditors will not be necessary going forward. However, in view of the resolution passed at 51st Annual General Meeting of the Company, it is proposed to ratify the appointment of the Auditors and confirm their appointment upto conclusion of the 54th Annual General Meeting of the Company without the requirement of any further ratification by the members.

The resolution at item no. 4 of the Notice is set out as an Ordinary Resolution for ratification and confirmation of the appointment of the Auditors upto the conclusion of the 54th Annual General Meeting of the Company without the requirement of any further ratifications by the members in terms of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 made thereunder as amended by the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018.

The Board commends the Ordinary Resolution under Item No. 4 of the Notice for the approval of the members.

None of the Directors, their relatives, Key Managerial Personnel of the Company or their respective relatives is in any way interested or concerned in this Resolution.

Item No. 5:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2019 as per the following details:

ANNEXURE TO THE NOTICE...

Name of the Cost Auditor	Type of Industry	Audit Fees
Y. S. Thakar and Co. Cost Accountants Firm Regn. No. 000318	Chemical	Rs. 1.40 lakhs plus applicable taxes

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought by passing an Ordinary Resolution as set out at item no. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2019.

The Board commends the Ordinary Resolution under Item No. 5 of the Notice for the approval of the members.

None of the Directors, their relatives, Key Managerial Personnel of the Company or their respective relatives is in any way interested or concerned in this Resolution.

Regd. Office:

6th Floor, Marble Arch,
Race Course,
Vadodara – 390007

**By Order of the Board of Directors
For Transpek Industry Limited**

**Alak D. Vyas
Company Secretary &
Compliance Officer**

Dated: 23rd May, 2018

ROUTE MAP OF ANNUAL GENERAL MEETING VENUE



DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the **Fifty Second Annual Report** together with the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2018.

1. FINANCIAL RESULTS (STANDALONE):

	2017 - 2018 Rs. in Lakhs	2016 - 2017 Rs. in Lakhs
Net Sales including Trading and Operating Income	36899.79	32770.14
Other Income	433.06	742.99
Cash Profit/(Loss) before Extraordinary Items and Taxes	4494.73	5103.37
Profit/(Loss) before Tax	3502.25	4240.47
Provision for Taxation		
Current:		
(i) Current Tax	680.49	1087.66
(ii) Deferred Tax (Asset) / Liability	209.10	164.67
(iii) Tax adjustment for earlier years	(27.68)	(0.98)
Profit/(Loss) after Tax	2640.27	2940.76
Balance brought forward from Previous Year	6470.99	3497.82
Amount available for appropriation	9493.92	6438.58

Note : Previous year figures have been regrouped / rearranged wherever necessary.

2. DIVIDEND:

Your Directors have recommended a dividend of Rs.9/- (i.e. 90%) per equity share of Rs. 10/- each on the Equity Share Capital of Rs. 558.56 Lakhs for the year ended 31st March, 2018 (previous year: 90%, i.e. Rs. 9.00/- per share).

The dividend will be paid to members whose names appear in the Register of Members as on 31st July, 2018 in case of physical shareholding and, in respect of shares in dematerialised form, it will be paid to members whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.

3. RESULTS OF OPERATIONS AND THE STATE OF THE COMPANY'S AFFAIRS:

The Directors are happy to report that the net sale (excluding Excise Duty) of the Company for the year under review is Rs.359.09 crores as compared to Rs. 306.66 crores in the previous year, an increase of 17.10% and exports have increased to Rs.252.50 crores from Rs. 204.49 crores in the previous year i.e. an increase of 23.48% and the domestic sale has gone up to Rs.106.59 crores from Rs. 102.03 crores in the previous year showing an increase of 4.47%. The Company has achieved a net profit of Rs.26.40 crores for the year 2017-18 as against Rs. 29.97 crores in the previous year, i.e. a decrease of 13.51%.

During the year, sales increased due to increase in exports. However, the net profit has decreased due to significant increase in cost of some of the raw materials which could not be passed on in the customer pricing due to competitive pressures and reduction in other income.

Your Company has been continually taking several initiatives aimed at improving efficiencies and EHS practices and standards.

4. OUTLOOK:

Due to steady global demand and significant reduction in production of Chemicals in China, the overall outlook for Indian Chemical Industry is looking very positive. In addition, the "Make in India" initiative of the Indian Government should provide

DIRECTORS' REPORT...

further impetus for fast growth. There is a visible shift in sourcing location henceforth considered by global chemical companies. It is noted that such global giants are now increasing their reliance on India for the Raw Materials and Intermediates.

The Company has been constantly strengthening its operations and systems including EHS and Safety Practices to take advantage of the opportunity that may arise considering the current outlook and strong customer relationships.

5. QUALITY, ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEMS:

The Company's existing Integrated Management System is accredited with QMS ISO 9001: 2015, EMS ISO 14001:2015 and BS OHSAS 18001: 2007. The Company is also now accredited for Energy Management System ISO 50001: 2011 certification with TUV NORD – a certification agency. The Company is committed to ensure protection of the environment and maintenance of biodiversity. The Company continues taking several initiatives to achieve this goal.

The Company places a strong emphasis on ensuring safety of the employees and surrounding population and has very effective safety management systems in place. The Company is a member of the Indian Chemical Council and has taken steps to become a signatory to 'Responsible Care', a globally recognised Chemical Industry initiative. The Company has also achieved Silver grade for its CSR initiatives from Ecovadis, Germany.

6. SUBSIDIARY COMPANY:

Transpek Industry (Europe) Limited ('TIEL') is a wholly owned subsidiary of the Company and, during the year under review, it has continued to provide services to some of the Indian companies under REACH regulations. The expenses incurred during the year are apportioned to and recovered by TIEL from Transpek Industry Limited, the holding company and other participating companies resulting in there being no profit and no loss.

7. DISCLOSURE UNDER THE COMPANIES ACT, 2013:

Information given below is pursuant to various disclosure requirements prescribed under the Companies Act, 2013 (hereinafter 'the Act') and the rules thereunder, to the extent applicable to the Company. Some of the disclosures have been included in appropriate places in the Corporate Governance Report as prescribed under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 [hereinafter 'SEBI (LODR) Regulations'] which is a part of the Annual Report.

a) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed to this report as 'Annexure – I'.

b) EXTRACTS OF ANNUAL RETURN & OTHER DISCLOSURES:

The extract of the Annual Return in form no. MGT – 9 as per Section 134 (3) (a) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014 and Rule 12 of Companies (Management and Administration) Rules, 2014 is annexed to this report as 'Annexure – II'.

c) REMUNERATION POLICY AND INFORMATION REGARDING REMUNERATION:

Particulars of the Company's Remuneration Policy and information pursuant to Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as 'Annexure – III'.

d) PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

During the year under review, your Company has not directly or indirectly –

- a) given any loan to any person or other body corporate other than usual advances envisaged in a contract for supply of materials or equipment or job work, if any;
- b) given any guarantee or provided security in connection with a loan to any other body corporate or person; and
- c) acquired by way of subscription, purchase or otherwise, the securities of any other body corporate.

DIRECTORS' REPORT...

e) RELATED PARTY TRANSACTIONS:

During the year under review, all the Related Party Transactions were in the ordinary course of business and on an arm's length basis. Those transactions were placed before the Audit Committee of Directors for prior approval in the form of omnibus approval as provided in SEBI (LODR) Regulations.

The estimated transactions with M/s. Anshul Life Sciences, a related party, were material related party transactions as per Regulation 23 of the SEBI (LODR) Regulations, but in the ordinary course of business and on an arm's length basis as per Section 188 (1) of the Act. Requisite approval of the shareholders was obtained at the 49th Annual General Meeting of the Company held on 21st September, 2015 for a period of three years from 01st October, 2015 to 30th September, 2018. Details relating to these transactions have been given in 'Annexure IV' to this report in the prescribed form AOC – 2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014. However, considering the turnover of the Company and as per the criteria laid down under Regulation 23 of the SEBI (LODR) Regulations, the transactions during the period were not material.

During the year, the Company had entered into transactions with TML Industries Limited (TML), a related party. The said transactions were not material and the amount did not exceed the sums prescribed under the applicable rules and the same were approved by the Audit Committee as well as the Board of Directors of the Company, as required under Section 188 (1) of the Act and the Companies (Meetings of the Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations.

The policy on materiality of related party transactions etc., as approved by the Board is placed on the Company's website on the link: <http://www.transpek.com/pdf/policy-on-materiality-of-events.pdf>.

Your Directors draw attention of the members to Note no.42 to the financial statement which sets out related party disclosures.

f) RISK MANAGEMENT:

The Company has formulated a policy to identify and evaluate business risks and opportunities in compliance with the provisions of Section 134 (3) (n) of the Act. This policy framework ensures transparency, minimizes adverse impact on the business objectives and enhances the Company's competitive advantage.

On the basis of ISO: 31000 standard, the Company has adopted the Risk Management Procedures and has also put a mechanism in place for managing risk factors in technical and commercial areas.

The Company has voluntarily constituted a Risk Management Committee comprising the following Directors and a Senior Executive to monitor and review the Risk Management Plan of the Company, though Regulation 21 of the SEBI (LODR) Regulations is not applicable:

1. Shri Bimal V. Mehta : Managing Director & Chairman of the Committee
2. Shri Ravi A. Shroff : Promoter Director & Member of the Committee
3. Shri R. B. Shetty : Sr. Vice President – Technical & Member of the Committee

g) EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES OF DIRECTORS AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of Sections 134 and 178 of the Act and Regulation 17 of SEBI (LODR) Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually, evaluation of the Chairman of the Board as well as of the working of its Audit, Nomination & Remuneration and other Committees of the Board. The manner in which the evaluation has been carried out has been explained in the 'Corporate Governance Report' which forms a part of this Annual Report.

h) MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There were no material changes and commitments that have affected the financial position of the Company which have occurred between the financial year ended on 31st March, 2018 and the report dated 23rd May, 2018.

DIRECTORS' REPORT...

i) ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has laid down adequate and effective Internal Financial Controls with reference to financial statements, commensurate with its size and nature of business operations. During the year, such controls were tested and upgraded and no reportable material weaknesses in the design or operation were observed.

j) LEGAL COMPLIANCE:

The Board has devised proper systems commensurate with the size and operations of the Company to monitor and ensure compliance of all the applicable laws and the said system is found adequate and operating effectively. The Company Secretary and the Managing Director provide compliance certificate to the Board on a quarterly basis.

k) CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company has been contributing in the development of the surrounding areas since its inception. The Company supports and contributes to activities relating to promotion of education, sports, medical and health care, vocational skill development and livelihood enhancement and programmes and activities relating to environment sustainability, etc. During the year 2017-2018, your Company has enhanced its CSR activities to a larger community in order to provide maximum benefit to the surrounding villages.

These CSR projects and activities are in compliance with Schedule VII of the Act.

In the field of education, your Company continued to impart basic computer literacy to students of several primary schools situated in the vicinity of the Company's factory premises. Your Company has initiated a Special Teaching Programme for students studying in 4th – 8th Standards on the basis of their level assessment, covering 140 students. This Special Teaching Programme is also extended to include students studying in 9th and 10th standard, covering additional 39 students.

Your Company has continued to provide support to Shroffs Foundation Trust (SFT) in running a fully equipped Mobile Medical Unit for providing door step medical services in the tribal area of Chhotaudepur district. With this initiative the tribal residents of Chhotaudepur have benefited and their several health issues could be attended to and resolved. During the year 8 villages were covered and 1120 patients were examined in a mega medical camp.

The Company has been substantially contributing in the upgradation of training facilities at the Industrial Training Institute (ITI) at Padra and also conducted short term courses on plumbing, masonry and wiring for the inmates of the Vadodara Central Jail and equipped them to earn their livelihoods in a dignified manner after their release from jail. Vadodara Central Jail association introduced Beauty Parlour Course for female inmates to equip them also to earn livelihood in a dignified manner after their release from jail.

Females in nearby villages were given training and skill development for self employment such as running Beauty Parlour, making home products, gift articles etc. Many female members and their families have benefited with improved earning capabilities.

Your Company has continued to spend on rural sanitation and cleanliness. 89 nos. of toilets were built in the villages and schools in the vicinity of the Company's factory premises, which is supportive of the Government of India's 'Swachh Bharat Mission'.

During the year under review, a new initiative under Swachh Village was undertaken at Village Khanderapura of Dabhasa Panchayat having 185 houses. Domestic grey water was treated through Eco-friendly biofilter method for use in farms, vermi-wash, vermi-compost and conversion of solid waste into fertilizer. The process was shown to the Village Committee which will now continue with guidance and support from the Company's CSR team.

The Company has also achieved silver grade for its CSR initiatives from Ecovadis, Germany.

A brief outline of the policy and the Annual Report on CSR Activities is annexed to this report as 'Annexure –V'.

l) PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Act read with Rule 5 (2) of the Companies (Appointment and

DIRECTORS' REPORT...

Remuneration of Managerial Personnel) Rules, 2014 is annexed as 'Annexure – VI' and forms part of this report.

m) SECRETARIAL AUDITOR AND SECRETARIAL AUDITOR'S REPORT:

Pursuant to the provisions of Section 204 of the Act and the Rules made thereunder, the Board of Directors has appointed Shri Vijay L. Vyas, Practising Company Secretary (FCS: 1602; CP No. 13175), Vadodara, as the Secretarial Auditor of the Company to conduct Secretarial Audit for the year ended 31st March, 2018. The Secretarial Auditor has submitted his Report on Secretarial Audit conducted by him which is annexed to this report as 'Annexure – VII'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Shri Dipesh K. Shroff, Director of the Company will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. The Directors recommend his re-appointment.

During the year under review, Shri Atul G. Shroff, Director of the Company, retired from services as Managing Director of the Company at the close of office hours on 30th November, 2017 on completion of his tenure. The Board of Directors places on record its deep sense of appreciation of the yeoman services rendered by him during his association with the Company since 1965 and as Managing Director since 1st December, 1981. Having regard to his deep knowledge of the industry and experience in the field the Board of Directors had appointed him as an additional, Non-Executive Director w.e.f. 1st December, 2017. The said appointment was approved by the Shareholders on 11th January, 2018, by means of an Ordinary Resolution passed through Postal Ballot.

Also, the Board of Directors has, on the recommendations of the Nomination and Remuneration Committee, appointed Shri Bimal V. Mehta as the Managing Director of the Company w.e.f. 1st December, 2017. Before his appointment as the Managing Director, he was the whole-time Director designated as the Executive Director of the Company from 9th April, 2010. His appointment as Managing Director of the Company was also approved by the Shareholders on 11th January, 2018, by means of a Special Resolution passed through Postal Ballot.

Further, pursuant to the provisions of Section 203 of the Companies Act, 2013, Shri Pratik P. Shah was appointed as the Vice President (Finance) designated as Chief Financial Officer (CFO) of the Company w.e.f. 1st June, 2017.

9. TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND ACCOUNT SET UP BY GOVERNMENT OF INDIA:

During the year under review, your Company has transferred equity shares of the shareholders of the Company whose dividend had been lying unclaimed with the Company for a period of seven consecutive years pursuant to the introduction of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and its subsequent amendments by the Ministry of Corporate Affairs, Government of India.

The list of these shareholders has been uploaded on the Company's website http://www.transpek.com/unpaid_data.htm

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134 (3) (c) of the Act, with respect to Directors' Responsibility Statement, the Directors state that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis;

DIRECTORS' REPORT...

- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 the Act as well as under Regulation 25 of SEBI (LODR) Regulations.

12. CORPORATE GOVERNANCE:

A separate report on Corporate Governance as required under Regulation 34 of the SEBI (LODR) Regulations, 2015 is included in this Report along with a certificate of the Auditor confirming its compliance with the conditions of Corporate Governance stipulated under the said Regulation.

13. AUDITORS AND AUDITORS' REPORT:

a) STATUTORY AUDITORS:

The members of the Company had, at their 49th Annual General Meeting held on 21st September, 2015, appointed M/s. CNK & Associates, LLP, Chartered Accountants, Vadodara, as Statutory Auditors of the Company for a period of five years i.e. from the conclusion of the 49th Annual General Meeting upto the conclusion of the 54th Annual General Meeting as prescribed under Section 139 (2) of the Act and relevant rules framed thereunder, subject to their appointment being ratified every year by the members of the Company.

Accordingly, M/s. CNK & Associates, LLP, Chartered Accountants, Vadodara have given a letter to the Company certifying that their appointment as Auditors would be in conformity with the limits specified in Section 139 (2) of the Act, for ratifying their appointment as Statutory Auditors for the financial year 2018-2019.

Further, as per the amendment to section 139 of the Companies Act, 2013, by the Companies (Amendment) Act, 2017, effective from 07th May, 2018 as notified by MCA notification of the said date, the requirement of ratification of the appointment of auditors by the shareholders has been dispensed with and, therefore, the Company is not required to seek ratification by the members and accordingly a resolution is being proposed at the ensuing Annual General Meeting for the purpose.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

b) COST AUDIT COMPLIANCE:

The Board has re-appointed M/s. Y.S. Thakar & Co., Cost Accountants, as the Cost Auditors for conducting cost audit of cost records of the Company for the Financial Year 2018-2019.

Pursuant to Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, Cost Audit Report for the financial year ended 31st March, 2017 was submitted to the Central Government on 4th September, 2017. Necessary resolution for approval of their remuneration is being proposed at the ensuing Annual General Meeting.

14. DISCLOSURES:

a) AUDIT COMMITTEE:

Details of the composition of the Audit Committee of Directors of the Company have been mentioned in the Corporate Governance Report.

During the year under review, there were no such instances wherein the Board of Directors of the Company did not accept the recommendations of the Audit Committee.

More details about all the Committees of Directors are given in the Corporate Governance Report.

DIRECTORS' REPORT...

b) MEETINGS OF THE BOARD:

During the year under review 5 (five) Board meetings were held. For further details, please refer to the Report on Corporate Governance.

c) VIGIL MECHANISM:

The Company has a Whistle Blower Policy to report genuine concerns or grievance details of which have been given in the Corporate Governance Report. The Whistle Blower Policy has been posted on the website of the Company and can be accessed at link – <http://www.transpek.com/pdf/whistle-blower-policy.pdf>.

15. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in the nature of the business of the Company.

16. FIXED DEPOSITS:

During the year under review, your Company has accepted deposits amounting to Rs. 16,89,78,000/- (includes new Deposits and Renewals during the FY 2017-2018) only from the shareholders. The deposits that remained unpaid or unclaimed as at 31st March, 2018 amount to Rs. 37,12,000/-. The Company has sent written reminders to the Depositors for their appropriate action in this regard.

The Deposits and Interest which remained unclaimed for last seven years have been transferred to the Investor Education and Protection Fund as required under the Act.

During the year, there has been no default in repayment of deposits or payment of interest thereon. Also, during the year, there were no deposits accepted by the Company which did not comply with the requirements of Chapter V of the Act.

17. STOCK EXCHANGE:

The Company's equity shares are listed on the BSE Limited and the Listing Fees of the Company for the Financial Year 2017-2018 have been paid. The address of the said Exchange is as under:

BSE Limited:

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort, Mumbai – 400 001.

Scrip ID: 'transpek'; Scrip Code: 506687; Group/Index: 'XC'; ISIN: INE687A01016

18. HEALTH CARE AND WELFARE OF EMPLOYEES:

Employees' Welfare Schemes such as subsidized food in the Company's canteen at the factory, medical facilities, Group Mediclaim Insurance and Group Accident Insurance continued to be maintained by the Company. Sports and Cultural activities were also given due importance. The Company has also set up a place for doing Yoga, playing Table Tennis and a Gym for the Employees. Employees are also given core long-term health offering which includes making available preventive medical examinations to cover fields of prevention of mental health, fitness and nutrition. Reports show that the examinations contribute to improvement in fitness, blood pressure, nutrition habits and nicotine abstinence. Employees are also offered training programmes and workshops on health-oriented leadership. Monetary support is also given to employees who wish to acquire higher educational qualifications.

Merit awards are also given to employees' children. The Company promotes innovation, rewards performance and provides opportunities for people to grow. In addition, your Company has put in place a range of initiatives for attracting and retaining a high performance work force. The Company also rewards exemplary performance of employees.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT AT WORK-PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has employed a number of women in various cadres. It has put in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal committee of women employees is also set up to redress complaints received which are monitored by women

DIRECTORS' REPORT...

supervisors who are fully aware of the Policy and redressal mechanism. All employees of the Company, those of contractors as well as trainees are covered under this Policy. No complaint was received from any employee during the financial year 2017-2018 and no complaint is outstanding as on 31st March, 2018 for redressal.

20. MANAGEMENT DISCUSSION AND ANALYSIS:

The report on Management Discussion and Analysis dealing with the Operations, Business Performance, etc. is given separately and it forms part of this Annual Report.

ACKNOWLEDGEMENTS

Your Directors wish to acknowledge the co-operation and assistance extended to the Company by the Company's Bankers and State Government agencies. Your Directors also wish to place on record their appreciation of the contribution made by employees at all levels towards the growth of the Company. Your Directors also acknowledge with gratitude the support of the shareholders, investors, customers and suppliers for the faith reposed in the Company and its management.

BY ORDER OF THE BOARD

PLACE: VADODARA

DATED: 23rd May, 2018

A. C. SHROFF

CHAIRMAN

'ANNEXURE – I' TO THE DIRECTORS' REPORT:

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo under section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014.

A) CONSERVATION OF ENERGY:

(i) Steps taken for conservation of energy and for utilizing alternative sources of energy:

1. Use of RO rejected water in scrubber area.
2. Use of Agro waste Fluidised Bed Combustion based boiler and oil heating system to reduce Furnace Oil consumption to conserve natural resources.
3. Installed screw compressor based chilled water system to save power consumption in one of the plants.
4. Replacement of steam traps to increase condensate recovery and reduction in loss of steam in the Thionyl Chloride ("TC") plant.
5. Installation of flash jet pumps for flash steam recovery in TC plant.
6. Installation of temperature controller in Process Cooling Tower for saving power in newly set up Acid Chloride Plant.
7. Installation of LED lamps in place of conventional ones in various plant and street areas.
8. Applied different grades of insulation to reduce heat losses and save thermal energy.
9. Installation of 20 HP and 30 HP centrifugal pumps instead of 30 HP and 60 HP pumps at cooling towers of two of the Company's Plants.
10. Installation of Orifice flow meter in brine and chilled water condensers for flow reduction.
11. Conversion of chilled water condenser to cooling water condenser in one of the plants.
12. Installation of pre-heater to maximise steam generation.
13. Installation of new 2550 KVA energy efficient transformer.
14. Installation of energy efficient motors in place of old re-wound motors.
15. Energy audit was carried out at different cooling tower pumps and recommendations from the said audit were implemented.
 - (i) The investment in various energy conservation activities was Rs.40.00 lakhs and the estimated annual saving works out to Rs.70.00 Lakhs.

DIRECTORS' REPORT...

B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

The Company has been making substantial efforts in reduction of process waste and effluent. Over the years, there has been a significant reduction in the generation of wastes by adopting better process methodology at the source.

(ii) Benefits derived:

The Company has been able to derive benefits through R & D activities in manufacturing of Pharmaceutical Intermediates, new Acid Chlorides with multiple end uses, new organic chlorides with multiple uses, intermediates of personal care chemicals, etc. Also, the Company has improved process efficiency by using better catalysts.

(iii) Information regarding imported technology: (Imported during last three years):

Your Company has not imported any technology during the last three years.

C) EXPENDITURE INCURRED ON R & D:

Particulars	(Rs. in Lakhs)	
	Current Year (2017-2018)	Previous Year (2016-2017)
Capital	36.37	77.00
Recurring	222.17	180.50
Total	258.48	257.50
Total R & D Expenditure as a % of total turnover	0.71	0.85

D) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	(Rs. in Lakhs)	
	Current Year (2017-2018)	Previous Year (2016-2017)
a) Earned by way of export of goods and claims	24896.61	20158.90
b) Used by way of Imports (Capital/Revenue)	10856.84	9730.78

DIRECTORS' REPORT...

ANNEXURE –II:

Extract of the Annual Return as provided under sub-section (3) of Section 92:

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2018

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details	
CIN	L23205GJ1965PLC001343
Registration Date:	6th October, 1965
Name of the Company	Transpek Industry Limited
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	6th Floor, Marble Arch, Race Course, Vadodara – 390007. Contact No. : (0265) 2335444
Whether Listed Company	Yes, Listed on BSE Limited
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, B-102 & 103 Shangrila Complex, 1st Floor, Near Radhakrishna Char Rasta, Akota, Vadodara– 390020. Phone: (0265) 2356794; 2356573; Email: vadodara@linkintime.co.in ; alpesh.gandhi@linkintime.co.in .

II. Principal Business Activities of the Company

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

Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
Chemicals	'20299' – Manufacture of various other chemical products n.e.c.(antiknock preparations, anti-freeze preparations, liquids for hydraulic transmission, composite diagnostic or laboratory reagents, writing or drawing ink, chemical substance used in manufacturing of pesticides and other chemical products)	100
	'20119' - Manufacture of organic and inorganic chemical compounds n.e.c.	

III. Particulars of Holding, Subsidiary and Associate Companies

Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
Transpek Industry (Europe) Limited	Foreign Company	Wholly Owned Subsidiary	100	Section 2(87) read with Section 2(11)

DIRECTORS' REPORT...

IV. Shareholding Pattern (Equity Share Capital Break up as a percentage of total equity)

i) category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	763894	-	763894	13.68	923894	-	923894	16.54	2.86
(b) Central Govt/ State Govt.	-	-	-	-	-	-	-	-	-
(c) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(d) Others (Bodies Corporate)	2309904	-	2309904	41.35	2364904	-	2364904	42.34	0.99
Sub-total (A) (1)	3073798	-	3073798	55.03	3288798	-	3288798	58.88	3.85
(2) Foreign									
(a) Individuals (Non Resident Individuals /Foreign Individuals	11710	-	11710	0.21	11710	-	11710	0.21	0.00
(b) Government	-	-	-	-	-	-	-	-	-
(C) Institutions	-	-	-	-	-	-	-	-	-
(d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(e) Any other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	11710	-	11710	0.21	11710	-	11710	0.21	0.00
Total Shareholding of Promoter (A) =									
(A) (1) + (A) (2)	3085508	-	3085508	55.24	3300508	-	3300508	59.09	3.85
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	450	450	0.00	-	-	-	-	0.00
(b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c) Alternate Investment Fund	-	-	-	-	-	-	-	-	-
(d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e) Foreign Portfolio Investors	-	300	300	0.00	109011	0	109011	1.95	1.95
(f) Financial Institutions/ Banks	210021	1313	211334	3.80	209728	396	210124	3.76	(0.04)
(g) Insurance Companies	-	-	-	-	-	-	-	-	-
(h) Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
(i) Any Other (Specify) (Bodies Corporate)	-	2450	2450	0.04	-	-	-	-	0.00
Sub-total (B) (1)	210021	4513	214534	3.84	318739	396	319135	5.71	1.87

DIRECTORS' REPORT...

IV. Shareholding Pattern (Equity Share Capital Break up as a percentage of total equity)

(cont'd...)

i) category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(2) Central Govt(s) /State Govt(s)/ President of India	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	0	0	0	0	30235	0	30235	0.54	0.54
(3) Non-Institutions									
(a) Individuals									
(i) Individuals shareholders holding nominal share capital upto Rs.2 Lakh	1044847	229755	1274602	22.82	1025447	184869	1210316	21.67	(1.15)
(ii) Individuals shareholders holding nominal share capital in excess of Rs.2 Lakhs	372599	0	372599	6.67	331028	0	331028	5.93	(0.74)
(b) NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
(c) Employee Trusts	-	-	-	-	-	-	-	-	-
(d) Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
Any Other (please specify)	625784	12542	638326	11.43	383847	10500	394347	7.06	(4.37)
Sub-total (B) (3)	2043230	242297	2285527	40.92	1740322	195369	1935691	34.66	(6.26)
Total Public Shareholding (B)=									
(B) (1) + (B) (2) + (B) (3)	2253251	246810	2500061	44.76	2089296	195765	2285061	40.91	(3.85)
C. Shares held by custodian for ADR & GDR	-	-	-	-	-	-	-	-	-
Grand Total A+B+C	5338759	246810	5585569	100.00	5389804	195765	5585569	100.00	0.00

DIRECTORS' REPORT...

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total Shares	No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total Shares	
1	Kamaljyot Investments Limited	702703	12.58	0.00	702703	12.58	0.00	0.00
2	Utkarsh Global Holdings Pvt. Ltd.*	1321440	23.66	0.00	0.00	0.00	0.00	(23.66)
3	Anshul Specialty Molecules Private Limited *	0	0.00	0.00	1376440	24.64	0.00	24.64
4	Shruti A. Shroff	305725	5.47	0.00	305725	5.47	0.00	0.00
5	Atul G. Shroff	38117	0.68	0.00	38117	0.68	0.00	0.68
6	Vishwa Atul Shroff	78386	1.40	0.00	78386	1.40	0.00	0.00
7	Madison Investments Pvt. Ltd.	73193	1.31	0.00	73193	1.31	0.00	0.00
8.	Shrodip Investments Pvt. Ltd.	72000	1.29	0.00	72000	1.29	0.00	0.00
9.	UPL Limited	41150	0.74	0.00	41150	0.74	0.00	0.00
10.	Kantisen C. Shroff	40690	0.73	0.00	40690	0.73	0.00	0.00
11	Hyderabad Chemical Products Private Ltd.	40150	0.72	0.00	40150	0.72	0.00	0.00
12.	Chetna P. Saraiya	38966	0.70	0.00	38966	0.70	0.00	0.00
13.	Dipesh K. Shroff	37662	0.67	0.00	37662	0.67	0.00	0.00
14.	Shalil S. Shroff	30867	0.55	0.00	30867	0.55	0.00	0.00
15.	Dipkanti Investments and Finance Pvt. Ltd.	30501	0.55	0.00	30501	0.55	0.00	0.00
16.	Pritami Investments Pvt. Ltd.	27004	0.48	0.00	27004	0.48	0.00	0.00
17.	Shaila S. Shroff	22800	0.41	0.00	22800	0.41	0.00	0.00
18.	Anshul A. Bhatia	21659	0.39	0.00	21659	0.39	0.00	0.00
19.	Dilipsinh G. Bhatia	10800	0.19	0.00	10800	0.19	0.00	0.00
20.	Hrishit A. Shroff	7086	0.13	0.00	7086	0.13	0.00	0.00
21.	Ravi A. Shroff	7086	0.13	0.00	7086	0.13	0.00	0.00
22.	Chaitanya D. Shroff	6746	0.12	0.00	6746	0.12	0.00	0.00

DIRECTORS' REPORT...

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged/ encumbered to total Shares	No. of shares	% of total shares of the Company	% of shares Pledged/ encumbered to total Shares	
23.	Hiral T. Dayal	6600	0.12	0.00	6600	0.12	0.00	0.00
24.	Chinmayi D. Shroff	28678	0.51	0.00	28678	0.51	0.00	0.00
25.	K.C.Shroff – HUF	6050	0.11	0.00	6050	0.11	0.00	0.00
26.	Usha A. Shroff	5532	0.10	0.00	5532	0.10	0.00	0.00
27.	Tushar C. Dayal	5005	0.09	0.00	5005	0.09	0.00	0.00
28.	Kirit Vidyasagar Dave	4035	0.07	0.00	4035	0.07	0.00	0.00
29.	Ashwin C. Shroff	3919	0.07	0.00	163919	2.93	0.00	2.86
30.	Praful M. Saraiya	1088	0.02	0.00	1088	0.02	0.00	0.00
31.	Vibrant Greentech India Private Limited	1663	0.03	0.00	1663	0.03	0.00	0.00
32.	Sandra R. Shroff	910	0.02	0.00	910	0.02	0.00	0.00
33.	Prakhyati Investments and Finance Pvt. Ltd.	100	0.00	0.00	100	0.00	0.00	0.00
34.	Ami Kantisen Shroff	22400	0.40	0.00	22400	0.40	0.00	0.00
35.	Krishni Dipesh Shroff	22400	0.40	0.00	22400	0.40	0.00	0.00
36.	Preeti Dipesh Shroff	22397	0.40	0.00	22397	0.40	0.00	0.00
TOTAL		3085508	55.24	0.00	3300508	59.09	0.00	3.85

* During the year, Utkarsh Global Holdings Private Limited amalgamated with Anshul Specialty Molecules Private Limited which led to consequential change in the promoters and their shareholding.

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

Sr. No.	Name of the Promoter whose shareholding changed	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Utkarsh Global Holdings Pvt. Ltd.*				
a.	At the beginning of the year	1321440	23.66		
b.	Changes during the year				
	Date	Reason			
	23/08/2017	Transferred	1321440		
c.	At the end of the year	-	-	0	0.00

DIRECTORS' REPORT...

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

Sr. No.	Name of the Promoter whose shareholding changed	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	Anshul Specialty Molecules Private Limited*				
	a. At the beginning of the year	0	0.00		
	b. changes during the year				
	Date Reason				
	23/08/2017 Acquired	1321440	23.66		
	20/12/2017 Acquired	55000	0.98		
	c. At the end of the year	-	-	1376440	24.64
3.	Ashwin C. Shroff				
	a. At the beginning of the year	3919	0.07		
	b. changes during the year				
	Date Reason				
	15/12/2017 Acquired	160000	2.86		
	c. At the end of the year	-	-	163919	2.93

* During the year, Utkarsh Global Holdings Private Limited amalgamated with Anshul Specialty Molecules Private Limited which led to consequential change in the promoters and their shareholding.

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Director, Promoters and Holders of GDRs and ADRs):

Sr. No.	Names of the Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Bharat Jayantilal Patel				
	a. At the beginning of the year	244828	4.38	0	0.00
	b. changes during the year				
	Date Reason				
	22/12/2017 Sold	23300	0.42	221528	3.96
	c. At the end of the year	-		221528	3.96
2.	Life Insurance Corporation of India				
	a. At the beginning of the year	208415	3.73	-	
	b. changes during the year		No Change during the year		
	c. At the end of the year	-		208415	3.73
3.	Patel Sonal Sanjiv				
	a. At the beginning of the year	0	0.00	-	-
	b. changes during the year				
	Date Reason				
	26/01/2018 Acquired	243370	4.36	243370	4.36
	02/02/2018 Sold	(3007)	0.05	240363	4.31

DIRECTORS' REPORT...

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Director, Promoters and Holders of GDRs and ADRs):

Sr. No.	Names of the Top Ten Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	09/02/2018	Sold	(18212)	0.33	222151	3.98
	16/02/2018	Sold	(9365)	0.17	212786	3.81
	23/02/2018	Sold	(9159)	0.16	203627	3.65
	02/03/2018	Sold	(2141)	0.04	201486	3.61
	09/03/2018	Sold	(6567)	0.12	194919	3.49
	16/03/2018	Sold	(3094)	0.06	191825	3.43
	23/03/2018	Sold	(4332)	0.08	187493	3.36
	31/03/2018	Sold	(3364)	0.06	184129	3.30
	c. At the end of the year		-	-	184129	3.30
4.	Hypnos Fund Limited					
	a. At the beginning of the year		0	0.00	-	-
	b. changes during the year					
	Date	Reason				
	31/03/2018	Acquired	109000	1.95	109000	1.95
	c. At the end of the year				109000	1.95
5.	Adesh Ventures LLP					
	a. At the beginning of the year		0	0.00		
	b. changes during the year					
	Date	Reason				
	13/10/2017	Acquired	625	0.01	625	0.01
	20/10/2017	Acquired	605	0.01	1230	0.02
	27/10/2017	Acquired	2126	0.04	3356	0.06
	03/11/2017	Acquired	5693	0.10	9049	0.16
	10/11/2017	Acquired	890	0.02	9939	0.18
	17/11/2017	Acquired	4211	0.08	14150	0.26
	24/11/2017	Acquired	21272	0.38	35422	0.63
	01/12/2017	Acquired	1853	0.03	37275	0.66
	08/12/2017	Acquired	22808	0.41	60083	1.07
	29/12/2017	Acquired	509	0.01	60592	1.08
	05/01/2018	Acquired	1120	0.02	61712	1.10
	c. At the end of the year		-	-	61712	1.10
6.	Jyotsna J. Bhatt					
	a. At the beginning of the year		49321	0.00	-	-
	b. Changes during the year				No Change during the year	
	c. At the end of the year		-	-	49321	0.00
7.	Sarah Faisal Hawa		24871	0.45		
	a. At the beginning of the year		24871	0.45	-	-
	b. Changes during the year					

DIRECTORS' REPORT...

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Director, Promoters and Holders of GDRs and ADRs):

Sr. No.	Names of the Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Date Reason				
	05/05/2017 Acquired	17558	0.31	42429	0.76
	19/05/2017 Acquired	5250	0.09	47679	0.85
	09/06/2017 Acquired	1000	0.02	48679	0.87
	24/11/2017 Sold	(8568)	0.15	40111	0.72
	c. At the end of the year	-	-	40111	0.72
8.	Investor Education Protection Fund				
	a. At the beginning of the year	0	0.00	-	-
	b. changes during the year				
	Date Reason				
	30/11/2017 Transfer	30235	0.54	30235	0.54
	c. At the end of the year	-	-	30235	0.54
9.	Finquest Securities Private Limited				
	a. At the beginning of the year	296062	5.30	-	-
	b. changes during the year				
	Date Reason				
	07/04/2017 Sold	(654)	0.01	295408	5.29
	28/04/2017 Sold	(2906)	0.05	292502	5.24
	05/05/2017 Sold	(47500)	0.85	245002	4.39
	16/06/2017 Sold	(190603)	3.41	54399	0.97
	30/06/2017 Acquired	1494	0.03	55893	1.00
	07/07/2017 Sold	(1073)	0.02	54820	0.98
	14/07/2017 Sold	(421)	0.01	54399	0.97
	04/08/2017 Sold	(531)	0.01	53868	0.96
	03/11/2017 Acquired	26	0.00	53894	0.96
	24/11/2017 Sold	(800)	0.01	53868	0.96
	01/12/2017 Acquired	20703	0.37	74571	1.33
	08/12/2017 Sold	(9669)	0.17	64902	1.16
	15/12/2017 Acquired	159669	2.86	224571	4.02
	22/12/2017 Sold	(213868)	3.83	10703	0.19
	29/12/2017 Acquired	5700	0.10	16403	0.29
	09/03/2018 Acquired	26880	0.48	43283	0.77
	16/03/2018 Sold	(17889)	0.32	25394	0.45
	c. At the end of the year	-	-	25394	0.45
10.	Meenal Rajesh Kapadia				
	a. At the beginning of the year	26410	0.47	-	-
	b. changes during the year				
	Date Reason				

DIRECTORS' REPORT...

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Director, Promoters and Holders of GDRs and ADRs):

Sr. No.	Names of the Top Ten Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	28/04/2017	Sold	(6410)	0.11	20000	0.36
	05/05/2017	Sold	(4561)	0.08	15439	0.28
	12/05/2017	Sold	(1439)	0.03	14000	0.25
	19/05/2017	Sold	(427)	0.01	13573	0.24
	26/05/2017	Sold	(160)	0.00	13413	0.24
	02/06/2017	Sold	(1500)	0.03	11913	0.21
	09/06/2017	Sold	(913)	0.02	11000	0.19
	23/06/2017	Sold	(403)	0.01	10597	0.18
	30/06/2017	Sold	(597)	0.01	10000	0.17
	04/08/2017	Sold	(50)	0.00	9950	0.17
	c. At the end of the year		-	-	9950	0.17

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and Key Managerial Personnel		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Shri Ashwin C. Shroff					
	At the beginning of the year		3919	0.07	-	-
	Changes during the year					
	Date	Reason				
	15/12/2017	Acquired	160000	2.86		
	At the end of the year		-	-	163919	2.93
2.	Shri Atul G. Shroff					
	At the beginning of the year		38117	0.68	-	-
	Date wise Increase/ Decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				No Change during the year	
	At the end of the year		-	-	38117	0.68
3.	Shri Dipesh K. Shroff					
	At the beginning of the year		37662	0.64	-	-
	Date wise Increase/ Decrease in				No Change during the year	

DIRECTORS' REPORT...

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Promoters' Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	At the end of the year	-	-	37662	0.64
4.	Shri Ravi A. Shroff	7086	0.12	-	-
	Date wise Increase/ Decrease in Promoters' Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.)			No Change during the year	
	At the end of the year	-	-	7086	0.12
5.	Shri Ninad D. Gupte	106	0.00	-	-
	Date wise Increase/ Decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc.)			No Change during the year	
	At the end of the year	-	-	106	0.00
6.	Shri Alak D. Vyas	01	0.00	-	-
	Date wise Increase/ Decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc.)			No Change during the year	
	At the end of the year	-	-	01	0.00
7.	Shri Pratik P. Shah	0	0.00	-	-
	Changes during the year				
	Date				
	Reason				
	23/08/2017	Acquired	1	0.00	
	At the end of the year			01	0.00

DIRECTORS' REPORT...

V. Indebtedness

Indebtedness of the Company including outstanding/accrued but not due for payment

(Rs.in Lakhs)

	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1902.39	410.00	2262.64	4575.03
(ii) Int. due but not paid	-	-	-	-
(iii) Int. accrued but not due	-	-	179.58	179.58
Total (i + ii + iii)	1902.39	410.00	2442.22	4754.61
Change in the Indebtedness during the financial year				
• Addition	7115.80	1000.00	874.53	8990.33
• Reduction	1400.23	-	295.51	1695.74
Net Change	5715.57	1000.00	579.02	7294.59
Indebtedness at the end of the financial year				
(i) Principal Amount	7617.96	1410.00	2841.66	11869.62
(ii) Int. due but not paid	-	-	-	-
(iii) Int. accrued but not due	-	-	128.25	128.25
Total (i + ii + iii)	7617.96	1410.00	2969.91	11997.87

VI. Remuneration of Directors and Key Managerial Personnel for FY 2017-2018:

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (In Rs.)
		Shri Atul G. Shroff (Managing Director upto 30.11.2017)	Shri Bimal V. Mehta Executive Director upto 30.11.2017 and Managing Director from 01.12.2017	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	9600000	11464000	21064000
	(b) Value of Perquisites u/s. 17 (2) of the Income-tax Act, 1961	646400	799400	1445800
	(c) Profits in lieu of salary under section 17 (3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Performance Incentive / Commission *	17,29,000	51,47,000	70,76,000
	- as % of profit	(1.5% of PBT) and	(1% of	
	- others, specify	2,00,000 (1% of net profit)	net profit)	

DIRECTORS' REPORT...

VI. Remuneration of Directors and Key Managerial Personnel for FY 2017-2018:

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (In Rs.)
		Shri Atul G. Shroff (Managing Director upto 30.11.2017)	Shri Bimal V. Mehta Executive Director upto 30.11.2017 and Managing Director from 01.12.2017	

5. Others, please specify

Total (A)

Ceiling as per the Act

Rs.5,14,70,000 (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.)

* Payable upon adoption of the Audited Financial Statements for the year ended 31st March, 2018 by the members of the Company at the Annual General Meeting scheduled to be held on 7th August, 2018.

Note: The remuneration of Managing Director and Executive Director in the above table has been calculated as per Section 17(1) of the Income-tax Act, 1961. As a result, the figures representing Remuneration paid/payable to them as per Sections 2(78) and 197 and Schedule – V of the Companies Act, 2013, mentioned elsewhere in this Report differ.

B. Remuneration to other Directors for F.Y. 2017-18:

Particulars of Remuneration	Name of Directors					Total Amount (In Rs.)
	Independent Directors					
	Shri Ninad Gupte	Dr. Bernd Dill	Shri Nimish Patel	Smt. Geeta Goradia	Shri Hemant Bhatt	
Fees for attending Board/ Committee Meetings	2,80,000	1,20,000	3,60,000	2,40,000	3,10,000	13,10,000
Commission *	7,50,000	5,00,000	6,00,000	6,00,000	5,00,000	29,50,000
Others, please specify	-	-	-	-	-	-
Total (1)	10,30,000	6,20,000	9,60,000	8,40,000	8,10,000	42,60,000

DIRECTORS' REPORT...

B. Remuneration to other Directors for F.Y. 2017-18:

Particulars of Remuneration	Name of Directors Non-Independent Directors			Total Amount (In Rs.)
	Shri Ashwin Shroff	Shri Dipesh Shroff	Shri Ravi Shroff	
Fees for attending Board/Committee Meetings	1,00,000	3,20,000	80,000	5,00,000
Commission *	6,00,000	6,00,000	5,50,000	17,50,000
Others, please specify	-	-	-	-
Total (2)	7,00,000	9,20,000	6,30,000	22,50,000

Total (B) = Total (1) + (2)

Total Managerial

65,10,000

(Rs.18,10,000
excluding fees for
attending meetings)

Ceiling as per the Act -

Rs.51,47,000/- excluding fees for attending meetings.
(being 1% of the Net Profits of the Company.)

* Payable upon adoption of the Audited Financial Statements for the year ended 31st March, 2018 by the members of the Company at the Annual General Meeting scheduled to be held on 7th August, 2018.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD for F.Y. 2017-18:

(In Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	Chief Financial Officer	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	Not Applicable	671843	2339350	3011193
	(b) Value of Perquisites u/s. 17(2) of the Income-Tax Act, 1961	Not Applicable		70400	70400
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	Not Applicable			
2	Stock Option	Not Applicable			
3	Sweat Equity	Not Applicable			
4	Commission - as % of profit - others, specify	Not Applicable			
5	Others, please specify	Not Applicable			
	Total	Not Applicable	671843	2409750	3081593

DIRECTORS' REPORT...

VII. Penalties/Punishment/Compounding of Offences:

There was no penalty or punishment inflicted upon the Company or its Directors and KMPs.

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment			-----NIL-----		
Compounding					
B. Directors					
Penalty					
Punishment			-----NIL-----		
Compounding					
C. Other Officers in Default					
Penalty					
Punishment			-----NIL-----		
Compounding					

ANNEXURE – III TO THE DIRECTORS' REPORT:

Policy for Remuneration to Directors, Key Managerial Personnel and Senior Management and Other Employees.

Preamble

This policy is made to define criteria and methodology for determining remuneration of Directors, Key Managerial Personnel and Senior Management Personnel and other employees.

Definitions

For the purpose of this policy the meaning of the terms 'Directors' and 'Key Managerial Personnel' shall be as defined in the Companies Act, 2013 and the terms 'Senior Management Personnel' and 'Other Employees' shall be construed in the manner commonly understood in industrial enterprises.

The remuneration shall include salary, perquisites, commission, incentives and any other benefits.

Guiding Principle

The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other employees.

Determination of Remuneration

The Committee will determine individual remuneration packages for Directors, KMPs and Senior Management Personnel of the Company taking into account factors it deems relevant, including but not limited to market conditions, business performance, practices in comparable companies, having due regard to the financial and commercial health of the Company as well as prevailing

DIRECTORS' REPORT...

laws and government/other guidelines.

The remuneration shall be linked to performance and will comprise of Fixed Pay and Incentive.

Fixed remuneration shall be competitive and based on the individual's responsibilities and performance.

The Committee may recommend fixed salary as well as variable salary, which may be calculated as a percentage of profits and may also have an overall ceiling limit for total variable salary payable to the individual.

The Committee may, at its sole discretion, conduct Remuneration Surveys in order to determine appropriate amount of remuneration for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

The Committee shall give due consideration to the views and recommendations of whole-time Directors in determining the remuneration payable to Key Managerial Personnel and Senior Management Personnel.

Stock Options:

The Company may offer Stock Options to whole-time Directors and employees.

The Committee shall be responsible to formulate, implement and monitor the scheme of Stock Options.

Remuneration of Other Employees:

For deciding the remuneration of other employees the management of the Company shall broadly consider the factors it deems relevant, including but not limited to the nature of work, responsibilities, relevant educational qualifications, length and type/quality of experience required, availability of such personnel, need of the Company, cost to the Company, financial and commercial health of the Company, practices followed in other comparable companies, market conditions, applicable laws, industrial conditions etc.

GENERAL:

Deviations from this policy:

Deviations on elements of this policy will be made in extraordinary circumstances, or when deemed necessary in the interests of the Company, or if there are specific reasons to do so in an individual case.

Disclosure in the Board's Report under Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	Director's Name	Ratio to median Remuneration
(i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-2018		
		Shri Ashwin C. Shroff	1.96:1
		Shri Bimal V. Mehta	52.09:1
		Shri Atul G. Shroff	36.85:1
		Shri Dipesh K. Shroff	2.57:1
		Shri Ravi A. Shroff	1.76:1
		Shri Ninad D. Gupte	2.88:1
		Dr. Bernd Dill	1.73:1
		Shri Nimish U. Patel	2.69:1
		Smt. Geeta A. Goradia	2.35:1

DIRECTORS' REPORT...

	Shri Hemant J. Bhatt	2.71:1
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2017-2018	Directors/CFO/CEO/CS/ Manager Name	% increase in Remuneration
	Shri Ashwin C. Shroff, Chairman	2.94%
	Shri Bimal V. Mehta, Managing Director	38.03%
	Shri Atul G. Shroff, Director	-37.72% *
	Shri Dipesh K. Shroff, Director	4.55%
	Shri Ravi A. Shroff, Director	-4.55%
	Shri Ninad D. Gupte, Independent Director	8.99%
	Dr. Bernd Dill, Independent Director	3.33%
	Shri Nimish U. Patel, Independent Director	3.23%
	Smt. Geeta A. Goradia, Independent Director	16.67%
	Shri Hemant J. Bhatt, Independent Director	19.75%
	Shri Alak D. Vyas, Company Secretary & Compliance Officer	33.38%
	Shri Pratik P. Shah, Chief Financial Officer	NIL**
(iii) Percentage increase in the median remuneration of employees in the financial year 2017-2018		11.92%
(iv) Number of permanent employees on the rolls of the Company	As on 31.03.2018 585	As on 31.03.2017 566
(v) Average percentile increase in the salaries of employees other than Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration. Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	<p>The average increase in employees' salary during the year 2017-18 is 11.92% and the managerial remuneration is lower by 8.22%.</p> <p>The Profit Before Tax for the year ended 31.03.2018 decreased by 17.41%. Normal industry standards are followed for increase in Managerial Remuneration.</p>	

* The remuneration of Shri Atul G. Shroff as Managing Director is for a part of the financial year 2017-18, i.e. upto 30th November, 2017 (When his tenure expired).

** Shri Pratik P. Shah has been appointed as Chief Financial officer w.e.f. 1st June, 2017. This being his first year of employment, % increase is NIL.

DIRECTORS' REPORT...

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

'ANNEXURE – IV' - TO THE DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of Contracts or arrangements or transactions not at arm's length basis:**
Not Applicable
2. **Details of material contracts or arrangement or transactions at arm's length basis:**

Sr. No.	Particulars	Remarks
a.	Name of the related party and nature of relationship	M/s. Anshul Life Sciences. Shri Ashwin C. Shroff and Shri Ravi A. Shroff, Directors of the Company are partners in M/s. Anshul Life Sciences.
b.	Nature of contracts/arrangements/transactions	Availing and rendering of any services pursuant to Section 188 (1) (d) of the Act.
c.	Duration of the contracts/arrangements/transactions	Three years w.e.f. 01st October, 2015 to 30th September, 2018.
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	The terms and conditions of the contract are the same as those with other non-related agents of the Company. The percentage of commission payable to them is at a rate not exceeding three percent of the basic sales value which is at par with the other non-related agents of the Company. The total transaction may exceed ten percent of the annual consolidated turnover of the Company. The transactions with M/s. Anshul Life Sciences are in the ordinary course of business and on arm's length basis.
e.	Date(s) of approval by the Board	27th July, 2015
f.	Amount paid as advances, if any	NIL

'Annexure – V' – TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibilities (CSR) Activities:

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.
CSR policy is stated herein below.
Web-link: <http://www.transpek.com/pdf/csr-policy.pdf>
2. The composition of the CSR Committee:
 - a. Smt. Geeta A. Goradia : Independent Director & Chairperson of the Committee

DIRECTORS' REPORT...

- b. Shri Dipesh K. Shroff : Promoter, Non-executive Director
- c. Shri Atul G. Shroff : Director
- d. Shri Nimish U. Patel : Independent Director
3. Average net profit of the Company for last three financial years: Rs.3155.50 Lakhs.
4. Prescribed amount of CSR Expenditure (2%) of the amount mentioned in item 3 above: Rs. 63.11 Lakhs
5. Details of amount spent on CSR during the financial year:
 - a. Total amount required to be spent for the financial year : Rs.63.11 Lakhs; Amount Spent : Rs.104.21 Lakhs
 - b. Amount unspent, if any: Rs. NIL
 - c. Manner in which the amount spent during the financial year is detailed below:

(1) Sr. No.	(2) CSR project or activity identified.	(3) Sector in which the Project is covered (clause no. of Schedule VII of Co. Act, 2013 as amended).	(4) Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes were undertaken	(5) Amount of outlay (budget) project or programme wise (Amt. in Rs.)	(6) Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes. (2) Overheads. (Amt. in Rs.)	(7) Cumulative expenditure upto to the reporting period. i.e. FY 2017- 2018 (Amt. in Rs.)	(8) Amount spent: Direct or through implementing agency
1.	Amount spent towards health awareness programme and sanitation facilities	Cl.(i) promoting health care including preventive health care and sanitation	(i) Chhotaudepur, Gujarat and (ii) Vadodara, Gujarat	45,00,000	41,08,800	41,08,800	Directly spent by the Company as well as through Shroffs Foundation Trust, Implementing Agency of the Company
2.	Amount spent towards Youth Development, Kalrav, Vocational Training, Education programme, educational facilities provided to Primary Schools, livelihood enhancement projects	Cl.(ii) Promoting Education	Vadodara, Gujarat	60,00,000	55,54,066	55,54,066	Directly spent by the Company
3.	Amount spent for Women Empowerment	Cl.(iii) empowering women	Vadodara, Gujarat	7,00,000	6,56,374	6,56,374	Directly spent by the Company

DIRECTORS' REPORT...

(1) Sr. No.	(2) CSR project or activity identified.	(3) Sector in which the Project is covered (clause no. of Schedule VII of Co. Act, 2013 as amended).	(4) Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes were undertaken	(5) Amount of outlay (budget) project or programme wise (Amt. in Rs.)	(6) Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes. (2) Overheads. (Amt. in Rs.)	(7) Cumulative expenditure upto to the reporting period. i.e. FY 2017-2018 (Amt. in Rs.)	(8) Amount spent: Direct or through implementing agency
4.	Amount spent on sustainable environment	Cl.(iv) ensuring environmental sustainability	Vadodara, Gujarat	2,00,000	1,01,920	1,01,920	Directly spent by the Company
Total CSR expenses incurred				1,14,00,000	1,04,21,160	1,04,21,160	

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: **Not Applicable.**
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company: Statement is given below:

RESPONSIBILITY STATEMENT:

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.'

Sd/-

Bimal V. Mehta

Managing Director

Date: 23rd May, 2018

Sd/-

Geeta A. Goradia

Chairperson of the CSR Committee

Corporate Social Responsibility Policy

Introduction:

Transpek Industry Limited ("TIL"), a part of Shroff Group of organizations and a listed company, engaged in the development and manufacturing of chemical products, has been serving the community towards improving the quality of life of all its stakeholders since its inception, much before the legal framework of CSR was announced by the Govt. of India through the Companies Act, 2013 ('the Act').

Philosophy:

TIL recognizes that business enterprises are the vital instruments of an economy and contribute significantly towards the well-being of the nation. TIL believes that the success of a company is measured not only in terms of financial results but also in terms of its commitment and contribution towards social and environmental performance which can generate multiplier impact towards enhancing societal sustainability and foster inclusive and equitable growth.

DIRECTORS' REPORT...

TIL's CSR strategy is a holistic, long term strategy that aligns with the group's core values of "Customer Focus", "Innovation", "Passion to Win" and "Fair play" for all stakeholders. This entails understanding the needs of communities, addressing them through need based projects and making them work together to help create game changing development for sustainable growth.

Vision:

To actively contribute towards creating innovative and sustainable solutions in the fields of health, education, vocational training and skill building and in doing so, build a better sustainable way of life for the weaker sections of the society.

Objectives:

1. Transpek will make significant contribution in improving quality of education by establishing innovative models in under-served schools in the State of Gujarat.
2. Transpek will encourage / nurture development of human capital by providing inclusive and vocational education through demonstrated models of excellence in technical training and skill building to help enhance the employability of aspiring students.
3. Transpek will drive measurable improvements in health and hygiene standards in communities in which it operates by supporting primary healthcare initiatives.

CSR Policy:

1. TIL is committed to manage its business with integrity, align business values with operations seeking to enrich the society in which it operates.
2. To undertake CSR programmes which largely fall within the State of Gujarat.
3. To engage in vocational training and skill building to enhance employability and help create livelihood for the society.
4. To provide preventive healthcare, sanitation and drinking water for the disadvantaged sections of the society and help improve their health and hygiene standards.
5. To promote awareness towards "Safety" and "Environment" while working closely with the communities.
6. To develop the required capability and self-reliance of women at the grass root level, enable empowerment and provide opportunities to promote gender equality.
7. To promote collaborative partnership with government authorities, village panchayats, NGO's and industry associations in order to have a multiplier impact. TIL will also be responsible in times of natural calamities and disasters.
8. To ensure an increased commitment at all levels in the organization and operate its business in an economically, socially and environmentally sustainable manner while recognizing the interests of all its stakeholders.

Governance Structure:

The governance structure for driving TIL's CSR Policy will incorporate the requirements under the law and also take into account the optimal structure required for maximizing impact. The CSR policy will be in compliance with the provisions of Companies (Corporate Social Responsibility) Rules, 2014 read with Section 135 and Schedule VII of the Companies Act, 2013 ('CSR Regulations').

Governance:

The Board will set up a committee of Directors known as 'Corporate Social Responsibility Committee' ("CSR Committee") which will be a responsible body for formulating policy and driving the strategy to fulfil its objectives.

TIL will seek to identify suitable programmes for implementation in line with the CSR objectives of the Company and CSR Regulations. The CSR Committee may assign the task of implementation of the specified CSR Plan/ project/ programmes within specified budgets and timeframes to such trust, society or company (established under section 25 of the Companies Act, 1956 or under section 8 of the Act by the Company, either singly or along with its holding or subsidiary or associate Company, or along with any other Company or holding or subsidiary or associate Company of such other Company, or otherwise) which would execute the said CSR Plan/ project/ programmes.

DIRECTORS' REPORT...

In case of programme execution by NGO's / Voluntary organizations, the following minimum criteria would need to be ensured:

1. The NGO / Agency has a permanent office / address in India, preferably in Gujarat.
2. The NGO is a professionally managed registered society under Societies Registration Act or a non-profit entity under Section 25 of the Companies Act, 1956 / Section 8 of the Companies Act, 2013 or a Trust registered under the laws applicable to charitable trusts and has an established track record of minimum three years in undertaking similar programmes or projects.
3. Possesses a valid Income Tax Exemption Certificate;
4. The NGO shall execute/implement the Company's specified CSR Plan/project/programmes within specified budgets with modalities of utilization of funds, timeframes and monitoring and reporting mechanism;
5. The capacity building expenditure including administrative overheads shall not exceed five percent of the total CSR Expenditure of the Company;
6. The antecedents of the NGO/ Agency are verifiable /subject to confirmation.
7. The Company can collaborate with any Private or Public Company incorporated under the Companies Act, 1956 or Companies Act, 2013 as may be permissible under the CSR Regulations for carrying out CSR activities.

The CSR Committee/Board of the Company will approve flagship programmes, periodically monitor the progress of activities and review strategy.

Ethical business is given priority at Transpek. We strictly follow and practise the principle of accountability, honesty and integrity in all aspects of our business and diligently comply with all applicable laws and regulations. We are additionally committed to provide equal opportunities in all respects of employment and will not engage in workplace conduct that can be construed as discrimination, intimidation and harassment.

'ANNEXURE – VI' - TO THE DIRECTORS' REPORT:

Particulars of Employees pursuant to Section 134(3)(g) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name of the Employee	Age (Yrs.)	Designation / Nature of Duties	Qualification	Total Experience (Yrs.)	Remuneration paid/payable (Rs. in Lakhs)	Date of commencement of employment	Last employment
Bimal V. Mehta	53	Executive Director (upto 30-11-2017) Managing Director from (01-12-2017)	Chartered Accountant	30	185.18	09/04/2010	Nibbana Limited
Atul G. Shroff	70	Managing Director (upto 30-11-2017)	S.S.C.	49	129.71	01/12/1981	Excel Industries Ltd.

DIRECTORS' REPORT...

Name of the Employee	Age (Yrs.)	Designation / Nature of Duties	Qualification	Total Experience (Yrs.)	Remuneration paid/payable (Rs. in Lakhs)	Date of commencement of employment	Last employment
Radha-krushna B. Shetty	57	Sr. VP (Technical)	Diploma in Mechanical Engineering	32	38.76	07/07/1988	Meher (P) Ltd.
Pratik P. Shah	39	VP (Finance) & CFO	Chartered Accountant	18	32.00	01/06/2017	Diamond Power Infra-structure Limited
Sharad R. Patil	53	VP (Marketing)	Diploma in Mechanical Engineering	35	26.33	04/01/1993	L&T Construction Group
Mandar S. Prabhune	49	DGM (Bio-Lab)	M.Sc (EST)	28	24.41	08/11/1994	Excel Industries Ltd.
Ashish B. Pathak	48	VP (Strategy & Business Development)	MBA (Marketing)	26	23.75	10/10/2016	Fortius Precision Engg. Pvt. Ltd.
Ashok G. Jadeja	52	GM (MM)	B.Com.	28	22.41	01/11/1990	-
Sureshpratap D. Singh	53	DGM (Process Development)	M.Sc (Chemistry)	30	22.24	04/09/2017	Sam Fine O Chem Limited
Dr. Ashokkumar K. Patel	57	GM (R&D)	M.Sc, Ph.D	34	22.00	22/01/2018	Himani Industries Limited
Hemant B. Shah	45	GM (Project, Planning & Control)	BE (Chemical), PGDBM, IEM	21	21.80	02/10/2015	Atul Limited

NOTES:

- 1) The nature of employment of the Executive Director and the Managing Director is contractual for a period of five years.
- 2) Remuneration mentioned above includes Salary, Perquisites, Provident Fund, Superannuation Fund, Gratuity and Commission payable in the case of Shri Bimal V. Mehta and Salary, Perquisites, Provident Fund, Superannuation Fund, Gratuity and Performance Incentive (For the period from 01-04-2017 to 30-11-2017) and Commission on Net Profits calculated under Section 198 of the Companies Act, 2013 as Non-Executive Director (for the period from 01-12-2017 to 31-03-2018) in the case of Shri Atul G. Shroff.
- 3) The Commission/Performance Incentive payable to Shri Bimal V. Mehta and Shri Atul G. Shroff respectively are as per their terms of re-appointment.
- 4) None of the employees is relative of any of the Directors of the Company.

DIRECTORS' REPORT...

'ANNEXURE – VII' - TO THE DIRECTORS' REPORT:

SECRETARIAL AUDIT REPORT

FORM NO. MR - 3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

23rd May, 2018

To,
The Members,
Transpek Industry Limited
Vadodara - 390007

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TRANSPEK INDUSTRY LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **(Not applicable, as the Company did not issue any security during the financial year under review);**
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2015; - **(Not applicable, as the Company has not granted any Options to its employees during the financial year under review);**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **(Not applicable, as the Company did not issue or listed any debt securities during the financial year under review);**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

DIRECTORS' REPORT...

- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable, as the Company has not delisted its equity shares from any stock exchange during the financial year under review;** and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (vii) Employees State Insurance Act, 1948;
- (viii) Employer's Liability Act, 1938;
- (ix) Environment Protection Act, 1986 and other environmental laws;
- (x) Explosives Act, 1864;
- (xi) Factories Act, 1948;
- (xii) Hazardous Wastes (Management and Transboundary Movement) Rules, 2016;
- (xiii) Industrial Disputes Act, 1947;
- (xiv) Maternity Benefits Act, 1961;
- (xv) Minimum Wages Act, 1948;
- (xvi) Payment of Bonus Act, 1965;
- (xvii) Payment of Gratuity Act, 1972;
- (xviii) Payment of Wages Act, 1936;
- (xix) Public Liability Insurance Act, 1991; and

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

I further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including woman Director. During the period under review the changes in the composition of the Board of Directors were carried out in compliance with the provisions of the Act;

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Urgent business, if any, is considered at a shorter notice with the consent of the Directors present including Independent Director.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. I have relied on the representations made by the Company and its officers in respect of the systems and processes and mechanism formed for compliances under the laws at (vi) to (xix) above and other applicable laws. The shares registered in the name of notified persons were inadvertently transferred to IEPF Authority and Company has requested IEPF Authority/CDSL for process to reverse the said transfer.

I further report that during the audit period, there were no instances of:

- i) Public / Rights / Preferential issue of shares / debentures / sweat equity;
- ii) Merger / amalgamation / reconstruction etc.;
- iii) Foreign technical collaborations.

DIRECTORS' REPORT...

I further report that during the financial year 2017-18, the Members have passed Special Resolutions and Ordinary Resolution through Postal Ballot in respect of the following matters on 11th January, 2018:

A. Special Resolutions:

1. Approval for Appointment of Shri Bimal V. Mehta as Managing Director of the Company;
2. Consent to Board of Directors to mortgage and/or charge the properties of the Company as required u/s 180 (1) (a) of the Companies Act, 2013; and
3. Consent to Board of Directors to borrow money in excess of aggregate of Paid-up Capital and Free Reserves as required u/s 180 (1) (c) of the Companies Act, 2013.

B. Ordinary Resolution:

1. Approval for Appointment of Shri Atul G. Shroff as a Non-Executive, Non-Independent Director of the Company:

CS VIJAY L VYAS

COMPANY SECRETARY IN PRACTICE

FCS No.: 1602; C P No.: 13175

Place: VADODARA

Date: 23rd May, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report includes discussion on the following matters within the limits set by the Company's competitive position:

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is a leading supplier of Chlorinated products to producers of Polymers, Pharmaceuticals, Agrochemicals, Flavours & Fragrances and Dyes and Pigments globally.

The Chlorination chemistry is one of the fundamental chemistries providing vast opportunity for manufacturing & supply of intermediates and specialty chemicals for a multitude of applications.

The Chemical Industry in India is currently in a growth phase mainly because of significant reduction in production and supply of chemicals from China. This has presented an excellent opportunity to Indian Chemical Sector for quick & significant growth.

The Company has built an excellent reputation globally for high quality, large volume Acid & Alkyl Chlorides.

Due to its technical expertise in handling hazardous chemicals and strong focus on safety & environment protection, your Company has built solid reputation with world's leading chemical giants.

While there are many opportunities for growth, the government policies need improvements to provide more supportive business environment to the Chemical Industry. One major initiative by the Government is "Make in India" which is a very welcome step.

The Company is poised to capture the growth potential expected at present and in near future.

OUTLOOK FOR THE INDUSTRY:

Due to steady global demand and significant reduction in production of Chemicals in China, the overall outlook for Indian Chemical Industry is looking very positive. In addition, the "Make in India" initiative of the Indian Government should provide further impetus for fast growth. There is a visible shift in sourcing location henceforth considered by global chemical companies. It is noted that such global giants are now increasing their reliance on India for the Raw Materials and Intermediates.

While the outlook for Indian Chemical Industry looks very positive, it is imperative that the Indian Chemical Industry will need to improve and upgrade its safety & environment protection practices substantially.

Your Company has robust, efficient & effective safety & environment protection practices in place. This, combined with very strong relationships with customers has enabled the Company to capture good growth for the current and coming period.

DIRECTORS' REPORT...

POLYMERS AND SPECIALITY PLASTICS AND PERFORMANCE MATERIALS:

There are continuous global efforts to develop strong, lightweight and durable materials that can replace metal in consumer and defense applications. Many innovations have already been made and are actively used. These are high strength Polymers. It is expected that the world market shall continue to grow for years to come for these types of Polymers. Your Company makes products that are vastly used in the manufacturing of such Polymers and Specialty Plastics and supplies to global manufacturers. The Company is well poised to increase its volumes substantially in this segment in near and long term.

PHARMA PRODUCTS:

Due to shift in production in China where there is reduction in basic material production and increase in complex high value, low volume products, the Pharmaceutical industry in India is also undergoing a shift in business model. This, combined with the regulatory pressures and setbacks has resulted in lower demand for company's products in this segment. In addition, there are competitive pressures for the Company's products as there are multiple manufacturers.

However, your Company has built strong relationships with many leading Pharma companies in India who are its customers for a very long time. This is expected to provide a long term growth to the Company.

The Company has robust and efficient systems in place to ensure the quality required by Pharma customers, and, therefore has remained first choice for them

AGROCHEMICALS:

The Agrochemical sector is seeing a steady growth some of which is attributable to lower imports from China. While the Company has a strong presence for supplying Acid and Alkyl Chlorides for this segment, no significant growth is envisaged due price sensitivity and utilization of production capacity for other segments.

In the longer period, the Company is planning to add capacities to increase the volumes in this segment,.

FLAVOURS AND FRAGRANCES:

Over the past few years, your Company has catered to the need of personal care product manufacturers. Increased business volumes under this segment are expected in coming years.

OPPORTUNITIES AND THREATS:

Opportunities:

The Company is a leader in production of chlorides required for manufacturing of high strength polymers having mission critical applications. The products manufactured by the Company are considered favourably by most of the global manufacturers of these Polymers. The Company is well poised to take advantage of this favourable situation & has taken steps to maximize capacity utilisation through de-bottlenecking and improvements.

In other application segments, it is expected that there will be good growth opportunities in the coming days, considering the current business environment and potential for significant growth for Indian Chemical Industry.

The Company has already started taking necessary steps to capture these opportunities.

Threats:

The Chemical Industry is under constant scanner of regulatory agencies & environmental activists. It is possible that there may be a sudden and significant change in the policy that may affect the business of the Company negatively. In order to minimize the impact of such threats, the Company has been constantly focusing on robust environment protection practices the not only meet the regulatory requirements but also surpass it.

The Company imports substantial quality of raw materials. These raw materials are produced by only a small number of manufacturers globally. A demand supply gap and/or high price increase may adversely affect the Company's capability in sustaining profits.

The price of many raw materials used by the Company is indirectly linked to the price of crude. If there is a significant increase in the price of crude, the Company's ability to sustain the profits would be adversely affected.

DIRECTORS' REPORT...

RISKS AND CONCERNS:

In today's volatile business scenario, the management of risks is critical. Today the businesses face a multitude of risks like foreign exchange fluctuations, trade disputes among countries, crude prices and significant uncertainty in many other areas. In order to succeed in such a business environment, it is imperative that a robust risk management process is in place. The Company has implemented a structured and efficient risk management process which is constantly reviewed by the Board of Directors. The risk management process helps mitigate the risks as much as possible.

SEGMENT WISE PERFORMANCE:

The Company has only one business segment, namely "Chemicals". The information in respect of secondary segment as per the Indian Accounting Standard (IAS-108) "Operating Segment" issued by the Institute of Chartered Accountants of India is given under Note No. 41 in the Notes forming part of the Consolidated Financial Statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company maintains an adequate and effective internal control system commensurate with its size and complexity. The internal control systems are supplemented through an extensive internal audit programme and periodic review by management.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The net sales of the Company for the year under review is Rs. 359.09 crores as compared to Rs.306.66 crores in the previous year, an increase of 17.10%. During the financial year 2017-18, the Company registered net profit of Rs.26.40 crores as against net profit of Rs. 29.41 crores in the previous year.

HUMAN RESOURCES:

The Company continues to significantly invest in the Human Capital in securing the future successes. The Employees of the Company are given adequate opportunities to showcase their skills and talents through Training and Development Programmes in several fields like Technical, Sales, Environment, Health and Safety, Soft Skills etc. These Training and Development Programmes have helped employees to achieve desired performance and in turn improve the productivity and output required by the organisation. The Company has put in place an efficient Performance Management System that combines individual needs of the Company vis-a-vis the needs of the organisation.

Your Company's HR Policies and Strategies have led to a good rise in manpower strength. During the year under review, the Company recruited many personnel in various cadres, of which six were females. Total thirty female employees are on the permanent rolls of the Company as on 31st March, 2018.

Performance of employees in the organisation is constantly monitored and they are given regular feedbacks and suggestions for continuous improvement.

The Company also strives to be an organisation that has in place excellent technology systems for dissemination of information and communication, providing training and effective utilisation of outside experts.

A special meeting of all the female employees is conducted every month wherein all female employees share and discuss problems, if any, faced by them during the course of their employment. Issues/grievances, discussed in the meeting are directly presented to the Managing Director and accordingly actions are taken/suggested.

Besides this, various informative and interactive sessions are also arranged through this meeting like guidance on financial planning, savings and investments, Self-defence for Women, Awareness about Breast and Cervical Cancer, Balanced Diet for women, quilling, filing of income tax return etc.

Apart from trainings and developments, the Company also provides facilities such as gymnasium, table tennis court and yoga and meditation room to its employees at its registered office for their well-being.

Your Company has put in place an excellent initiative for depicting mood of its employees. Several tokens consisting of three colours viz. Green (Happy mood), Yellow (Neutral mood) and Red (Anger mood) are kept in a bowl. Employees before and after their office timings, have to introspect their state of happiness at that point of time and accordingly have to put a token in the box. This initiative has helped employees to know their state of happiness and to improve the feeling of being happy.

DIRECTORS' REPORT...

A graphical analysis of the tokens placed in the bowl by its employees is conducted every week and based on the analysis, the Managing Director of the Company personally conducts a meeting with the employees and they are being constantly made aware of striving for their happiness and well being.

COMMUNITY ENGAGEMENT AND ENVIRONMENT MANAGEMENT:

The Company strongly believes that organisations and businesses can play a significant role in creating a sustainable and inclusive future with its stakeholders. It believes in a cohesive, inclusive and integrated society in which all individuals have access to opportunities for personal and economic growth. For several decades, the Company has consistently demonstrated its concern for the community (both internal and external) and a respect for its environment and the local ecology. It has been associated with a scalable, sustainable and integrated development of communities in and around its location at Ekalbara in District Vadodara.

Sustainability concerns are an integral part of the Company's value system. Over the years, the Company has embedded these values into its operations in a variety of ways, such as promoting rural development, undertaking and establishing programmes and processes for greening and conservation and promotion of volunteerism within the organization.

An integrated approach is adopted towards development, wherein creating social capital within the communities that it serves is given prime importance. People participation is vital to the success of the programmes and it forms the basis of all the projects.

TRAINING PERFORMANCE:

To develop the skills and instil behavioural and personality development traits in all supervisory staff and managerial cadre, the Company organized a number of training programmes during the year. These training programmes are identified through the Performance Management System by synchronizing organizational needs with individual needs. In these diverse programmes, 8888 man-hours of training was imparted to employees.

Apart from in-house training programmes, employees were also nominated for attending external training programmes on subjects of importance for business and area of responsibility.

INDUSTRIAL RELATIONS

Industrial peace and harmony based on healthy employee relations have continued throughout the year. The Management and the Union of employees enjoy a very cordial and mutually respectful relationship. The grievances/issues raised by the employees/Union were given due attention. The issues brought up by them were settled through regular meetings and interactions between the Management and the Union and action as mutually agreed was taken to settle them.

CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis relating to the Company's objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, foreign exchange market movements, changes in Government regulations and tax structure, economic and political developments within India and the countries with which the Company has business and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

DIRECTORS' REPORT...

Independent Auditors Certificate on Corporate Governance

To

The Members,

Transpek Industry Limited

1. We, **CNK & Associates, LLP** Chartered Accountants, the Statutory Auditors of **Transpek Industry Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2018.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For CNK & Associates, LLP

Chartered Accountants

FRN: 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No. 37391

Place: Vadodara

Date: 23rd May, 2018

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2018, in terms of Regulation 34 read with Schedule – V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance is interwoven in the ethical governance practices followed by the Company commensurate with its size, complexity, international operations and traditional ethical values. We believe that success and sustainability can be achieved only with the highest standards of corporate conduct towards all stakeholders – employees, shareholders, consumers and the community at large – by following the principles of accountability, integrity and responsibility in dealings with them.

The Company has complied with all the requirements of Corporate Governance in terms of Clause-C of Schedule-V of the Listing Regulations and the best practices are followed to achieve its goals on Corporate Governance.

2. BOARD OF DIRECTORS:

(a, b & c) Composition and attendance of Directors at the meetings of the Board and at Annual General Meeting and their other Directorships etc.:

During the financial year 2017-2018, Shri Atul G. Shroff, Managing Director of the Company retired from his service upon completion of his tenure at the close of business hours on 30th November, 2017. He had been associated with the Company since 1st December, 1981 and has rendered dedicated and very valuable services to the Company. With a view to availing the benefit of his long and rich experience and knowledge of the industry the Board had appointed him as a Non – Executive, Non-Independent Director w.e.f. 1st December, 2017.

Shri Bimal V. Mehta, Executive Director of the Company was appointed as the Managing Director of the Company w.e.f. 1st December, 2017.

The Chairman of the Board is a promoter – non-executive Director. Five of the nine non-executive Directors are Independent Directors as defined in Regulation 16 (1) (b) of the Listing Regulations and section 149 (6) of the Companies Act, 2013.

The composition and categories of Directors on the Board during the period 1st April, 2017 to 31st March, 2018 and details about meetings of the Board and various Committees held and attended by them, attendance in last AGM, directorships in other companies, Chairmanship/Membership in Committees of other companies, and web link where details of familiarisation programmes imparted to Independent Directors are given in the following table.

Sr. No.	Name of Director	Category of Directorship%	Number of Board Meetings (April, 2017 to March, 2018)		Attendance in last AGM held on 10th August, 2017	No. of other Directorships held as at 31st March, 2018@	No. of Board Committee positions held as at 31st March, 2018 (including Transpek Industry Limited)	
			Held	Attended			Chairman	Member
1.	Shri Ashwin C. Shroff	PD/NED	5	5	Present	8	1	-
2.	Shri Atul G. Shroff*	PD/NED	5	5	Present	4	1	2
3.	Shri Bimal V. Mehta**	NPD/ MD	5	5	Present	1	-	1
4.	Shri Dipesh K. Shroff	PD/NED	5	5	Present	14	-	3
5.	Shri Ravi A. Shroff	PD/NED	5	4	Present	11	-	3
6.	Dr. Bernd Dill	NED/ID	5	5	Present	1	-	-
7.	Shri Ninad D. Gupte	NED/ID	5	5	Present	1	2	3
8.	Shri Nimish U. Patel	NED/ID	5	4	Absent	6	1	4
9.	Smt. Geeta A. Goradia	NED/ID	5	5	Present	5	2	8
10.	Shri Hemant J. Bhatt	NED/ID	5	5	Absent	1	1	4

% PD - Promoter Director; MD - Managing Director; ED – Executive Director; NED - Non-Executive Director; ID - Independent Director as defined in the SEBI Listing Regulations.

@ Number of other Directorships includes Directorships held in private limited companies, Section 8 companies under the Companies Act, 2013 and foreign companies.

REPORT ON CORPORATE GOVERNANCE...

- * Shri Atul G. Shroff ceased to be the Managing Director w.e.f. close of business hours on 30th November, 2017 and was appointed as an Additional Director w.e.f. 1st December, 2017. The appointment of Shri Atul G. Shroff as Director was approved by an ordinary resolution passed by the shareholders by Postal Ballot on 11th January, 2018.
- ** Shri Bimal V. Mehta was appointed as the Managing Director w.e.f. 1st December, 2017. His appointment has been approved by the Shareholders by Postal Ballot on 11th January, 2018.

Detailed agenda notes were made available to the Directors in respect of the matters listed in Part-A of Schedule-II of the Listing Regulations, at least 7 (seven) days prior to the date of Meetings, as required under Secretarial Standard - 1 – 'Meetings of the Board of Directors'.

COMMITTEES OF THE BOARD:

Currently, the Board has the following committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Finance & Capex Committee

The Non-Executive Directors are paid sitting fees for attending the meetings of the above Committees. These Committees meet as and when the need arises and the minutes of their meetings are placed before the Board in its next meeting for the Board to take note thereof.

The constitution and terms of reference of all the mandatory Committees are decided by the Board in line with the applicable provisions of the Act, Rules and the Listing Regulations.

(d) Attendance of Directors in Board Meetings held during the year:

Date of the Board Meeting	27.05.2017	10.08.2017	29.11.2017	09.02.2018	27.03.2018
Board Strength	10	10	10	10	10
No. of Directors Present	9	9	10	10	10

(e) Disclosure of relationship between directors inter-se:

Shri Ravi A. Shroff, Director is the son of Shri Ashwin C. Shroff, Chairman, and they are relatives. None of the other Directors are relatives of any Director.

(f) The Shareholding of the Directors as on 31st March, 2018:

Sr. No.	Name of the Director	Shares held (Nos.)	% to total capital
(1)	Shri Ashwin C. Shroff	1,63,919	2.93
(2)	Shri Atul G. Shroff	38,117	0.68
(3)	Shri Bimal V. Mehta	-	-
(4)	Shri Dipesh K. Shroff	37,662	0.67
(5)	Dr. Bernd Dill	-	-
(6)	Shri Ravi A. Shroff	7,086	0.13
(7)	Shri Ninad D. Gupte	106	0.00

REPORT ON CORPORATE GOVERNANCE...

Sr. No.	Name of the Director	Shares held (Nos.)	% to total capital
(8)	Shri Nimish U. Patel	-	-
(9)	Smt. Geeta A. Goradia	-	-
(10)	Shri Hemant J. Bhatt	-	-

(g) The details of Familiarisation Programme imparted to Independent Directors are disclosed on the Website of the Company i.e. www.transpek.com/pdf/independent-director-familiarisation-prog.pdf

3. AUDIT COMMITTEE:

(a) Brief description of Terms of Reference of the Audit Committee:

- Recommendation for appointment, remuneration and terms of appointment of Statutory Auditors, Cost Auditors, Internal Auditors and Secretarial Auditors of the Company;
- Review and monitor the Auditors' independence and performance, and effectiveness of Audit process;
- Examination of the financial statement and the Auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Omnibus approval of Related Party Transactions;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters

(b) Composition, names of members and Chairperson:

The Audit Committee of the Board consists of the following three Independent Directors and one Promoter- Non-Executive Director:

1. Shri Ninad D. Gupte : Independent Director (Chairman of the Committee)
2. Shri Nimish U. Patel : Independent Director
3. Shri Hemant J. Bhatt : Independent Director
4. Shri Dipesh K. Shroff : Promoter, Non-Executive Director

All the members of the Audit Committee have accounting or financial management expertise by virtue of their having been Chief Executive Officers or possessing the requisite professional qualification or certification in accounting and management.

(c) Meetings and attendance during the year:

Details of meetings held and attended by the aforesaid Directors are as under:

Date of Audit Committee Meeting	Shri Ninad D. Gupte (Chairman) (ID/NED)	Shri Nimish U. Patel (ID/NED)	Shri Hemant J. Bhatt (ID/NED)	Shri Dipesh K. Shroff (PD/NED)
27.05.2017	Present	Present	Present	Present
10.08.2017	Present	Absent	Present	Present
18.09.2017	Absent	Present	Present	Absent
29.11.2017	Present	Present	Present	Present
09.02.2018	Present	Present	Present	Present
27.03.2018	Present	Present	Present	Present

REPORT ON CORPORATE GOVERNANCE...

The Company Secretary & Compliance Officer of the Company acts as the Secretary of this Committee.

Audit Committee meetings are also attended by the Chief Financial Officer as invitee. Statutory Auditors, Internal Auditors and Cost Auditors of the Company are also invited to the meetings and discussions are held with them as and when required. When the Chairman of the Audit Committee could not attend the meeting, another Independent Director and member of the Committee had chaired the meeting with the unanimous consent of other Committee members.

The minutes of the meetings of the Audit Committee are circulated to the members of the Board, discussed and taken note of and the recommendations of the Audit Committee are accepted by the Board.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 10th August, 2017.

4. NOMINATION & REMUNERATION COMMITTEE:

(a) Brief description of Terms of Reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Performance of Independent Directors and the Board and carrying out evaluation;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

(b) Composition, names of members & Chairman:

The Nomination and Remuneration Committee of the Board consists of the following two Independent Directors and one Promoter, Non-Executive Director:

1. Shri Ninad D. Gupte : Independent Director (Chairman of the Committee)
2. Shri Nimish U. Patel : Independent Director
3. Shri Dipesh K. Shroff : Promoter, Non-Executive Director

(c) Data on meetings of the Committee & attendance during the year:

Details of meetings of the Committee held and attended by the aforesaid Directors are as under:

Date of Nomination & Remuneration Committee Meeting	Shri Ninad D. Gupte (Chairman) (ID/NED)	Shri Nimish U. Patel (ID/NED)	Shri Dipesh K. Shroff (PD/NED)
27.05.2017	Present	Present	Present
29.11.2017	Present	Present	Present
09.02.2018	Present	Present	Present

The Company Secretary & Compliance Officer of the Company also acts as the Secretary of this Committee.

(d) Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and sub-regulation (4) of Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and its Committees and inputs were obtained from the Directors in structured questionnaires. The criteria for Performance Evaluation cover the areas relevant to their functioning as Director on the Board of the Company and as member of the Committees of the Board. An exercise was carried out to evaluate the

REPORT ON CORPORATE GOVERNANCE...

performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as oversight of Management, Interaction with Senior Management, Adequacy of Information & Timeliness, Board Dynamics, Stakeholders' Management, discharge of responsibility, conduct of meetings, composition and skills, preparedness and attendance at meetings, understanding the Company's operations and Key Competency/ area of knowledge, contribution at Board Meetings/Quality of inputs, interpersonal skills, confidentiality etc. The performance evaluation of the Independent Directors had also been carried out by the other Directors on the Board. The Directors expressed their satisfaction with the evaluation process.

5. REMUNERATION OF DIRECTORS:

- (a) During the year under review, there were no pecuniary relationships or transactions of the non-executive directors vis-à-vis the Company. The details of payment of sitting fees and commission made to the non-executive directors are given below. The details of related party transactions are given separately in this report and in the Notes on Accounts in the Annual Report.
- (b) The non-executive Directors are paid sitting fees for attending meetings of the Board and of Committees of Directors. In addition, as approved by the members of the Company, a commission not exceeding in the aggregate 1% per annum of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, in such proportion and manner as the Chairman may decide shall be payable to non-executive Directors of the Company.

The non-executive Directors were paid sitting fee of Rs. 20,000/- for each meeting of the Board and various Committees except in the case of meetings of Stakeholders Relationship Committee where the sitting fee paid was Rs. 10,000/- for each meeting. The non-executive Directors will also be paid commission upto 1% in the aggregate for the year 2017-2018 as detailed below:

Name of Non-executive Directors	Sitting fees paid during the year 2017-2018 for attending Board and Committee Meetings. (In Rs.)	Commission to be paid for the year 2017-2018.* (In Rs.)
Shri Ashwin C. Shroff	1,00,000	6,00,000
Shri Dipesh K. Shroff	3,20,000	6,00,000
Dr. Bernd Dill	1,20,000	5,00,000
Shri Ravi A. Shroff	80,000	5,50,000
Shri Ninad D. Gupte	2,80,000	7,50,000
Shri Nimish U. Patel	3,60,000	6,00,000
Shri Hemant J. Bhatt	3,70,000	6,00,000
Smt. Geeta A. Goradia	2,40,000	6,00,000
Shri Atul G. Shroff **	1,20,000	2,00,000

* Commission to Non-executive Directors for the year 2017-18 will be paid upon adoption of the audited financial statements for the year ended 31st March, 2018 by the members of the Company at the Annual General Meeting scheduled to be held on 7th August, 2018.

** Sitting Fees and Commission have paid to him pursuant to his appointment as Non-Executive Director w.e.f. 1st December, 2018.

REPORT ON CORPORATE GOVERNANCE...

5(c)(i) & (ii) All elements of remuneration package of individual executive directors for the F.Y. 2017-18 summarized under major groups, such as salary, benefits, bonuses, stock options, pension, etc.

Particulars	Shri Atul G. Shroff (as MD upto 30-11-2017)	Shri Bimal V. Mehta (as ED upto 30-11-2017 and as MD from 01-12-2017)
Fixed Components	(Amt. in Rs.)	(Amt. in Rs.)
1. Total Salary	96,00,000	1,15,93,846
Range approved	-	5,40,000 to 10,00,000
Present Salary	-	5,40,000
2. Total Perquisites	16,42,154*	18,76,708*
Variable Component		
Performance Incentive/Commission	19,29,000**	51,47,000 **

* Perquisites include contributions to Provident Fund, Superannuation and Gratuity in addition to the other perquisites equivalent to the amount of Salary.

** Shri Atul G. Shroff was paid a performance incentive linked with the performance of the Company at the rate of 1.5% of PBT during his tenure as the Managing Director of the Company for the period from 1st April, 2017 to 30th November, 2017 and commission at the rate of 1% of Net Profits as calculated under Section 198 of the Companies Act, 2013 for the period from 1st December, 2017 to 31st March, 2018 and Shri Bimal V. Mehta is paid a commission at the rate of 1% of the Net Profits as calculated under Section 198 of the Companies Act, 2013.

The above remuneration of both the executive directors is within the limits approved by the shareholders.

5(c)(iii) Service contracts, notice period, severance fees:

The employment of the Managing Director is contractual for a period of five years. His service is terminable by either party by giving three months' advance notice. As per the terms of contract, in the event of non-renewal or premature termination of the contract by the Company, the Managing Director is entitled to receive compensation equivalent to 12 months' salary and perquisites as applicable at the time of such termination.

5(c)(iv) Stock option details, if any, and whether issued at a discount as well as the period over which accrued and over which exercisable:

The Company does not have any Stock Option Scheme and did not issue any Stock Options during the Financial Year 2017-2018.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

- (A) Stakeholders' Relationship Committee as constituted by the Board pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, is being headed by Shri Nimish U. Patel, Non-executive Independent Director of the Company. Other members of the Committee include Shri Atul G. Shroff, Non-executive Director of the Company and Shri Hemant J. Bhatt, Non-executive Independent Director of the Company.
- (B) Shri Alak D. Vyas, Company Secretary and Compliance Officer of the Company also acts as the Secretary of this Committee.
- (C) During the year under review five (5) complaints were received, which were disposed of to the satisfaction of the aggrieved shareholders before 31.03.2018. Hence, there were no outstanding complaints pending as at 31.03.2018, the details of which are as under.

REPORT ON CORPORATE GOVERNANCE...

Sr. No.	Particulars	Nos. of Complaints
1	No. of complaints pending at the beginning of the year (01-04-2017)	-
2	No. of complaints received during the year 2017-18	5
3	No. of complaints resolved/ redressed during the year	5
4	No. of complaints pending as on 31-03-2018	-

7. GENERAL BODY MEETINGS:

(A): Location, date and time, where the last three annual general meetings were held:

Sr. No.	General Body Meeting	Date & time when held	Place where held
1	49th Annual General Meeting	21-09-2015 at 3.00 p.m.	Hotel Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara 390 020
2	50th Annual General Meeting	05-08-2016 at 3.30 p.m.	Hotel Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara 390 020
3	51st Annual General Meeting	10-08-2017 at 3.30 p.m.	Hotel Grand Mercure Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara 390 020

(B): The Following Special Resolutions were passed during the preceding three financial years:

Sr. No.	Year	Matters on which resolutions on special business were passed
1.	2016-2017 AGM Date: 10-08-2017	To approve acceptance and renewal of deposits from the members of the Company.
2.	2015-2016 AGM DATE: 05-08-2016	To approve increase in the remuneration of Shri Bimal V. Mehta, Executive Director of the Company, for the period from 9th April, 2016 to 8th April, 2018.
3.	2014-2015 AGM DATE: 21-09-2015	1. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013. 2. To consider and approve related party transaction under Clause 49(VII) of the Listing Agreement.

(C&D) SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT LAST YEAR:

During the year under review, following Ordinary/Special Resolutions were passed through Postal Ballot on 11th January, 2018:

1. To approve the appointment of Shri Bimal V. Mehta as Managing Director of the Company and his remuneration.
2. To approve the appointment of Shri Atul G. Shroff as a Non-Executive, Non-Independent Director of the Company.
3. To give consent to the Board of Directors as required under Section 180 (1) (c) of the Companies Act, 2013 to borrow in excess of the aggregate of Paid up Capital and Free Reserves.
4. To give consent to the Board of Directors as required under Section 180 (1) (a) of the Companies Act, 2018 to mortgage and/or charge the properties of the Company.

All the above resolutions were passed through requisite majority. The Postal Ballot exercise was carried out by Shri Vijay L. Vyas, Practising Company Secretary as an Independent Scrutinizer.

The pattern of voting on the postal ballot was as under:-

REPORT ON CORPORATE GOVERNANCE...

Resolution 1: To approve the appointment of Shri Bimal V. Mehta as Managing Director of the Company and his remuneration

Category	No. of shares held (1)	No. of valid votes polled (2)	% of votes polled on outstanding (3) = [(2)/(1)]*100	No. of votes in favour (4)	No. of votes - against (5)	% of votes in favour of valid votes polled (6) = [(4)/(2)]*100	% of votes against of valid votes polled (7) = [(5)/(2)]*100
Promoters and Promoter Group	2162844	2162844	100%	2162844	0	100%	0%
Public	744294	744294	100%	744292	2	100%	0%
Total	2907138	2907138	100%	2907136	2	100%	0%

Resolution 2: To approve the appointment of Shri Atul G. Shroff as a Non-Executive, Non-Independent Director of the Company

Promoters and Promoter Group	2162844	2162844	100%	2162844	0	100%	0%
Public	744294	744294	100%	744292	2	100%	0%
Total	2907138	2907138	100%	2907136	2	100%	0%

Resolution 3: To give consent to Board of Directors as required under Section 180 (1) (c) of the Companies Act, 2013 to borrow in excess of the aggregate of Paid up Capital and Free Reserves.

Promoters and Promoter Group	2162844	2162844	100%	2162844	0	100%	0%
Public	744294	744294	100%	744292	2	100%	0%
Total	2907138	2907138	100%	2907136	2	100%	0%

Resolution 4: To give consent to the Board of Director as required under Section 180 (1) (a) of the Companies Act, 2018 to Mortgage and/or charge the properties of the Company.

Promoters and Promoter Group	2162844	2162844	100%	2162844	0	100%	0%
Public	744294	744294	100%	744272	22	100%	0%
Total	2907138	2907138	100%	2907116	22	100%	0%

(E & F): None of the resolutions proposed to be passed at the ensuing AGM to be held on 7th August, 2018, is required or proposed to be put through postal ballot.

8. MEANS OF COMMUNICATION:

(A & B) The un-audited quarterly and summarized annual audited results have been submitted to the BSE Limited and are also published in two newspapers- (one English newspaper and one vernacular) - from among Business Standard (all editions); Vadodara Samachar (Vadodara edition); Indian Express (Vadodara edition) and Financial Express (all editions).

REPORT ON CORPORATE GOVERNANCE...

- (C) The financial results are also placed on the Company's Website – www.transpek.com/financial-results.html and are also available on the website of BSE Ltd. 'www.bseindia.com';
- (D) The Company has not issued any press note during the year.
- (E) The Company has not held any analyst meet/investors conference during the year and no presentations were made to Institutional Investors or to analysts.

9. GENERAL SHAREHOLDER INFORMATION:

- a. **Date, time and venue of Annual General Meeting:** On Tuesday, the 7th August, 2018 at 04.00 p.m. at Hotel Grand Mercure - Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara – 390 020.
- b. **Financial calendar:**
- Financial year : 1st April to 31st March
 - First quarter results : on or before 15th August, 2018
 - Half yearly results : on or before 15th November, 2018
 - Third quarter results : on or before 15th February, 2019
 - Results for the F.Y.2018-2019 : on or before 30th May, 2019
- c. **Dividend Payment date :** within 30 days after 7th August, 2018 (i.e. the date of 52nd AGM) on or before 6th September, 2018.
- d. **Stock Exchange Listings:** The BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001.
The Company has paid Annual Listing Fees to the BSE Limited for the F.Y. 2017-18.
- e. Scrip code/ID: '[506687](#)'; or '[Transpek](#)' on BSE Limited
ISIN No.: [INE 687A01016](#) for dematerialization.
- f. **Market price data – high, low during each month in last financial year:**

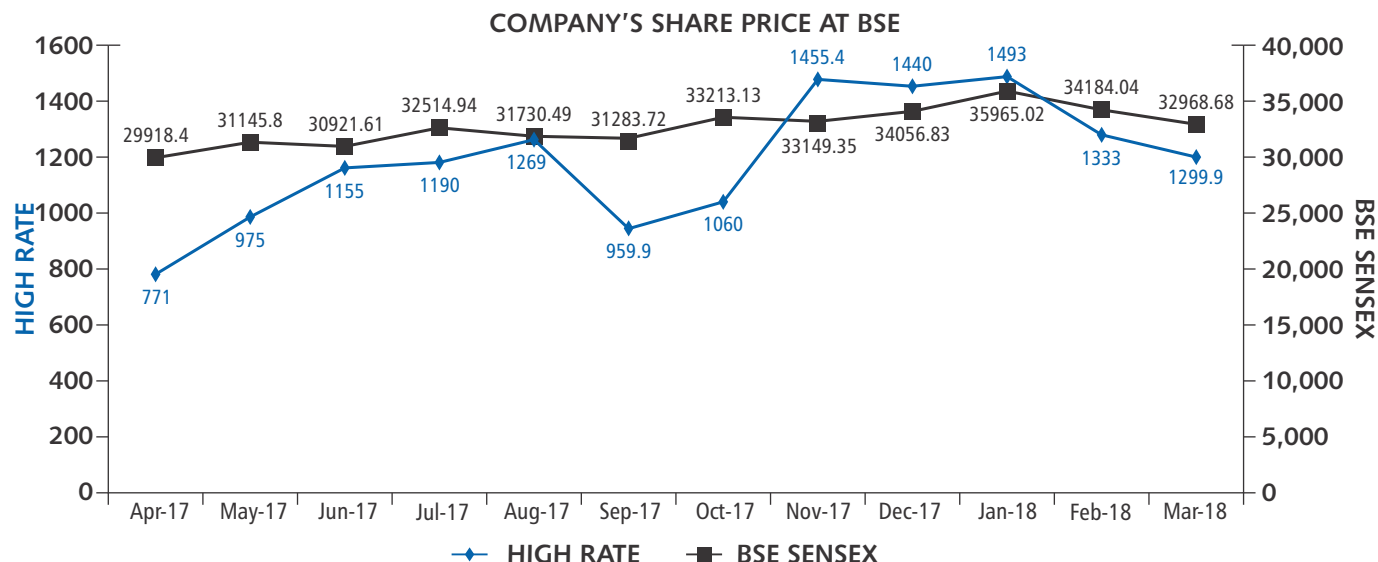
Monthly High, Low, Closing Market Price and number of shares traded during each month in the last financial year on the BSE Ltd., is furnished below:

MUMBAI (BSE)

2017-2018 (12 months)	Open Price (Rs. Per share)	Highest Price (Rs. per share)	Lowest Price (Rs. per share)	Closing Market price (Rs. per share)	Volume of Trade (No. of shares)
April, 2017	591.00	771.00	575.10	738.90	1,47,439
May, 2017	754.90	975.00	740.05	921.90	90,488
June, 2017	930.00	1155.00	880.05	1148.75	55,814
July, 2017	1147.95	1190.00	1042.00	1088.10	66,462
August, 2017	1100.00	1269.00	855.00	950.85	99,361
September, 2017	950.00	959.90	849.00	879.85	54,919
October, 2017	899.50	1060.00	873.55	1019.25	80,185
November, 2017	1010.15	1455.40	1003.50	1348.25	1,16,469
December, 2017	1351.00	1440.00	1280.00	1396.10	3,09,612
January, 2018	1439.00	1493.00	1235.00	1259.55	39,740
February, 2018	1301.50	1333.00	1155.00	1278.25	95,511
March, 2018	1261.50	1299.90	1212.50	1233.10	1,70,454

REPORT ON CORPORATE GOVERNANCE...

g. Share price performance in comparison to Broad-based Index BSE Sensex



h. During the year, the security of the Company was not suspended from trading in the market.

i. Registrar and Share Transfer Agent:

The Company's Registrar & Share Transfer Agent is M/s. Link Intime India Private Limited. The address of the Company's RTA is as under:

(i) Registered Office:

Link Intime India Private Limited,
 C-101, 247 Park,
 LBS Marg, Vikhroli (W),
 Mumbai 400 083
 Phone: +91 22 49186270
 Website: www.linkintime.co.in

(ii) Branch Office:

Link Intime India Private Limited
 B – 102 & 103 Shangrila Complex
 1st Floor, Nr. Radhakrishna Char Rasta
 Akota, Vadodara - 390020
 Phone: 0265- 2356794, 2356573
 Fax: 0265- 2356791
 Email: alpesh.gandhi@linkintime.co.in
vadodara@linkintime.co.in

j. Share Transfer System:

All the transfer requests received are processed by the Registrar and Share Transfer Agent and are approved by the Committee of Sr. Officials of the Company, which meets every ten days. Share transfers are registered and returned within a maximum of 15 working days from the date of lodgement if documents are complete in all respects.

k. Distribution of shareholding as on 31st March, 2018:

Category I. Share Range	No. of Shareholders	Percentage to Total No. of Shareholders	No. of Shares	Percentage to Capital
1 - 500	7,784	94.0097	5,70,833	10.2198
501 - 1,000	230	2.9018	1,67,241	2.9942
1,001 - 2,000	131	1.5821	1,84,231	3.2983
2,001 - 3,000	35	0.4227	89,571	1.6036
3,001 - 4,000	15	0.1812	53,022	0.9493
4,001 - 5,000	19	0.2295	84,104	1.5057
5,001 - 10,000	28	0.3382	2,06,166	3.6910
10,001 - and above	38	0.4589	42,31,300	75.7541
TOTAL	8,280	100.0000	55,85,569	100.0000

REPORT ON CORPORATE GOVERNANCE...

I. Dematerialization of Shares and liquidity:

The Company has entered into agreements with both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories. As on 31st March, 2018, 53,89,804 nos. of equity shares representing 96.49% of the paid up capital are held by 5224 shareholders in dematerialized form and 1,95,765 nos. of equity shares representing 3.51% of the paid up capital are held by 3056 shareholders in physical form. The shares of the Company are regularly traded in electronic mode on the BSE Ltd., which has nationwide online trading facility and which provides adequate liquidity.

m. There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

n. Commodity price risk or foreign exchange risk and hedging activities: The Company has framed a Foreign Exchange Risk Management Policy for hedging activities which takes care of foreign exchange risk.

o. Plant locations:

Transpek Industry Limited
At & Post -Ekalbara 391 440,
Taluka Padra, Dist. Vadodara
Telephone : 02662-244444, 244289, 244309, 244318, 244276
Website : 'www.transpek.com'

p. Address for correspondence:

Shri Alak D. Vyas
Company Secretary & Compliance Officer
Transpek Industry Ltd,
6th Floor, Marble Arch,
Race Course, Vadodara 390 007.
Telephone: 0265-2335444, 2335446, 2335447, 2334141, 2358236, 2335757, 2342262
Fax : 0265-2335758
E-mail : investorrelations@transpek.com;
Website : 'www.transpek.com'

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

10. OTHER DISCLOSURES:

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the listed entity at large:

Among the related party transactions are contracts or arrangements made by the Company from time to time in the ordinary course of business and on arm's length basis with the companies in which the Directors are interested. All these contracts or arrangements are entered in the 'Register of Contracts in which Directors are interested' maintained under Section 189 of the Companies Act, 2013 and the Register is placed before the Audit Committee and the Board from time to time and signed by the Directors. Prior omnibus approval of the Audit Committee had also been obtained for entering into certain Related Party Transactions. During the year, the Company had entered into related party transactions with M/s. Anshul Life Sciences and the same are in line with the approval accorded by the shareholders for such material related party transactions at the 49th Annual General Meeting held on 21st September, 2015. Also, the Company has entered into related party transactions with TML Industries Limited for doing job work of its existing products at its premises situated at Piludra, with the approval of the Audit Committee and the Board of Directors.

Details of transactions with Anshul Life Sciences as well as with TML Industries Limited have been mentioned in Form AOC-2, annexed to the Directors' Report.

The Company has also framed a Related Party Transactions Policy pursuant to the provisions of the Companies Act, 2013 read with Regulation 23 of the Listing Regulations and the same is available on the Company's website 'www.transpek.com'.

REPORT ON CORPORATE GOVERNANCE...

Particulars of transactions between the Company and related parties as per the Indian Accounting Standard 24 "Related Party Disclosures" notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Audit and Accounts) Rules, 2014 are given under Note No.42 of the Standalone Annual Accounts for the financial year 2017-18.

b. Statutory Compliance, Penalties and Strictures:

There has neither been any non-compliance of any of the provisions of law by the Company nor any penalty or stricture imposed by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets during the last three years.

c. Whistle Blower Policy:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has adopted a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct. The confidentiality of those reporting violations shall be maintained and they will not be subjected to any discriminatory practice. The Company affirms that no personnel have been denied access to the Audit Committee. Vigil Mechanism/Whistle Blower Policy is available on the Company's website and can be accessed at link - www.transpek.com/pdf/whistle-blower-policy.pdf

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements and has not adopted non-mandatory requirements under the SEBI Listing Regulations.

- e. The Company does not have any material subsidiary company and hence policy for determining material subsidiaries has not been adopted.
- f. Policy on dealing with related party transactions is available on the website of the Company and can be accessed at link - 'www.transpek.com/pdf/policy-on-related-party-transactions.pdf'
- g. Commodity price risks and commodity hedging activities: As informed above, the Company has framed a Foreign Exchange Risk Management Policy for hedging activities which takes care of foreign exchange risk.

11. The Company has complied with the requirements of corporate governance report at sub-para (2) to (10) above.

12. Compliance of Discretionary requirements under Part E of Schedule II of the SEBI Listing Regulations.

- 1. **The Board:** The Chairperson does not maintain his separate office at the Company's expense.
- 2. **Shareholder Rights:** The Company publishes the financial results in newspapers and places on its website. The Company does not send it to the shareholders.
- 3. **Modified opinion(s) in audit report:** The Audit opinion received by the Company has not been modified.
- 4. **Separate posts of chairperson and chief executive officer:** The Company already has two separate persons for the post of Chairperson and Chief Executive Officer (Managing Director).
- 5. **Reporting of internal auditor:** The Internal Auditors of the Company directly report to the Audit Committee of the Company and their Internal Audit Reports are presented at the meetings of the Audit Committee.

13. Compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The Company has complied with Corporate Governance requirements as specified in Regulations 17 to 27 relating to Board of Directors; Audit Committee; Nomination and Remuneration Committee; Stakeholders Relationship Committee; Risk Management Committee (voluntarily constituted); Vigil Mechanism; Related Party Transactions, Corporate Governance Requirements with respect to subsidiary Company (The Company has one subsidiary incorporated outside India which is not a material subsidiary company); obligations with respect to Independent Directors, other Directors and Sr. Management; the Company has submitted quarterly compliance reports on Corporate Governance together with the details of all material transactions with related parties duly signed by the Compliance Officer. The information and documents specified under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations have been placed on the website of the Company.

REPORT ON CORPORATE GOVERNANCE...

D. CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

This is to confirm and certify that the Company has adopted a Code of Conduct for Board Members and Senior Management Personnel. As provided under sub-regulation (3) of Regulation 26 of the Listing Regulations, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2018.

Place : Vadodara

Date : 23rd May, 2018

Transpek Industry Ltd.

Sd/-

Bimal V. Mehta

Managing Director

- E. During the year under review, there were no shares held in the demat suspense account/unclaimed suspense account. The Company has sent reminders to the Shareholders to claim their shares returned undelivered and lying in physical form with the Company. The unclaimed shares will be transferred to demat suspense account/unclaimed suspense account.

COMPLIANCE CERTIFICATE OF THE AUDITORS:

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and the same is annexed to the Directors' Report.

TEN YEARS HIGHLIGHTS

(₹ in Lakhs)

	2017-2018	2016-2017	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
I CAPITAL ACCOUNTS										
A Share Capital	558.56	558.56	587.20	587.20	587.20	587.20	587.20	587.20	587.20	559.30
B Reserves	13133.39	10110.45	8487.26	6889.54	6136.04	5588.04	4770.66	5802.52	4797.22	4360.34
C Shareholders' Fund (A+B)	13691.95	10669.01	9074.46	7476.74	6723.24	6175.24	5357.86	6389.72	5384.42	4919.64
D Borrowings*	18013.74	6984.33	5644.21	7158.35	5906.59	6789.16	6579.04	6566.50	5047.26	4670.52
E Fixed Assets										
i Gross Block	28029.58	20660.09	17548.16	16823.37	16188.85	15703.11	14931.21	13897.66	11426.75	10902.73
ii Net Block	17860.90	11713.61	9391.44	9227.04	9297.79	9444.09	9286.53	8853.61	6902.39	6846.64
F Debt-Equity Ratio	1.31:56	0.65:1	0.62:1	0.96:1	0.88:1	1.10:1	1.23:1	1.03:1	0.94:1	0.95:1
II REVENUE ACCOUNTS										
A Sales Turnover**										
i Domestic	9939.12	9649.92	10085.89	9587.62	9139.03	7622.96	7055.86	7795.81	4974.46	5953.71
ii Export	25250.78	20448.97	18002.56	16150.96	14256.67	13079.49	8299.24	10434.44	6366.28	10707.29
TOTAL	35189.90	30098.89	28088.45	25738.58	23395.70	20702.45	15355.10	18230.25	11340.74	16661.00
B EBITDA	5668.53	6013.02	5061.51	3599.92	3061.42	2904.17	458.11	3135.62	1823.86	2434.93
C Profit after tax	2640.29	2997.62	2127.78	1105.80	719.75	1023.48	(1031.85)	1276.44	454.60	789.93
D Return on Shareholders' Fund %	19.28	28.10	23.45	14.79	10.71	16.57	(19.26)	19.98	8.44	16.06
III EQUITY SHAREHOLDERS' EARNINGS										
A Earning per Equity Share Rs.	47.27	51.89	36.24	18.83	12.26	17.43	(17.57)	21.77	7.80	14.81
B Dividend per Equity Share # Rs.	9.00	9.00	7.50	5.00	2.50	3.00	-	4.00	2.50	2.50
C Dividend Payout Ratio %	22.95	20.57	24.91	31.86	23.86	20.14	-	21.36	37.66	20.71
D Net Worth per Equity Share Rs.	245.13	191.01	154.54	127.33	114.50	105.16	91.24	108.82	91.70	87.96
E Market price of Share as on 31st March	1233.10	590.35	396.20	241.20	119.45	60.00	85.05	137.05	63.50	47.05

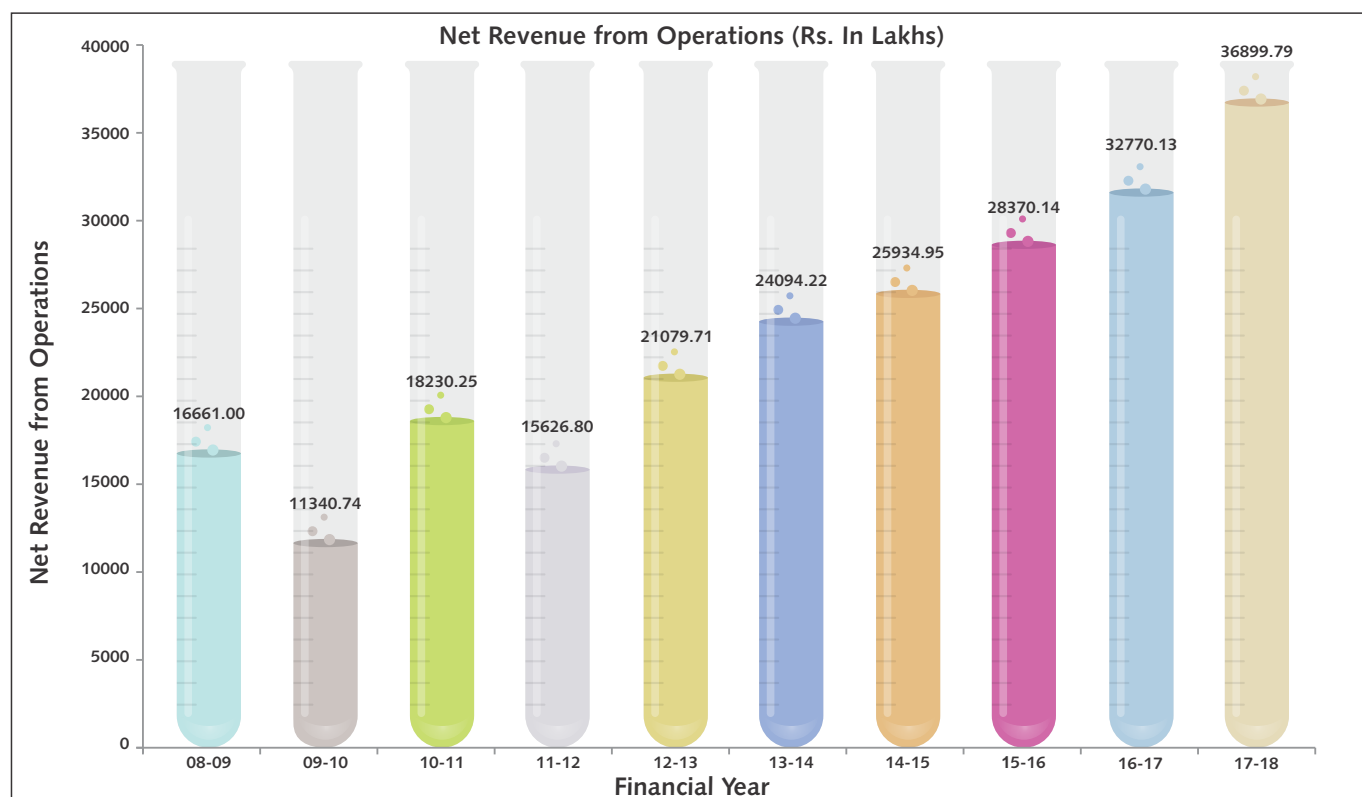
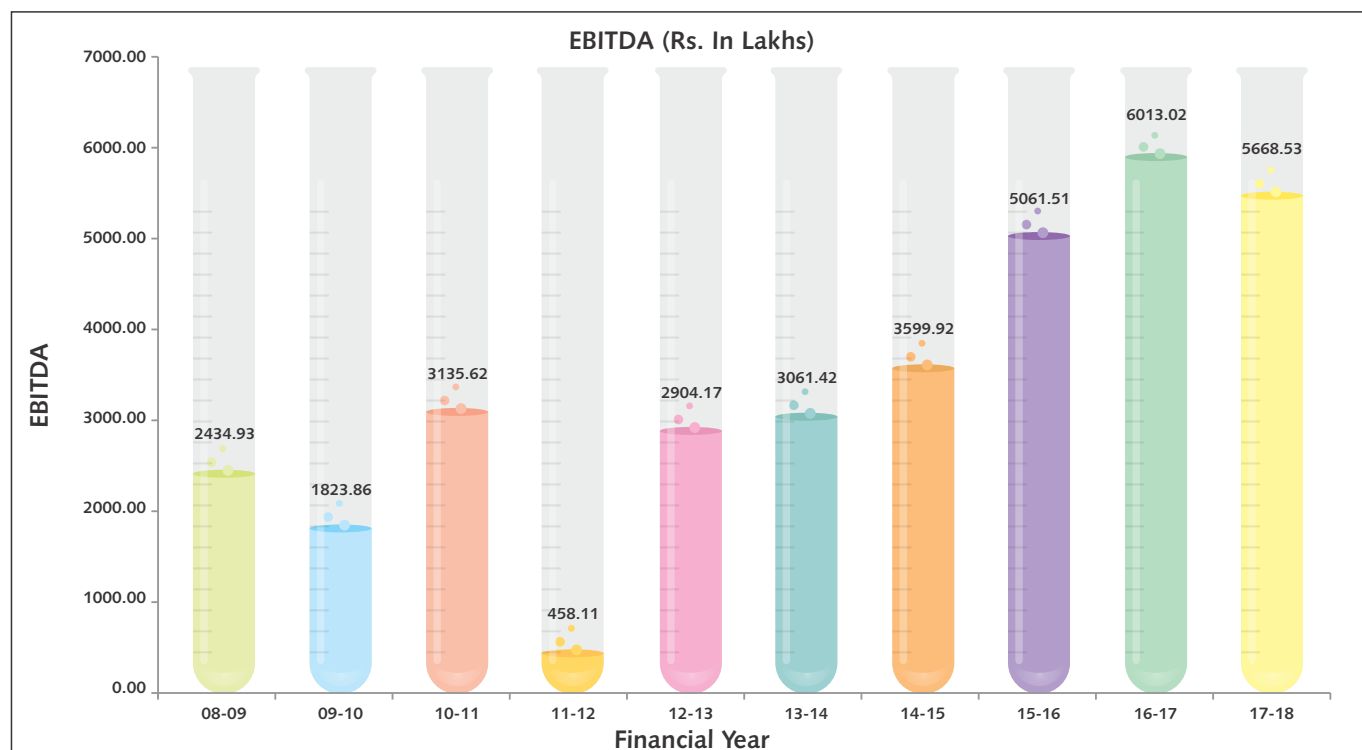
* Borrowing is net of Cash and Bank balance

** Sales Turnover is after reducing discounts/rebates and it does not include trading sales.

Equity Share of Face Value of Rs. 10/- each

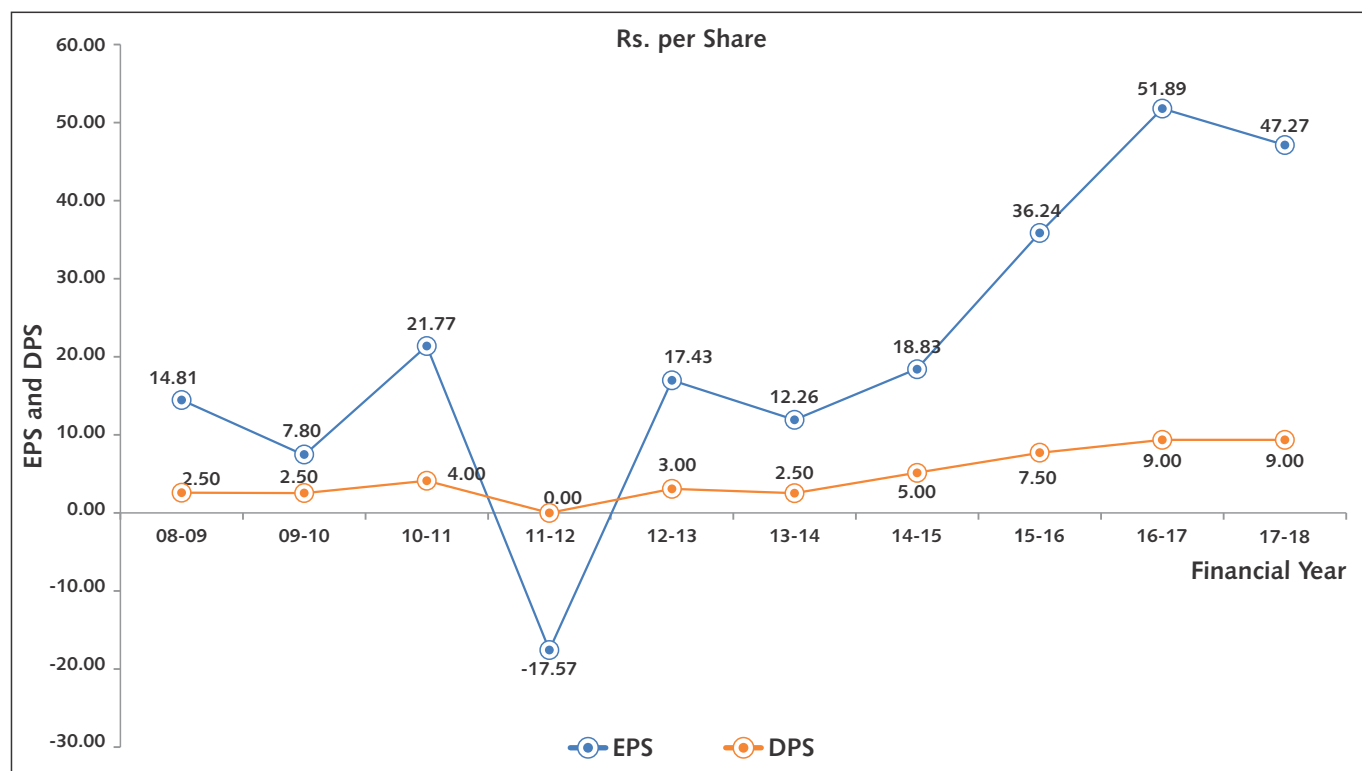
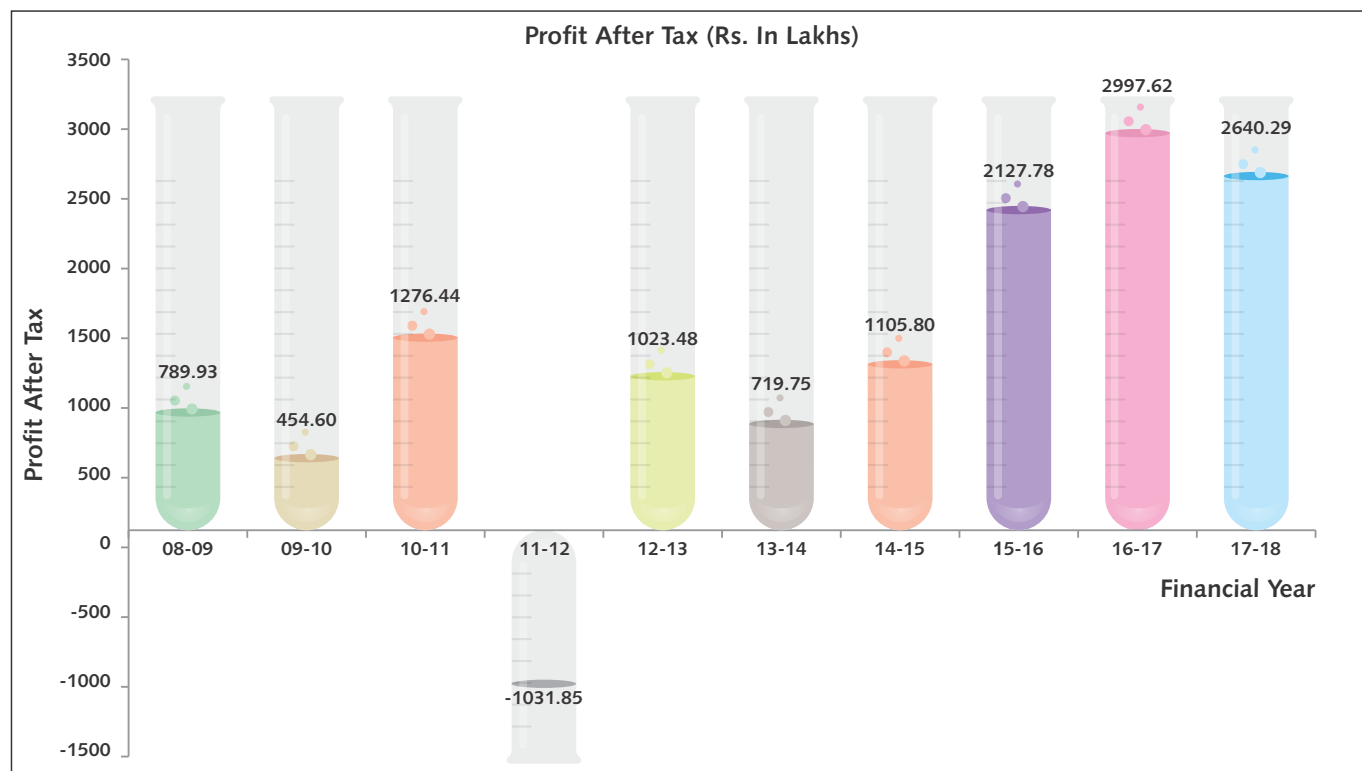
Previous year figures have been regrouped/rearranged wherever necessary

PERFORMANCE - AN OVERVIEW



Note : Previous years' figures have been regrouped / rearranged wherever necessary.

PERFORMANCE - AN OVERVIEW...



Note : Previous years' figures have been regrouped / rearranged wherever necessary.

INDEPENDENT AUDITORS' REPORT

To the Members of Transpek Industry Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying standalone Ind AS Financial Statements of **Transpek Industry Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS Financial Statements").

Management's Responsibility for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31 March, 2018, and its profit (financial performance) including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

INDEPENDENT AUDITORS' REPORT

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 (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rule issued there under;
- (e) on the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) In our opinion, with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note – 37(A) to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts –
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For C N K & Associates LLP

Chartered Accountants

FRN: 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership Number: 037391

Vadodara, 23rd May, 2018

INDEPENDENT AUDITORS' REPORT

Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2018.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the property, plant and equipments;
- (b) As informed to us, the company has a phased programme of physical verification of its fixed assets so as to cover all assets once in three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets;
- (c) According to the Information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company;
- (ii) (a) As per the information and explanations given to us, the inventories held by the company have been physically verified by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable;
- (b) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and the discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts;
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or any other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clause 3(a), 3(b) and 3(c) are not applicable for the year;
- (iv) In our opinion and according to the information and explanations given to us, provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities have been complied with;
- (v) In our opinion and as explained to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under for the deposits accepted by the company;
- (vi) We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, Goods and Service tax (GST), service tax, custom duty, excise-duty, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March, 2018, for a period of more than six months from the date they became payable. We are informed that the provisions relating to employee's state insurance are not applicable to the company;
- (b) According to the information and explanations given to us and the records examined by us, there are no dues of income tax, sales tax, Goods and Service tax(GST) wealth-tax, service tax, duty of customs, duty of excise, value added tax or cess that has not been deposited on account of disputes except the following:

INDEPENDENT AUDITORS' REPORT

Name of the Statute	Nature of dues	Amount (₹In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act ,1961	Income tax(including interest thereon)	12.21	2002-2003	Commissioner of Income Tax (Appeals), Vadodara
Income Tax Act ,1961	Income tax(including interest thereon)	16.83	2003-2004	Commissioner of Income Tax (Appeals), Vadodara
Income Tax Act ,1961	Income tax(including interest thereon)	16.96	2013 -2014	Commissioner of Income Tax (Appeals), Vadodara
Central excise act,1944	Excise duty(including penalty)	55.77	2002 to 2012	CESTAT, Ahmedabad
Service tax	Service tax(including penalty)	74.02	2009 to 2015	Commissioner (Appeals), Vadodara
Service tax	Service tax(including penalty)	332.89	2008 to 2015	CESTAT, Ahmedabad
Central excise act,1944	Custom duty (including penalty)	25.64	2007 to 2014	CESTAT, Mumbai
Total		534.32		

Note: Amounts paid under protest and not charged to profit and loss statement have not been included above.[Refer Note no. 37(A) of Notes forming part of the financial statements]

- (viii) Based on our audit procedure and according to the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks, Government or dues to debenture holders;
- (ix) According to the information and explanations given to us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and the term loans were applied for the purpose for which the loan were obtained during the year;
- (x) During the course of our examination of the books of account and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither came across any incidence of fraud on or by the company noticed or reported during the year, nor we have been informed of any such case by the management;
- (xi) According to the information and explanation given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act;
- (xii) In our opinion and according to the information and explanation given to us, the provisions related to Nidhi Company are not applicable;
- (xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of the Companies Act, 2013

INDEPENDENT AUDITORS' REPORT

have been complied with;

(xvi) According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For C N K & Associates LLP

Chartered Accountants

FRN: 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership Number: 037391

Vadodara, 23rd May, 2018

Annexure B to the Auditor's Report

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

We have audited the internal financial controls over financial reporting of TRANSPEK INDUSTRY LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ('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 Act.

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 Act, 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 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 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 over financial reporting, 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 judgement, including the assessment of the risks

INDEPENDENT AUDITORS' REPORT

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 with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, internal financial controls with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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 C N K & Associates LLP

Chartered Accountants

FRN: 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership Number: 037391

Vadodara, 23rd May, 2018

BALANCE SHEET AS AT MARCH 31, 2018

₹ in Lakhs					
Sr. No.	Particulars	Note No.	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
ASSETS					
(1) Non-current assets					
(a)	Property, Plant and Equipment	4	17,860.89	11,713.55	9,396.75
(b)	Capital work-in-progress	5	5,636.75	1,302.59	1,006.91
(c)	Investment in subsidiary	6	0.02	0.02	0.02
(d)	Financial Assets				
(i)	Investments	7	14,354.02	13,077.50	9,482.95
(ii)	Loans	8	228.82	108.76	134.57
(iii)	Other financial assets	9	251.00	224.00	-
(e)	Other non-current assets	10	591.82	274.32	319.52
(2) Current assets					
(a)	Inventories	11	4,597.45	3,708.51	3,769.98
(b)	Financial Assets				
(i)	Trade receivables	12	9,343.90	6,722.53	4,535.51
(ii)	Cash and cash equivalents	13	56.59	37.17	174.56
(iii)	Bank balances other than (ii) above	14	99.71	89.21	187.96
(iv)	Loans	15	87.38	72.14	19.14
(v)	Other financial assets	16	0.09	78.07	86.94
(c)	Other current assets	17	3,518.67	1,231.89	755.41
Total Assets			56,627.12	38,640.26	29,870.22
EQUITY AND LIABILITIES					
EQUITY					
(a)	Equity Share capital	18	558.56	558.56	587.20
(b)	Other Equity	19	24,134.96	20,003.75	16,067.03
			24,693.52	20,562.31	16,654.23
LIABILITIES					
(1) Non-current liabilities					
(a)	Financial Liabilities				
(i)	Borrowings	20	8,543.95	2,497.10	2,587.50
(b)	Provisions	21	311.36	290.30	265.75
(c)	Deferred tax liabilities (Net)	22	4,752.90	4,357.26	3,460.64
			13,608.21	7,144.66	6,313.89
(2) Current liabilities					
(a)	Financial Liabilities				
(i)	Borrowings	23	9,469.79	4,487.23	3,044.17
(ii)	Trade payables	24	5,441.62	3,386.68	2,027.66
(iii)	Other Financial liabilities	25	2,526.98	2,029.38	919.78

BALANCE SHEET AS AT MARCH 31, 2018...

				₹ in Lakhs	
Sr. No.	Particulars	Note No.	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
	(b) Other current liabilities	26	645.68	625.74	668.43
	(c) Provisions	27	178.85	241.84	225.19
	(d) Current Tax Liabilities (Net)	28	62.46	162.42	16.87
			18,325.38	10,933.29	6,902.10
	Total Equity and Liabilities		56,627.12	38,640.26	29,870.22

See accompanying notes forming part of the financial statements

As per our report of even date

For CNK & Associates LLP
 Chartered Accountants
 FRN : 101961W/W-100036

Himanshu Kishnadwala
 Partner
 Mem. No. : 037391

Place : Vadodara
 Date : 23rd May, 2018

For and on behalf of the Board of Directors

Ashwin C. Shroff (Chairman) DIN : 00019952
 Bimal V. Mehta (Managing Director) DIN : 00081171
 Atul G. Shroff (Director) DIN : 00019645
 Ninad D. Gupte (Director) DIN : 00027523
 Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
 Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
 Date : 23rd May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

₹ in Lakhs

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Revenue from operations	29	36,899.79	32,770.13
	Other income	30	433.06	742.99
(I)	Total Income		37,332.85	33,513.12
	EXPENSES			
	Cost of materials consumed	31	18,679.92	13,905.11
	Purchases of Stock-in-Trade	32	800.02	672.26
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	33	(260.53)	283.77
	Excise Duty on Sale of Goods		243.35	1,112.26
	Employee benefits expenses	34	3,736.61	3,496.95
	Finance costs	35	1,173.79	910.36
	Depreciation and amortization expense	4	992.48	863.20
	Other expenses	36	8,464.91	8,028.75
(II)	Total expenses		33,830.58	29,272.66
(III)	Profit before tax (I-II)		3,502.27	4,240.46
(IV)	Tax Expense:			
	Current tax		680.49	1,087.66
	Deferred tax and MAT		209.10	156.15
	Income Tax adjustments for earlier years		(27.61)	(0.98)
			861.98	1,242.83
(V)	Profit (Loss) for the period (III-IV)		2,640.29	2,997.62
(VI)	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		23.85	(63.59)
	- Equity instruments through other comprehensive income		2,542.53	3,594.55
	Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		(8.25)	22.01
	- Equity instruments through other comprehensive income		(462.17)	(762.47)
	Total other comprehensive income		2,095.95	2,790.50
(VII)	Total comprehensive income for the period (V+VI)		4,736.25	5,788.13
	Earnings per equity share (Refer Note 39)			
	(1) Basic		47.27	51.89
	(2) Diluted		47.27	51.89

See accompanying notes forming part of the financial statements

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
FRN : 101961W/W-100036

Himanshu Kishnadwala
Partner
Mem. No. : 037391

Place : Vadodara
Date : 23rd May, 2018

For and on behalf of the Board of Directors

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Atul G. Shroff (Director) DIN : 00019645
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : 23rd May, 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A Cash flow from operating activities		
Profit before income tax	3,502.27	4,240.46
Adjustments for :		
Depreciation and amortisation expense	992.48	863.20
Interest Income	(41.85)	(42.79)
Allowance for doubtful debts (Expected Credit Loss Allowance)	2.31	1.36
Gain/(loss) on foreign currency transactions/translations	18.15	(7.72)
Interest Expense	1,173.79	910.36
Dividend Income	(284.61)	(535.26)
(Gain) / Loss on disposal of Property, Plant and Equipment	3.54	65.81
Operating profit before working capital changes	5,366.09	5,495.42
Change in operating assets and liabilities:		
(Increase) / Decrease in Trade receivables	(2,576.68)	(2,180.66)
(Increase) / Decrease in Inventories	(888.94)	61.47
(Increase) / Decrease in Loans	(135.30)	(27.19)
(Increase) / Decrease in Other Financial Assets	49.81	(228.92)
(Increase) / Decrease in Other Assets	(2,149.53)	(174.30)
Increase / (Decrease) in Trade Payables	2,054.94	1,359.02
Increase / (Decrease) in Short Term Borrowings	4,948.23	1,443.06
Increase / Decrease in Other Financial Liabilities	39.83	(23.42)
(Increase) / Decrease in Other Liabilities	(6.40)	(43.07)
Cash generated from operations :	6,702.04	5,681.42
Direct taxes paid (net)	(1,034.92)	(978.33)
Net cash from operating activities (A)	5,667.12	4,703.09
B Cash flows from investing activities		
Capital expenditure on property, plant and equipment (PPE) (including Capital work-in-progress and capital advances)	(11,947.88)	(3,689.95)
Proceeds from sale of property, plant and equipment (PPE)	11.58	5.43
Proceeds from sale of investments	1,266.01	-
Interest received	43.02	56.57
Dividend received	284.61	535.26
Net cash (used) in Investing activities (B)	(10,342.67)	(3,092.69)
C Cash flow from financing activities :		
Buyback of Equity Shares(including premium paid on Buyback)	-	(1,349.98)
Proceeds from of long term borrowings	7,515.27	1,235.01
Repayments of long term borrowings	(990.14)	(258.29)
Interest paid	(1,225.13)	(844.46)
Dividend paid (including Dividend Distribution Tax)	(605.04)	(530.06)
Net cash (used) in financing activities (C)	4,694.97	(1,747.77)
NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	19.42	(137.38)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018...

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
Balances with banks in current accounts and deposit account	24.52	160.66
Cash on hand	12.65	13.90
CASH AND CASH EQUIVALENTS AS PER NOTE 13	37.17	174.55
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
Balances with banks in current accounts and deposit account	33.46	24.52
Cash on hand	23.13	12.65
CASH AND CASH EQUIVALENTS AS PER NOTE 13	56.59	37.17

See accompanying notes forming part of the financial statements

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
FRN : 101961W/W-100036

Himanshu Kishnadwala
Partner
Mem. No. : 037391

Place : Vadodara
Date : 23rd May, 2018

For and on behalf of the Board of Directors

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Atul G. Shroff (Director) DIN : 00019645
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : 23rd May, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

a. Equity Share Capital :

		₹ in Lakhs
Particulars		Amounts
Balance as at the 1st April, 2016		587.20
Changes in equity share capital during the year		(28.64)
Balance as at the 31 March, 2017		558.56
Changes in equity share capital during the year		-
Balance as at the 31 March, 2018		558.56

b. Other Equity:

Particulars	Reserves and Surplus					Other Com- prehensive Income(OCI)	Total Equity
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	FVOCI - Equity Reserve	
As at 1st April, 2016	19.00	1,524.09	-	3,446.36	4,044.99	7,032.59	16,067.03
Profit for the year	-	-	-	-	2,997.62	-	2,997.62
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	(41.58)	-	(41.58)
Other comprehensive income for the year	-	-	-	-	-	2,832.08	2,832.08
Dividends paid including dividend tax thereon	-	-	-	-	(530.06)	-	(530.06)
Transfer from General Reserve on buyback of shares	-	-	28.65	(28.65)	-	-	-
Utilised for buyback	-	(1,321.33)	-	-	-	-	(1,321.33)
As at 31st March, 2017	19.00	202.76	28.65	3,417.71	6,470.98	9,864.67	20,003.77
As at 1st April, 2017	19.00	202.76	28.65	3,417.71	6,470.98	9,864.67	20,003.77
Profit for the year	-	-	-	-	2,640.29	-	2,640.29
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	15.60	-	15.60
Other comprehensive income for the year	-	-	-	-	-	2,080.36	2,080.36
Dividends paid including dividend tax thereon	-	-	-	-	(605.04)	-	(605.04)
Transfer of (gain)/loss on FVOCI equity investments	-	-	-	-	972.11	(972.11)	-
As at 31st March, 2018	19.00	202.76	28.65	3,417.71	9,493.92	10,972.92	24,134.95

See accompanying notes forming part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For CNK & Associates LLP
Chartered Accountants
FRN : 101961W/W-100036

Himanshu Kishnadwala
Partner
Mem. No. : 037391

Place : Vadodara
Date : 23rd May, 2018

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Atul G. Shroff (Director) DIN : 00019645
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : 23rd May, 2018

NOTES FORMING PART OF THE STANDALONE IND AS FINANCIAL STATEMENTS

NOTE : 1

CORPORATE INFORMATION

Transpek Industry Limited ('TIL', 'the Company') is into the manufacturing and export of a range of chemicals servicing the requirements of customers from a diverse range of industries - Textiles, Pharmaceuticals, Agrochemicals, Advanced Polymers, etc.

The Financial Statements of the Company for the year ended 31st March, 2018 were authorized for issue in accordance with a resolution of the Board of Directors on 23rd May, 2018.

NOTE: 2

BASIS OF PREPARATION

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101- First time Adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the 'Previous GAAP' for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's financial position, financial performance and cash flows is provided in Note 46 of the financial statement.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

2.1 SIGNIFICANT ACCOUNTING POLICIES

A. Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading

NOTES FORMING PART OF THE STANDALONE IND AS FINANCIAL STATEMENTS...

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / noncurrent classification of assets and liabilities.

B. Property, Plant and Equipment:

Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policies. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-Recognition:

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost (except to the extent of any adjustment permissible under other accounting standard) of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment is provided using the straight-line method based on the life and in the manner prescribed in Schedule II to the Companies Act, 2013, and is generally recognized in the statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided based on the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the useful life of the

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property, plant and equipment have been determined by the Management based on the technical assessment / evaluation:

Category of Property, Plant and Equipment	Useful Life in Years	
	As per Schedule II	As per Company's Assessment
Plant & Machinery (Continuous Process Plant)	25	20

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Capital Work-in-Progress

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the Company's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non Current Assets" and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

C. Intangible Assets:

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

Research costs are expensed as incurred. Product development expenditure incurred on individual product project is recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available or use or sale;
- Its intention to complete the asset and use or sell it;
- Its ability to use or sell the asset;
- The availability of adequate resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Amortization

Any expenditure capitalized as technical knowhow is amortized on a straight-line basis not exceeding over a period of ten years from the month of addition of the underlying product.

De- recognition of Intangible Assets:

Intangible asset is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is de-recognized.

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D. Impairment of Non financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

E. Inventories:

Inventories are measured at lower of cost and net realizable value. Cost of inventories is determined on a FIFO (as mentioned below), after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, reduction and conversion costs and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Items of Inventory are valued on the principle laid down by the Ind AS 2 on Inventories on the basis given below:

(a) Raw Materials, Stores & Spares (that are not capitalized) and Fuel	Lower of cost (determined on FIFO) and net realizable value.
(b) Packing Material	Lower of cost (determined on FIFO) and net realizable value.
(c) Traded Goods	Lower of cost and net realizable value.
(d) Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
(e) Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity and excise duty.

The comparison of cost and net realizable value is made on an item-by-basis.

F. Financial Instruments

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

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Financial Assets:

Initial recognition, classification 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.

Debt instruments at amortized cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest Rate (EIR) method. 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 in other income in the statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss.

Debt instrument at FVTOCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial Assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading 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.

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Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company 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.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset.

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

- Trade receivables and
- Other receivables

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount

Financial Liabilities:

Initial recognition and Measurement

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

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. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the 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

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Integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

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.

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.

G. Derivative financial instruments

The Company uses derivative financial instruments such as forward contracts to hedge its foreign currency risks relating to highly probable transactions or firm commitments. Such forward Exchange Contracts are marked to market and resulting gains or losses are recorded in the statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

H. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

I. Cash dividend

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

J. Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

K. Revenue recognition:

Revenue is recognized to the extent that it is possible that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into the account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of Goods

Revenue is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer, recovery of consideration is probable, the associated cost can be measured reliably, there is no continuing management

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involvement with the goods and the amount of revenue can be measured reliably. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Conversion charges

Income is recorded on accrual basis on dispatch of material and as per terms of agreement

Income from Wind Operated Power generators

Income from Sale of Wind Operated Power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board as per the agreement.

Sale of Scrap

Revenue from sale of scrap is recognized as and when scrap is sold.

Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

The benefits accrued under the duty drawback scheme as per the Import and Export Policy in respect of exports made under the said scheme has been included under the head 'Export Incentives'.

L. Other Income

Interest income

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims:

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

Commission Income:

Income on account of commission is accounted on accrual basis based on the Terms of Agreement.

M. Employee benefits:

Employee benefits include short term employee benefits, contribution to defined contribution schemes, contribution to defined benefit plan and Compensated absences.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Contribution towards defined benefit contribution schemes

Contribution towards provident fund and superannuation fund is made to the regulatory authorities. Contributions to the above scheme are charged to the Statement of profit and loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Company does not carry any further obligations, apart from the

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contributions to be made.

Defined benefit Plan

Gratuity plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy. Current service cost, Past-service costs are recognized immediately in Statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re measurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in profit or loss in the period in which they arise.

N. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

O. Income taxes :

The tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current Income tax (including Minimum Alternate Tax(MAT) is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability approach temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting 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 re-assessed at each reporting date 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 the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilized when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit are recognized to the extent that it is probable that the unused tax credit can be utilized in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

P. Provisions and Contingent liabilities and contingent assets :

a) Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

b) Contingent Liabilities and Contingent assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the

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occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Q. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss 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.

R. Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased assets or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

S. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performances. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

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Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

T. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.2 USE OF JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Estimates and assumptions

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

a. Determination of the estimated useful life of tangible assets

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

b. Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognized in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

c. Taxes

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

d. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

NOTES FORMING PART OF THE STANDALONE IND AS FINANCIAL STATEMENTS...

e. Provision against obsolete and slow-moving inventories

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realizable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

f. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade 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 analyzed.

g. Impairment of non- financial assets

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

These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

h. Other Provisions

Significant estimates are involved in the determination of provisions. Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated.

3. The list of standards issued but not yet notified as on 31st March 2018:

Ind AS 115. Revenue from contracts with Customers

On 28th March, 2018, Ministry of Corporate Affairs (MCA), has notified the Ind AS 115, Revenue from contracts with Customers. The core principal of new standard is that an Entity should recognise the revenue to depict the transfer of promised goods or services to Customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flow arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial period beginning on or after 1st April, 2018. The Company will adopt the standard on 1st April, 2018 using cumulative catchup transition method and accordingly comparative for the year ending or ended 31st March, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 on the operation of the Company is not likely to be material.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

4 Property, Plant & Equipments

₹ in Lakhs

Particulars	Land-Free Hold	Factory Building	Office Building	Electric Installations	Plant and Equipment	Data Processing Machines	Research and Development	Furniture and Fixtures	Vehicles	Office equipment	Wind Power Generators	Technical Books	Total
Gross carrying amount													
Deemed cost As at 01-04-2016	312.09	653.93	122.39	101.74	7,395.72	53.96	415.21	100.57	220.09	18.32	-	2.77	9,396.81
Additions	-	188.66	-	19.77	2,597.22	22.97	77.00	25.08	83.49	16.55	220.50	-	3,251.25
Disposals	-	-	-	-	(63.85)	-	-	-	(9.46)	-	-	-	(73.31)
Gross carrying amount As at 31-03-2017	312.09	842.59	122.39	121.51	9,929.09	76.93	492.21	125.65	294.12	34.87	220.50	2.77	12,574.76
Additions	93.23	32.51	-	126.30	6,630.60	72.72	113.48	9.92	65.29	14.53	-	-	7,158.58
Disposals	-	-	-	-	(14.25)	-	(0.40)	-	(3.04)	-	-	-	(17.69)
Gross carrying amount As at 31-03-2018	405.32	875.10	122.39	247.81	16,545.44	149.65	605.29	135.57	356.37	49.40	220.50	2.77	19,715.65
Accumulated Depreciation:													
Charge for the year	-	81.99	2.36	21.75	627.23	21.27	34.45	26.54	40.11	6.40	0.85	0.25	863.20
On Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation As at 31-03-2017	-	81.99	2.36	21.75	627.23	21.27	34.45	26.54	40.11	6.40	0.85	0.25	863.20
Charge for the year	-	77.43	2.36	22.51	736.91	26.77	36.31	21.82	41.40	7.81	19.05	0.11	992.48
On Disposals	-	-	-	-	(0.76)	-	(0.23)	-	(0.05)	-	-	-	(1.04)
Closing accumulated depreciation As at 31-03-2018	-	159.42	4.72	44.26	1,363.38	48.04	70.53	48.36	81.46	14.21	19.90	0.36	1,854.64
Net carrying amount:													
As at 31-03-2018	405.32	715.68	117.67	203.55	15,182.06	101.61	534.76	87.21	274.91	35.19	200.60	2.41	17,860.89
As at 31-03-2017	312.09	760.60	120.01	99.77	9,303.96	55.65	457.76	99.12	254.01	28.46	219.65	2.52	11,713.55
As at 01-04-2016	312.09	653.93	122.39	101.74	7,395.72	53.96	415.21	100.57	220.09	18.32	-	2.77	9,396.75

Notes:

(i) The Company has adopted Previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly, the company has set the Net Block as per Previous GAAP as on April 1, 2016 as the Gross Block under Ind AS.

(ii) Assets pledge as security :

The free hold Land and Buildings except free hold land acquired during the year amounting to ₹ 93.23 Lakhs, all movable Plant and Machineries and other assets are pledge as security on pari passu basis to the bankers under a mortgage. The Company is not allowed to sell these assets to other entity.

(iii) Borrowing cost capitalized during the year amounts to ₹ 307.60 Lakhs.

5. Capital work-in-progress

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Capital Work in Progress			
(Related to Plant and Equipments under construction)	5,636.75	1,302.59	1,006.91

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

6 Investment in subsidiary

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Investment in Equity Instruments (Unquoted)			
Carried at cost (Fully Paid)			
Transpek Industry (Europe) Limited			
20 (31st March 2017: 20, April 1, 2016: 20) equity shares of GBP 1 each)	0.02	0.02	0.02
Total	0.02	0.02	0.02

7 Investments

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Investments at Fair Value Through Other Comprehensive Income			
Investment in Equity Instruments (Quoted fully paid up)			
1,56,650 (31st March 2017: 1,56,650, April 1, 2016: 1,56,650) equity shares of Excel Industries Limited	1,357.76	595.90	340.09
Investment in Equity Instruments (Unquoted fully paid up)			
Nil (31st March 2017: 10,000, April 1, 2016: 10,000) equity shares Agrocel Industries Private Limited *	-	798.24	798.24
9,49,315 (31st March 2017: 9,49,315, April 1, 2016: 9,49,315) equity shares of Transpek-Silox Industry Private Limited	12,996.12	11,683.22	8,344.48
400 (31st March 2017: 400, April 1, 2016: 400) equity share of Co-operative Bank of Baroda Limited	0.10	0.10	0.10
10 (31st March 2017: 10, April 1, 2016: 10) equity shares of Pragati Sahakari Bank Limited#	0.00	0.00	0.00
Total (A)	14353.98	13077.46	9482.91
Investments carried at amortized cost			
12 Years National Defence Certificate	0.01	0.01	0.01
7 Years National Saving Certificate	0.03	0.03	0.03
Total (B)	0.04	0.04	0.04
Total - (A+B)	14354.02	13077.50	9482.95
Aggregate amount of quoted investments	1357.76	595.90	340.09
Aggregate amount of unquoted investments	12996.26	12481.60	9142.86

* During the year the Company has disposed off its entire investment in equity shares of Agrocel Industries Private Limited. The profit of Rs. 12,560.00 lakhs realised on sale of above investments is included in other comprehensive income of the company and is now transferred to retained earnings (net of tax).

Amount less than thousand

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

8 Loans

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good			
Security Deposit *	208.28	108.76	134.57
Deferred Deposit	20.54	0.00	0.00
Total	228.82	108.76	134.57

*Security Deposit includes amount of ₹ 170.00 lakhs (Previous Period ₹ 100.00 Lakhs) to related party.

9 Other Financial Assets

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Bank deposits with more than 12 months of original maturity *	251.00	224.00	-
Total	251.00	224.00	-

* The above deposits are maintained for the purpose of Deposit Repayment Reserve Accounts as required under section 73(5) of the Companies Act, 2013 and the rules made there under.

10 Other Non Current Assets

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good			
Capital Advances	458.80	143.02	172.75
<u>Balances with government authorities</u>			
Taxes paid in advance (net of provisions)	106.45	100.00	84.80
VAT recoverable	26.57	31.30	61.97
Total	591.82	274.32	319.52

11 Inventories

(At lower of cost and not realizable value)

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Raw materials	1,963.20	1,400.52	1,171.57
Semi Finished goods	127.48	38.57	104.91
Finished goods	2,131.73	1,960.10	2,177.53
Stores and spares	290.05	238.46	241.29
Packing Materials	58.88	39.09	56.82
Fuel	26.11	31.77	17.86
Total	4597.45	3708.51	3769.98

Notes (i) The above inventories are pledged as securities to the bankers on pari passu basis against the fund based and non fund based credit limits availed or to be availed by the Company.

(ii) During the year and in previous year there are no instances with respect to write down of inventories from cost to net realizable value, nor there have been any reversal of the write down.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

12 Trade Receivables

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good	9,355.62	6,731.93	4,543.55
Less: Allowance for doubtful debts (Expected Credit Loss Allowance)	(11.72)	(9.40)	(8.04)
Total	9,343.90	6,722.53	4,535.51

13 Cash and cash equivalents

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Balances with banks			
In current accounts	33.46	24.52	160.66
Cash in hand	23.13	12.65	13.90
Total	56.59	37.17	174.56

14 Bank balances other than above

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Term deposits with original maturity for more than 3 months but less than 12 months*	1.15	1.09	86.36
Balances held as margin money against letters of credit issued by banks and Bill Discounting	61.78	59.18	56.55
Balances held in unpaid dividend accounts	24.81	18.92	14.85
Balances held in Right issue application money account	1.71	1.71	1.71
Balances held in unpaid interest on fixed deposit accounts	10.26	8.31	28.49
Total	99.71	89.21	187.96

* Fixed Deposits pledged with Government authorities As at 31 March 2018 ₹ 1.14 Lakhs, As at 31 March 2017 ₹ 1.09 Lakhs, and As at 1 April 2016 ₹ 1.00 Lakhs.

15 Loans

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good			
Loans and advances to employees and others*	87.38	72.14	19.14
Total	87.38	72.14	19.14

* Security Deposit includes amount As at 31 March 2018 ₹ 60.00 lakhs, As at 31 March 2017 ₹ 47.50 Lakhs and As at 1 April 2016 ₹ Nil to related party.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

16 Other Financial Assets

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Forward contracts Outstanding	-	76.81	71.90
Interest accrued on deposits	0.09	1.26	15.04
Total	0.09	78.07	86.94

17 Other Current Assets

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good			
Advances to suppliers	267.73	81.82	32.97
Advances to subsidiary (Refer Note 43 (E))	0.18	23.00	5.29
Prepaid expenses	201.76	212.00	291.90
Balances with Government authorities	3,049.00	915.07	409.49
Assets held for disposal	-	-	15.76
Total	3,518.67	1,231.89	755.41

18 Share Capital

(i) Authorised Share Capital

Particulars	Equity Share Capital		Preference Share Capital	
	Number of shares	(Amount) ₹ in Lakhs	Number of shares	(Amount) ₹ in Lakhs
As at 1st April 2016	75,00,000	750	5,00,000	500
Increase /(decrease) during the year	-	-	-	-
As at 31 March 2017	75,00,000	750	5,00,000	500
Increase /(decrease) during the year	-	-	-	-
As at 31 March 2018	75,00,000	750	5,00,000	500

(ii) Issued Share Capital

Particulars	Equity Share Capital		Preference Share Capital	
	Number of shares	(Amount) ₹ in Lakhs	Number of shares	(Amount) ₹ in Lakhs
As at 1st April 2016	58,72,040	587.20	-	-
Increase /(decrease) during the year	(2,86,471)	(28.64)	-	-
As at 31 March 2017	55,85,569	558.56	-	-
Increase /(decrease) during the year	-	-	-	-
As at 31 March 2018	55,85,569	558.56	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

(iii) The rights, preferences and restrictions attaching to each class of shares :

Equity shares with voting rights :

Each holder of equity shares 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 remaining assets of the company, after distribution of all preferential amounts and repayment towards Preference share holders, if any.

(iv) Shares held by shareholders each holding more than 5% of the shares

Shareholders	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Kamalijot Investments Limited	7,02,703	12.58%	7,02,703	12.58%	7,02,703	11.97%
Shruti A. Shroff	3,05,725	5.47%	3,05,725	5.47%	3,05,725	5.21%
Utkarsh Global Holdings Private Limited*	-	-	13,21,440	23.66%	8,18,367	13.94%
Anshul Speciality Molecules Private Limited*	13,76,440	24.64%	-	-	-	-
PAT Financial Consultants Private Limited	-	-	-	-	5,13,554	8.75%

*The Company Utkarsh Global Holdings Private Limited has amalgated with Anshul Speciality Molecules Private Limited vide Court order dated 23rd August 2017, and thereby the Share Holding in the Company has also been transferred.

(v) Details of Shares bought back by the company in the immediately preceding five years from the date of Balance sheet

The Company has bought back 2,86,471 shares. The details of the same is as under:

Year	Shares (Number)	Face Value per share	Total Face Value (₹ in Lakhs)	Premium Per Share ₹	Total Premium (₹ in Lakhs)	Grand Total (₹ in Lakhs)
2016-17	2,86,471	10	28.64	461.25	1,321.33	1,349.97

19 Other Equity

Particulars	₹ in Lakhs		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Reserve	19.00	19.00	19.00
Capital Redemption Reserve	28.65	28.65	0.00
Securities Premium Account	202.75	202.75	1524.09
General Reserve	3417.71	3417.71	3446.36
Equity Instruments through Other Comprehensive Income	10972.92	9864.67	7032.59
Retained Earnings	9493.93	6470.97	4044.99
Total	24134.96	20003.75	16067.03
(i) Capital Reserve (On amalgamation of subsidiary company)			
Opening/closing balance	19.00	19.00	
(ii) Capital Redemption Reserve			
As per last Balance Sheet	28.65	-	
Add: Transfer from General Reserve on buyback of shares	-	28.65	
Balance at the end of the year	28.65	28.65	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(iii) Securities Premium Account			
As per last Balance Sheet	202.75	1,524.09	
Add/(Less): Utilised for buyback	-	(1,321.33)	
Balance at the end of the year	202.75	202.75	
(iv) General Reserve			
As per last Balance Sheet	3,417.71	3,446.36	
Add/ (Less): Transfer to Capital Redemption Reserve on buyback of shares	-	(28.65)	
Balance at the end of the year	3,417.71	3,417.71	
(v) Equity Instruments through Other Comprehensive Income			
As per last Balance Sheet	9,864.67	7,032.59	
Add/Less : Additions/(Deletions) during the year	2,080.36	2,832.08	
Transfer of (gain)/loss on FVOCI equity investments	(972.11)	-	
Balance at the end of the year	10,972.92	9,864.67	
(vi) Retained Earnings			
Opening balance	6,470.97	4,044.99	
Add: Net Profit for the Year	2,640.29	2,997.62	
Add/(Less): Remeasurement of the Net Defined benefit liability/asset, net of tax effect	15.60	(41.58)	
Add: Transfer to retained earnings from FVOCI equity investments, (net of tax)	972.11	-	
Less : Dividends paid including dividend tax thereon	(605.04)	(530.06)	
Closing balance	9,493.93	6,470.97	
Total	24,134.96	20,003.75	

20 Borrowings

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Secured - at amortized cost			
(a) Term Loans			
- from Banks (Refer note (i) and (ii))	5,931.52	1,208.02	898.76
Unsecured - at amortized cost			
(a) Deposits			
- Deposits from members (Refer note - (iii) and (iv) below)	2,267.43	1,129.08	1,513.74
(b) Unsecured Loans from Related Parties. (Refer note-(v) below)			
- Inter Corporate Deposits	75.00	110.00	110.00
- Deposits from Directors	270.00	45.00	60.00
- Deposits from relative of Directors	-	5.00	5.00
	345.00	160.00	175.00
Total	8,543.95	2,497.10	2,587.50

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

(i) Nature of security:

The above Term loans/capex loans are secured by first charge by way of hypothecation of all the movable machinery financed or to be financed under the said term/capex loans by the respective banks. The above loans are further secured by first charge by way of an equitable mortgage on the whole of the immovable assets of the Company, both present and future, on pari passu basis. They are further secured by second charge by way of hypothecation over entire current assets including stock and book debts with current charge holders on pari passu basis. The Corporate working capital term loans are secured by way of pari passu first hypothecation charge over entire current assets of the company, present and future, ranking pari passu with other term lenders.

(ii) Maturity profile of Secured Term loans are set out below:

(Interest rate range from 8.75 % to 11.50 %)

₹ In Lakhs

Particular	Term loans - from Banks
1-2 years	1,686.15
2-3 years	1,633.33
3-4 years	1,466.67
4-5 years	1,300.00
5-6 years	1,300.00

(iii) Deposits from members are repayable within a period of 2-3 years from the date of acceptance. The interest rate for the same ranges from 9.00% to 10.52 %

(iv) Deposits from members includes deposits from related parties amounting to As at 31 March 2018: ₹ 38.60 Lakhs (As at 31 March 2017: ₹ 28.36 Lakhs and As at 1 April 2016: ₹ 10.61 Lakhs)

(v) Intercompany Deposits and unsecured Loan from Related Parties aggregating to ₹ 345.00 Lakhs (As at 31 March 2017 ₹ 160.00 Lakhs and 1st April, 2016 ₹ 175.00 Lakhs) are repayable within a period of 1-2 years. The interest rate for the same ranges from 8.75% to 11.25%.

21 Provisions

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Provision for employee benefits			
Provision for compensated absences (Refer note 40)	311.36	290.30	265.75
Total	311.36	290.30	265.75

22 Deferred tax(assets) / Liabilities net

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Deferred Tax Liability			
Related to Property, Plant and Equipments and Intangible asset	2,313.32	1,823.67	1,639.42
Financial Asset at fair value through other comprehensive income	2,863.59	2,684.97	1,922.49
Remeasurements of the defined benefit plans	8.25	-	-
Total	5,185.16	4,508.64	3,561.91

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

22 Deferred tax(assets) / Liabilities net

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Deferred Tax Assets			
Provision For Employee Benefit	121.79	117.96	98.38
Remeasurements of the defined benefit plans	-	22.01	-
Unused tax credit (MAT)	305.38	-	-
Others	5.09	11.41	2.90
Total	432.26	151.38	101.28
Deferred tax (assets) / liabilities net	4,752.90	4,357.26	3,460.64

23 Borrowings

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Secured - at amortized cost			
(a) Loans repayable on demand			
- from banks	7,004.66	2,447.44	1,906.06
(b) Acceptances from Bank (Refer note (i) below)	1,465.13	756.58	1,028.74
Unsecured - at amortized cost			
(a) Loan from banks (Refer note (ii) below)	-	1,000.00	-
(b) Acceptances from Bank	-	30.11	-
(c) Deposits			
- Deposits from Directors (Refer note (ii) below)	1,000.00	250.00	-
- Deposits from members (Refer note (iii) below)	-	3.10	109.37
Total	9,469.79	4,487.23	3,044.17

(i) The above cash/Export credit facilities, short term loan, Buyers credit and Bills discounting from Consortium bankers i.e. State Bank of India, Axis Bank Limited, Bank of Baroda and IDBI Bank Limited are secured by first charge by way of hypothecation of stocks of raw materials, packing materials, consumable stores, finished goods, semi-finished goods and book debts of the company, on pari passu basis. The aforesaid credit facilities are further secured by way of charge on the all fixed assets of the company ranking second and subservient for the charges created in respect of borrowings obtained from them. The interest rate for the same ranges from 10.45 % to 13.50 %.

(ii) The Interest rate for unsecured short term loan and deposit from director is 9.90%.

(iii) The Interest rate for short term unsecured Deposits from members is 10.00% to 10.38%.

24 Trade Payables

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Trade payables			
- To Micro and small enterprises (Refer note 43 (A))	221.53	164.51	207.74
- To other than Micro and small enterprises	5,220.09	3,222.17	1,819.92
Total	5,441.62	3,386.68	2,027.66

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

25 Other Financial Liabilities

₹ in Lakhs			
Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Current maturities of long-term debt (Refer Note (i) below)	1,686.15	684.51	514.03
Current maturities of unsecured deposits (Refer Note(ii) below)	604.78	1,128.13	231.49
Interest accrued but not due on borrowings	128.26	179.59	113.69
Unpaid dividend(*)	24.81	18.92	14.85
Application money received for allotment of securities	1.71	1.71	1.71
Unpaid matured deposits and interest accrued thereon	42.53	5.47	32.96
Security deposits	11.05	11.05	11.05
Forward contracts outstanding	27.69	-	-
Total	2,526.98	2,029.38	919.78

(*) To be deposited with Investor Education and Protection Fund as and when they became due.

Note (i): Current maturities of long-term debt (Refer Notes (i) in Note 20 - Long-term borrowings for details of security and guarantee):

₹ in Lakhs			
Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
(a) Secured Term loans from banks:	1,686.15	684.51	514.03
(The Interest rate for the same ranges from 8.75% to 11.50%)			
Total	1,686.15	684.51	514.03

Note (ii): Current maturities of unsecured deposits

₹ in Lakhs			
Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Current maturities of unsecured deposits	604.78	1,128.13	231.49
(The Interest rate for the same ranges from 9.00% to 10.52 %)			
Total	604.78	1,128.13	231.49

26 Other Current Liabilities

₹ in Lakhs			
Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Advances from customers	7.98	6.71	4.98
Statutory dues payable	51.83	156.64	141.62
Salary and Wages payable	244.12	200.01	174.86
Other payables	341.75	262.38	346.97
Total	645.68	625.74	668.43

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

27 Provisions

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Provision for employee benefits			
- Provision for compensated absences	13.56	50.55	18.52
- Provision for gratuity (net)	53.07	88.01	109.77
- Provision for Bonus/exgratia	112.22	103.28	96.90
Total	178.85	241.84	225.19

28 Current Tax Liabilities

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Provision for income tax (Net of Advance Tax)	62.46	162.42	16.87
Total	62.46	162.42	16.87

29 Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of Products	36,152.45	31,772.50
Other Operating revenues	747.34	997.63
Total	36,899.79	32,770.13

Note: With effect from 1st July, 2017 Goods and Services Tax (GST) was introduced and hence the revenue from operations for period 1st July 2017 to 31st March 2018 is net of GST. However, the revenue from operations for the period of 1st April 2017 to 30th June 2017 includes excise duty recovered on sales of ₹ 243.33 Lakhs and year ended 31st March 2017 includes excise duty recovered on sales of ₹ 1,112.26 Lakhs

Note 29 (i) Other operating revenue comprises of :

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Job Work Income	100.99	133.70
Income from sale of scrap and other items	57.09	71.66
Export incentives and duty drawbacks	542.31	792.27
Income from wind power	46.95	-
Total	747.34	997.63

30 Other Income

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Income	41.85	42.79
Dividend Income (From equity Instruments designated at fair value through other comprehensive income)	284.61	535.26
Other Non-Operating Income (net of expenses directly attributable to such income)	3.87	36.68
Net gain on foreign currency transactions/translations	102.72	128.26
Total	433.06	742.99

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

Note- 30 (i) Interest Income Comprises of

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest on Financial Assets (measured at amortized cost)		
Banks deposits	25.86	32.92
Other deposits	5.97	8.71
Interest on Tax refunds	10.02	1.16
Total	41.85	42.79

Note- 30(ii) Other non- operating income comprises of :

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Insurance claims	0.98	0.15
Sale of Technical know how	0.86	33.83
Commission Income	0.66	2.70
Balances written back	1.37	-
Total	3.87	36.68

31 Cost of materials consumed

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Raw Material Consumption		
Opening Stock	1,400.52	1,171.57
Add: Purchases	19,242.60	14,134.06
	20,643.12	15,305.63
Less: Closing stock	1,963.20	1,400.52
Cost of Material Consumed	18,679.92	13,905.11
Total	18,679.92	13,905.11

32 Purchase of Traded goods

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Organic Chemicals	800.02	672.26
Total	800.02	672.26

33 Changes in Inventories of finished goods, Work in Progress and Stock-in-Trade

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Inventories at the beginning of the year:		
Finished Goods	1,960.10	2,177.53
Semi Finished Goods	38.57	104.91
	1,998.67	2,282.44
Inventories at the end of the year:		
Finished Goods	2,131.73	1,960.10
Semi Finished Goods	127.48	38.57
	2,259.21	1,998.67
Net Change in Inventories	(260.53)	283.77

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

34 Employee Benefit expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, wages, bonus, allowances, etc.	3,002.82	2,826.90
Contributions to Provident and other funds	450.02	411.37
Staff welfare expenses	283.77	258.68
Total	3,736.61	3,496.95

35 Finance Costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest costs:		
(i) Interest on borrowings	909.81	719.39
(ii) Others	4.45	2.77
		-
Other borrowing costs	259.53	188.20
Total	1,173.79	910.36

36 Other Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Consumption of stores and spare parts	171.15	199.24
Power and fuel	2,179.61	1,723.56
Consumption of Packing Materials	521.68	573.93
Rent (Refer Note No 41 (B))	266.78	294.53
Repairs and maintenance		
Buildings	33.19	73.93
Plant & Machinery	535.10	744.25
Others	133.51	132.77
Insurance	74.81	78.47
Rates and taxes (other than taxes on income)	10.98	10.28
Freight and Forwarding charges	2,309.19	1,904.10
Commission	450.96	504.11
Travelling and Conveyance	281.15	218.01
Legal and Professional charges	288.15	232.24
Payment to Auditors	14.31	12.05
Donation and contribution to charitable organizations (Refer Note no.43(D))	152.66	122.29
Bad Debts	-	24.32
Loss on disposal of assets(Net)	3.54	65.81
Corporate Social Responsibility expenditure (Refer Note no.43 (C))	104.21	49.48
Allowance for doubtful debts (Expected Credit Loss Allowance)	2.31	1.36
Miscellaneous expenses	931.62	1,064.02
Total	8,464.91	8,028.75

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

37 Additional information to the financial statements

(A) Contingent Liabilities and Capital Commitments

₹ in Lakhs			
Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(a) Contingent Liabilities			
(i) Claims against the company not acknowledged as debts (on account of outstanding law suits)	370.38	370.38	133.25
(ii) Guarantees given by Banks to third parties on behalf of the company	272.81	181.71	20.69
(b) No provision has been made for following demands raised by the authorities since the company has reason to believe that it would get relief at the appellate stage as the said demand are excessive and erroneous			
(i) Disputed Income tax Liability Against Which amount already paid As at March 31, 2018 ₹13.16 lakhs (As at March 31, 2017 ₹ 51.51 lakhs and As at April 1, 2016 ₹ 36.87 Lakhs)	59.16	71.01	54.05
(ii) Disputed Sales tax Liability Against Which amount already paid As at March 31, 2018 ₹ 6.63 lakhs (As at March 31, 2017 ₹ 6.63 lakhs and As at April 1, 2016 ₹ 6.63 Lakhs)	6.63	6.63	40.74
(iii) Disputed Excise & Service Tax Liability Against Which amount already paid As at March 31, 2018 ₹ 21.94 lakhs (As at March 31, 2017 ₹ 24.14 lakhs and As at April 1, 2016 ₹ 8.69 Lakhs)	510.26	592.95	600.72
Total	1,219.25	1,222.68	849.44
(c) Commitments			
(i) Estimated amount of contracts remaining to be executed on capital account & not provided for Net of Advances As at ₹ 458.81 Lakhs As at March, 2017 ₹ 143.02 Lakhs, As at April, 2016 ₹ 172.74 Lakhs)			
- Tangible Assets	1,849.00	843.45	751.63
(ii) Other Commitments - Refer note 42 (v) of Related Party Transactions			

(B) Auditor's Remuneration

₹ in Lakhs		
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Audit Fees(including for quarterly limited review)	11.00	9.40
For certification	1.30	1.29
Fees for other services	1.50	1.00
Out of pocket expenses	0.51	0.36
Total	14.31	12.05

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

38 TAX EXPENSE

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	680.49	1,087.66
Income Tax adjustments for earlier years	(27.61)	(0.98)
	<u>652.88</u>	<u>1,086.68</u>
Deferred tax		
Deferred tax for the year*	209.10	156.15
	<u>209.10</u>	<u>156.15</u>
	<u>861.99</u>	<u>1,242.84</u>

*excludes below tax impact on Other Comprehensive Income

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Profit before income tax expense	3,502.27	4,240.46
Tax at the Indian tax rate of 21.34% # (2016-2017 - 34.61%)	<u>747.44</u>	<u>1,467.54</u>
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Tax-exempt income (Dividend)	(59.96)	(184.00)
Non-deductible tax expenses (Disallowances Under Section 14A and 43B of the Income Tax Act, 1961 and Capital Expenditure, Depreciation expense)	467.49	80.85
Deductible tax expenses (Allowances Under Section 35(2AB))	-	(103.66)
Deductible tax expenses (Allowances Under Section 43B)	-	(6.51)
Deductible tax expenses (Allowances Under Section 35AC)	-	(18.34)
Others	12.40	6.96
Unused tax credit (MAT)	(305.38)	-
Income Tax Expense	861.99	1,242.84

#The Company falls under the provisions of Minimum Alternate Tax u/s 115JB and the applicable Indian statutory tax rate for year ended March 31, 2018 is 21.34%.

39 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity Share holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity share holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

	₹ In Lakhs	
	March 31, 2018	March 31, 2017
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	2,640.29	2,997.62

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

ii. Weighted average number of ordinary shares

	March 31, 2018	March 31, 2017
Weighted average number of shares as at March 31 for basic and diluted earnings per shares	55,85,569	57,77,073
Basic/Diluted earnings per share (in ₹)	47.27	51.89

40 Employee benefits

(a) Defined benefit plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded. The following tables summaries the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Risks associated with defined benefit plan

Interest rate risk: A fall in the discount rate which is linked to the Government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2018. (₹ in lakhs)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

40 Employee benefits

a) Reconciliation in present value of obligations (PVO) - defined benefit obligation:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
PVO at the beginning of the year	1,276.09	1,108.64	979.04
Current service cost	62.05	55.88	50.61
Interest cost	94.30	88.25	77.83
Actuarial (Gains)/Losses on obligations- Due to Change in Financial Assumption	(31.64)	48.74	(0.79)
Actuarial (Gains)/Losses on obligations- Due to Experience	10.32	26.30	59.14
Benefits paid	(184.09)	(51.72)	(57.19)
Accrued Payment	-	-	-
PVO at the end of the year	1,227.03	1,276.09	1,108.64

b) Change in fair value of plan assets:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Fair value of plan assets at the beginning of the year	1,188.08	998.88	776.53
Interest Income	87.79	79.51	61.73
Return on Plan Assets, Excluding Interest Income	2.54	11.44	14.94
Contributions by the employer	79.65	149.97	202.87
(Benefits paid from the Fund)	(184.09)	(51.72)	(57.19)
Fair value of plan assets at the end of the year	1,173.97	1,188.08	998.88

c) Reconciliation of PVO and fair value of plan assets:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
PVO at the end of period	1,227.03	1,276.09	1,108.64
Fair value of planned assets at the end of year	1,173.97	1,188.08	998.88
Funded status	(53.06)	(88.01)	(109.76)
Net asset/(liability) recognised in the balance sheet	(53.06)	(88.01)	(109.76)

d) Net Interest Cost for Current Period	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Present Value of Benefit Obligation at the Beginning of the Period	1,276.09	1,108.64	979.04
(Fair Value of Plan Assets at the Beginning of the Period)	(1,188.08)	(998.88)	(776.53)
Net Liability/ (Asset) at the Beginning	88.01	109.76	202.51
Interest cost	94.30	88.25	77.83
(Interest Income)	(87.79)	(79.51)	(61.73)
Net Interest Cost for Current Period	6.51	8.74	16.10

e) Expenses Recognized in the Statement of Profit or Loss for Current Period	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Current Service Cost	62.05	55.88	50.61
Net Interest Cost	6.51	8.74	16.10
Expenses Recognized	68.56	64.62	66.71

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

f) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period	March 31, 2018	March 31, 2017	April 1, 2016
Actuarial (Gains) Losses on Obligation for the Period	(21.32)	75.04	58.35
Return on Plan Assets, Excluding Interest Income	(2.54)	(11.44)	(14.94)
Net (Income)/ Expense For the Period Recognized in OCI	(23.86)	63.60	43.41

g) Balance Sheet Reconciliation	March 31, 2018	March 31, 2017	April 1, 2016
Opening Net Liability	88.01	109.76	-
Expense Recognized in Statement of Profit Or Loss	68.56	64.62	66.71
Expense Recognized in OCI	(23.86)	63.60	43.41
(Employer's Contribution)	(79.65)	(149.97)	-202.87
Net Liability (Assets) Recognized in the Balance Sheet	53.07	88.01	-92.75

h) Category of Assets	March 31, 2018	March 31, 2017	April 1, 2016
Insurance Fund	1173.97	1188.08	998.88
Total	1173.97	1188.08	998.88

i) Other Details	March 31, 2018	March 31, 2017	April 1, 2016
No of Active Members	576.00	565.00	563.00
Per Month Salary for Active Members	120.46	112.77	101.98
Weighted Average Duration of the Projected Benefit Obligation	9.00	8.00	8.00
Average Expected Future Service	14.00	14.00	14.00
Projected Benefit Obligation	1227.03	1276.09	1108.64
Prescribed Contribution for Next Year (12 Months)	120.45	112.77	101.98

j) Net Interest Cost for Next Year	March 31, 2018	March 31, 2017
Present Value of Benefit Obligation at the End of the Period	1227.03	1276.09
(Fair Value of Plan Assets at the End of the Period)	(1,173.97)	(1,188.08)
Net Liability/(Asset) at the End of the Period	53.06	88.01
Interest Cost	94.84	94.30
(Interest Income)	(90.74)	(87.79)
Net Interest Cost for Next Year	4.10	6.51

k) Expenses Recognized in the statement of Profit or Loss for Next Year	March 31, 2018	March 31, 2017
Current Service Cost	67.48	62.05
Net Interest	4.10	6.50
Expenses Recognized	71.58	68.55

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

l) Major category of assets as at:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Insurer Managed funds	1,173.97	1,188.08	998.88

m) Assumption used in accounting for the gratuity plan:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Expected return on plan assets (%)	7.73%	7.39%	7.96%
Rate of Discounting	7.73%	7.39%	7.96%
Rate of Salary Increase	8.00%	8.00%	8.00%
Rate of Employee Turnover	2.00%	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate after Employment	N.A	N.A	N.A

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Note 3: 100% of the plan assets are invested in group gratuity scheme offered by LIC of India.

₹ in Lakhs		
Maturity Analysis of the Benefit Payments : From the Fund	March 31, 2018	March 31, 2017
1st Following Year	76.79	198.25
2nd Following Year	85.51	48.89
3rd Following Year	89.17	109.30
4th Following Year	115.61	83.37
5th Following Year	97.04	108.71
Sum of Years 6 to 10	768.55	659.24
Sum of Years 11 and above	-	-

Sensitivity analysis

₹ in Lakhs		
Particulars	March 31, 2018	March 31, 2017
Projected Benefit Obligation on Current Assumptions	1127.03	1276.09
Delta Effect of +1 % Change in Rate of Discounting	(85.52)	(83.24)
Delta Effect of -1 % Change in Rate of Discounting	97.24	94.75
Delta Effect of +1 % Change in Rate of Salary Increase	96.03	93.26
Delta Effect of -1 % Change in Rate of Salary Increase	(86.07)	(86.52)
Delta Effect of +1 % Change in Rate of Employee Turnover	(2.18)	(4.04)
Delta Effect of -1 % Change in Rate of Employee Turnover	2.37	4.45

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

		₹ in Lakhs		
	Note	March 31, 2018	March 31, 2017	April 1, 2016
Total employee benefit liabilities				
Non-current	-	-	-	-
Current	27	53.07	88.01	109.77

(b) Other long term Benefit:

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to, policy of maximum leave accumulation of company. The scheme is not funded.

Changes in the present value of the obligation in respect of leave encashments

	₹ in Lakhs	
Particulars	March 31, 2018	March 31, 2017
Obligation at the year beginning	340.85	284.27
Actuarial (gains) / losses on obligation	(15.93)	56.58
Obligation at the year end	324.92	340.85

(c) Defined Contribution plans:

Amounts recognized as expense for the period towards contribution to the following funds:

	₹ in Lakhs	
Particulars	March 31, 2018	March 31, 2017
Employers contribution to:		
- Provident Fund	197.38	179.65
- Gujarat Labour Welfare Fund	0.06	0.03
- Superannuation Fund	180.70	166.27
Total	378.14	345.93

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

41 Disclosures under Indian Accounting Standards

(A) Segment Information

The segment information is presented under the Notes forming part of the Consolidated Financial Statements as required under the Ind AS - 108 on "Operating Segment".

(B) Operating Lease:

The Company has cancellable operating leasing arrangements related to office premises and equipments which are renewable by mutual consent and lease rentals payable are accordingly charged as rent. During the period, the Company has taken office premises under cancelable operating lease; the rentals for which are charged to the Statement of Profit and Loss for the period. The lease term is for 11 months for office premises and lease term for equipments range from one to three years and there are no sub-leases.

Particulars	₹ in Lakhs	
	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Annual lease rent of office premises	7.68	7.16
Annual lease rent of equipments	259.10	287.37

42 Related Party Disclosures:

(i) Names of related parties and description of relationship with whom transactions have taken place:

Subsidiary Companies	Transpek Industry (Europe) Limited
Enterprises owned or significantly influenced by key management personnel or their relatives	Excel Industries Limited Transpek Silox Industry Private Limited TML Industries Limited Anshul Specialty Molecules Private Limited Anshul Life Sciences Madison Investments Private Limited Agrocel Industries Private Limited Transchem Agritech Private Limited Kamaljoyot Investments Limited Excel Crop Care Limited (Related Party upto 7th October 2016) Nectar Crop Sciences Private Limited (Related Party upto 15th December 2017) Shroffs Foundation Trust
Key Management Personnel	Atul G. Shroff (Managing Director up to 30th November, 2018 and thereafter Non- Executive Director.) Bimal V. Mehta (Executive Director up to 30 th November, 2018 and thereafter Managing Director) Ashwin C. Shroff (Chairman and Non Executive Director) Ravi A. Shroff (Non Executive Director) Dipesh K. Shroff (Non Executive Director) Ninad D. Gupte (Independent Director) Dr. Bernd Dill (Independent Director) Nimish U. Patel (Independent Director) Geeta A. Goradia (Independent Director) Hemant J. Bhatt (Independent Director) Ashok P. Shah (Chief Financial Officer upto 31st December, 2016) Pratik P. Shah (Chief Financial Officer w.e.f. 1st June, 2017) Alak D. Vyas (Company Secretary)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

Relatives of key management personnel	Vishwa A. Shroff Shruti A. Shroff Hanny B. Mehta Minoti N. Gupte Kumud V. Mehta
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(ii) Key management personnel compensation

₹ in Lakhs

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Short term employee benefits	554.68	296.54
Post employment benefits	39.94	34.21
Long term employee benefits	64.32	52.40
Total compensation	658.94	383.15

(iii) Particulars of Transactions with Related Parties

Transactions with related parties for the year ended March 31, 2018 are as follows: (Previous Year's figures are shown in brackets)

₹ in Lakhs

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Sale of Goods	-	1,011.42	-	1,011.42
	-	(685.36)	-	(685.36)
Services Rendered	-	0.86	-	0.86
	-	(12.11)	-	(12.11)
Windmill Income	-	46.95	-	46.95
	-	-	-	-
Dividend Received	-	280.97	-	280.97
	-	(531.68)	-	(531.68)
Dividend Paid	-	69.83	42.38	112.21
	-	(58.19)	(35.32)	(93.51)
Commission Paid	-	54.27	44.25	98.52
	-	(58.66)	(35.50)	(94.16)
Purchase of Goods	-	767.99	-	767.99
	-	(588.60)	-	(588.60)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

₹ in Lakhs

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Purchase of Fixed Asset	-	-	-	-
	-	(220.50)	-	(220.50)
Processing Charges	-	720.00	-	720.00
	-	(240.00)	-	(240.00)
Office Rent	-	-	-	-
	-	(1.33)	-	(1.33)
Services Availed	-	-	-	-
	-	(12.63)	-	(12.63)
Donations Paid	-	101.51	-	101.51
	-	(81.54)	-	(81.54)
Corporate Social Responsibility Expense	-	62.07	-	62.07
	-	(33.29)	-	(33.29)
Trade Advance Given	-	-	-	-
	-	(200.00)	-	(200.00)
Trade Advance Received	-	47.50	-	47.50
	-	-	-	-
Capital Advance Given	-	180.00	-	180.00
	-	(14.50)	-	(14.50)
Security Deposit Given	-	150.00	-	150.00
	-	-	-	-
Security Deposit Received	-	20.00	-	20.00
	-	-	-	-
Inter Corporate Deposit Taken	-	1,000.00	-	1,000.00
	-	-	-	-
Inter Corporate Deposit Repaid	-	1,000.00	-	1,000.00
	-	-	-	-
Deposit Taken	-	-	1,000.00	1,000.00
	-	-	(250.00)	(250.00)
Deposit Repaid	-	-	-	-
	-	-	(15.00)	(15.00)
Interest Paid	-	11.88	33.78	45.66
	-	(13.26)	(20.34)	(33.60)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

₹ in Lakhs				
Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Interest Received	-	2.51	-	2.51
	-	(8.10)	-	(8.10)
Sale of Shares	-	-	1,266.00	1,266.00
	-	-	-	-
Reimbursement charged to the company	51.90	268.33	-	320.23
	(42.17)	(17.75)	-	(59.92)
Remuneration to Executive Director	-	-	129.35	129.35
	-	-	(143.58)	(143.58)
Managerial Remuneration(*)	-	-	464.18	464.18
	-	-	(211.54)	(211.54)
Directors' Sitting Fees	-	-	18.30	18.30
	-	-	(15.80)	(15.80)
CSR Meeting Fees	-	-	1.60	1.60
	-	-	(2.20)	(2.20)

* As the liabilities for leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors is not separately determined and hence are not included in above.

Balance Outstanding at the year end: ₹ in Lakhs				
Accounts Payable	-	162.56	-	162.56
	-	(31.89)	-	(31.89)
Accounts Receivable including Trade Advance	0.18	467.89	-	468.07
	(23.00)	(346.40)	-	(369.40)
Agency Deposit	-	4.00	-	4.00
	-	(4.00)	-	(4.00)
Deposits	-	110.00	1,338.36	1,448.36
	-	(110.00)	(286.36)	(396.36)
Rent Deposit	-	-	-	-
	-	(0.60)	-	(0.60)
Remuneration payable to Executive Directors	-	-	-	-
	-	-	(53.80)	(53.80)
Remuneration payable to Managing Directors	-	-	68.76	68.76
	-	-	(82.18)	(82.18)
Remuneration payable to Independent Directors	-	-	51.47	51.47
	-	-	(46.79)	(46.79)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

(iv) Significant transactions with related parties:

Particulars	₹ in Lakhs	
	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
A) Transactions during the year		
Sale of Goods		
Nectar Crop Sciences Private Limited	169.59	78.89
Transpek Silox Industry Private Limited	830.82	597.79
Services Rendered		
Transchem Agritech Private Limited	0.86	12.11
Windmill Income		
TML Industries Limited	46.95	-
Dividend Received		
Transpek Silox Industry Private Limited	251.57	512.63
Dividend Paid		
Atul G. Shroff	-	2.86
Shruti A. Shroff	27.51	22.93
Kamaljyot Investments Limited	63.24	52.70
Commission Paid		
Ashwin C. Shroff	6.00	4.50
Dipesh K. Shroff	6.00	4.50
Ravi A. Shroff	5.00	5.00
Ninad D. Gupte	7.25	6.00
Dr. Bernd Dill	5.00	3.50
Nimish U. Patel	5.00	4.00
Geeta A. Goradia	5.00	4.00
Hemant J. Bhatt	5.00	4.00
Anshul Life Sciences	54.27	58.66
Purchase of Goods		
TML Industries Limited	767.99	588.60
Purchase of Fixed Assets		
TML Industries Limited	-	220.50
Processing Charges		
TML Industries Limited	720.00	240.00
Office Rent		
Excel Crop Care Limited	-	1.33
Services Availed		
Transchem Agritech Private Limited	-	12.63
Donation Paid		
Shroffs Foundation Trust	101.51	81.54
Corporate Social Responsibility Expense		
Shroffs Foundation Trust	62.07	33.29
Trade Advance Given		
TML Industries Limited	-	200.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

(iv) Significant transactions with related parties:

₹ in Lakhs

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Trade Advance Received		
TML Industries Limited	47.50	-
Capital Advance Given		
TML Industries Limited	180.00	14.50
Security Deposit Given		
TML Industries Limited	150.00	-
Security Deposit Received		
TML Industries Limited	20.00	-
Inter Corporate Deposit Taken		
Agrocel Industries Private Limited	1,000.00	-
Inter Corporate Deposit Repaid		
Agrocel Industries Private Limited	1,000.00	-
Deposit Taken		
Atul G. Shroff	1,000.00	-
Ashwin C. Shroff	-	250.00
Deposit Repaid		
Bimal V. Mehta	-	15.00
Interest Paid		
Bimal V. Mehta	2.81	3.76
Shruti A. Shroff	0.63	0.63
Ashwin C. Shroff	24.75	15.36
Madison Investments Private Limited	3.94	3.94
Agrocel Industries Private Limited	7.62	9.00
Atul G. Shroff	-	-
Interest Received		
TML Industries Limited	2.51	8.10
Sale of Shares of Agrocel Industries Private Limited		
Dipesh K. Shroff	633.00	-
Shruti A. Shroff	316.50	-
Atul G. Shroff	316.50	-
Reimbursements charged to the company (expense)		
Anshul Life Sciences	-	6.18
TML Industries Limited	261.77	-
Transpek Industry (Europe) Limited	51.90	42.17
Remuneration		
Atul G. Shroff	382.96	211.54

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

(iv) Significant transactions with related parties:

Particulars	₹ in Lakhs	
	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Bimal V. Mehta	210.57	143.58
Ashok P. Shah	-	20.03
Pratik P. Shah	28.61	-
Alak D. Vyas	9.55	8.00
Director Sitting Fees		
Atul G. Shroff	0.80	-
Ashwin C. Shroff	1.00	0.80
Ravi A. Shroff	0.80	1.60
Dr. Bernd Dill	1.20	1.00
Geeta A. Goradia	2.00	1.40
Hemant J. Bhatt	3.70	2.90
Nimish U. Patel	3.20	3.70
Ninad D. Gupte	2.80	2.20
Dipesh K. Shroff	2.80	2.20
CSR Meeting Fees		
Atul G. Shroff	0.40	-
Dipesh K. Shroff	0.40	0.60
Geeta A. Goradia	0.40	0.80
Nimish U. Patel	0.40	0.60
Hemant J. Bhatt	-	0.20
Reimbursements charged by the company (income)		
Transchem Agritech Private Limited	-	-
B) Closing Balance as at end of the year :		
Outstanding Payables		
Agrocel Industries Private Limited	75.00	75.00
TML Industries Limited	140.14	-
Madison Investments Private Limited	35.00	35.00
Transchem Agritech Private Limited	8.75	8.76
Anshul Life Sciences	13.65	23.13
Bimal V. Mehta	25.00	25.00
Shruti A. Shroff	5.61	11.22
Vishwa A. Shroff	1.50	1.50
Kumud V. Mehta	4.75	4.25
Ninad D. Gupte	34.00	34.00
Atul G. Shroff	1,000.00	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

(iv) Significant transactions with related parties:

₹ in Lakhs

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Receivables Including Trade Advance		
Excel Crop Care Limited	-	1.32
Transpek Industry (Europe) Limited	0.18	23.00
TML Industries Limited	444.88	250.70
Transchem Agritech Private Limited	23.01	13.01
Anshul Specialty Molecules Limited	-	0.79
Nectar Crop Science Private Limited	72.52	40.41
Transpek Silox Industry Private Limited	85.63	92.39
Indenting Agency Deposit		
Anshul Life Sciences	4.00	4.00

(v) Other Commitment with Related Party:

- The company has commitment to pay ₹ 6.00 Lakhs Per Month (subject to indexation) to Mr. Atul G. Shroff (Director) during his lifetime and thereafter ₹ 3.00 Lakhs Per Month to his spouse during her lifetime.
- The Company has entered into an agreement with TML Industries Limited whereby the company has to pay fixed amount of ₹ 60.00 Lakhs on monthly basis against the entire facility reserved by the above related party exclusively for the company for carrying manufacturing activities of its products.

43 Other Disclosures :

(A) Disclosures related to the Micro, Small and Medium Enterprises.

Based on the information available with the company, the company has identified Micro, Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The Company has made payments of dues to Micro, Small and Medium enterprises, generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act, 2006.

The details relating to Micro, Small and medium enterprise is disclosed as under :

₹ in Lakhs

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Total outstanding dues to Micro, small and Medium enterprises	221.53	164.51
Interest paid and payment made to supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment beyond appointed day	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Interest accrued and remaining due of the preceding years	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

(B) Research and Development costs (as certified by the management) debited to the statement of profit and loss are as under:

Particulars	₹ in Lakhs	
	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
a) Revenue expenses debited to appropriate heads of account	185.86	146.05
b) Depreciation on Research and Development Assets	36.31	34.45
Total	222.17	180.50

- (a) Capital Expenditure incurred during the year on Research and Development ₹ 113.18 lakhs (Previous Year ₹ 77.00 lakhs).
- (b) The Company has been granted revised approval from 1st April 2016 to 31st March, 2019 for claiming deduction u/s 35 (2AB) of the Income Tax Act, 1961. Accordingly, the company has considered weighted deduction u/s 35 (2AB) while computing the tax liability under the Income Tax Act, 1961.

(C) As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The details of amount required to be spent and actual expenses spent during the year is as under:

- (a) Gross amount required to be spent by the company during the year: ₹ 63.11 lakhs (Previous Year ₹ 46.38 lakhs)
- (b) Amount spent during the year on:

Sr. No.	Particulars	₹ in Lakhs	
		For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
1	Construction/Acquisition of Assets		
	-In cash	-	-
	-Yet to be paid in cash	-	-
2	On purpose other than (i) above		
	-In cash	104.21	49.48
	-Yet to be paid in cash	-	-

- (c) Out of the above, ₹ 62.06 lakhs (Previous Year ₹ 33.29 lakhs) has been paid to Shroffs Foundation Trust towards Financial Assistance for operating mobile medical units and household sanitation programme.

(D) Donation includes donation made to Bhartiya Janata Party (Political party) ₹ 25.00 Lakhs P.Y. (Nil)

(E) Disclosure as per section 186 (4) of Companies Act, 2013

The Company has made advances of ₹ 0.18 lakhs (Previous Year ₹ 23.00 lakhs) to its wholly owned foreign subsidiary Transpek Industry (Europe) Limited. The said advances is utilized by Transpek Industry (Europe) Limited to meet out its overall expenditure.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

44 FAIR VALUE MEASUREMENTS

Financial instruments by category

₹ in Lakhs

	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets									
Investments									
- Equity Instruments	-	14,353.98	-	-	13,077.46	-	-	9,482.91	-
- Other	-	-	0.04	-	-	0.04	-	-	0.04
Deposits	-	-	228.82	-	-	108.76	-	-	134.57
Trade Receivables	-	-	9,343.90	-	-	6,722.53	-	-	4,535.51
Cash and Cash Equivalents	-	-	56.59	-	-	37.17	-	-	174.56
Bank Balances other than above	-	-	99.71	-	-	89.21	-	-	187.96
Loans and advances to employees and others	-	-	87.38	-	-	72.14	-	-	19.14
Forward Exchange Contracts	-	-	-	76.81	-	-	71.90	-	-
Other Financial Assets	-	-	251.09	-	-	225.26	-	-	15.03
Total Financial Assets	-	14,353.98	10,067.54	76.81	13,077.46	7,255.11	71.90	9,482.91	5,066.80
Financial Liabilities									
Borrowings	-	-	18,013.74	-	-	6,984.33	-	-	5,631.67
Other Current financial Liabilities	-	-	2,499.29	-	-	2,029.38	-	-	919.78
Forward Exchange Contracts	27.69	-	-	-	-	-	-	-	-
Trade payables	-	-	5,441.62	-	-	3,386.68	-	-	2,027.66
Total Financial Liabilities	27.69	-	25,954.66	-	-	12,400.39	-	-	8,579.11

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized 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 Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	7	1,357.76	12,996.22	-	14,353.98
Financial Assets at amortized cost					
Deposits	8	-	228.82	-	228.82
Total Financial Assets		1,357.76	13,225.04	-	14,582.80
Financial Liabilities at FVTPL					
Forward Exchange Contracts	25	-	27.69	-	27.69
Financial Liabilities at amortized cost					
Borrowings (Non Current)	20	-	8,543.95	-	8,543.95
Total Financial Liabilities		-	8,571.64	-	8,571.64

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at March 31, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	7	595.90	12,481.56	-	13,077.46
Financial Assets at FVTPL					
Forward Exchange Contracts	16	-	76.81	-	76.81
Financial Assets at amortized cost					
Deposits	8	-	108.76	-	108.76
Total Financial Assets		595.90	12,667.13	-	13,263.03
Financial Liabilities at amortized cost					
Borrowings (Non Current)	20	-	2,497.10	-	2,497.10
Total Financial Liabilities		-	2,497.10	-	2,497.10

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at April 1, 2016	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	7	340.09	9,142.82	-	9,482.91
Financial Assets at FVTPL					
Forward Exchange Contracts	16	-	71.90	-	71.90
Total Financial Assets		340.09	9,214.72	-	9,554.81
Financial Liabilities at amortized cost					
Borrowings (Non Current)	20	-	2,587.50	-	2,587.50
Total Financial Liabilities		-	2,587.50	-	2,587.50

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis.

All of the resulting fair value estimates are included in level 1 or 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

The carrying amounts of trade receivables, electricity deposit, employee advances, cash and cash equivalents and other short term receivables, trade payables, unclaimed dividend, borrowings, capital creditors and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

45 FINANCIAL RISK MANAGEMENT

The company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

(i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The company also has credit insurance and ECGC for export supplier. In addition to above, there are no major delay in payment receipt from the trade receivables.

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and relevant information that is available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Following table represent allowance for doubtful debts with the trade receivables over the years:

(ii) Reconciliation of loss allowance provision – Trade receivables

	₹ in Lakhs
Loss allowance on April 1, 2016	8.04
Changes in loss allowance	1.36
Loss allowance on March 31, 2017	9.40
Changes in loss allowance	2.31
Loss allowance on March 31, 2018	11.72

(iii) Cash and cash equivalents

As at the year end, the Company held cash and cash equivalents of ₹ 56.59 Lakhs (31.03.2017 ₹ 37.17 Lakhs, 01.04.2016 - ₹ 174.55 Lakhs). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

(iv) Loans and advances

In the case of loans to employees, the same is managed by establishing limits. (Which in turn based on the employees salaries and number of years of service put in by the concern employee)

(v) Derivatives

The derivatives are entered into with scheduled banks which have good credit ratings.

(vi) Other Financial Assets

Others Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturities of financial liabilities

The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

	₹ in Lakhs		
	Less than 1 year	More than 1 year	Total
As at March 31, 2018			
Non-derivatives			
Borrowings	9,469.79	8,543.95	18,013.74
Other financial liabilities	2,526.98	-	2,526.98
Trade payables	5,441.62	-	5,441.62
Total Non-derivative liabilities	17,438.39	8,543.95	25,982.34
As at March 31, 2017			
Non-derivatives			
Borrowings	4,487.23	2,497.10	6,984.33
Other financial liabilities	2,029.38	-	2,029.38
Trade payables	3,386.68	-	3,386.68
Total Non-derivative liabilities	9,903.29	2,497.10	12,400.39
As at April 1, 2016			
Non-derivatives			
Borrowings	3,044.17	2,587.50	5,631.67
Other financial liabilities	919.78	-	919.78
Trade payables	2,027.66	-	2,027.66
Total Non-derivative liabilities	5,991.61	2,587.50	8,579.11

(C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company uses derivative to manage market risk. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company uses both derivative instruments, i.e, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities.

The company enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

Following is the derivative financial instruments to hedge the foreign exchange rate risk:

Currency	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD	107.95	43.41	64.54	47.60	41.85	5.75	40.37	40.37	-
Equivalent INR	7,021.07	2,823.39	4,197.68	3,002.13	2,639.48	362.65	2,545.33	2,545.33	-

Currency	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Trade payable	Hedges available	Net exposure to foreign currency risk	Trade payable	Hedges available	Net exposure to foreign currency risk	Trade payable	Hedges available	Net exposure to foreign currency risk
USD	15.47	-	15.47	21.74	-	21.74	13.54	0.51	13.03
Equivalent INR	1,006.17	-	1,006.17	1,371.14	-	1,371.14	853.70	32.16	821.54

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

	Impact on profit after tax	
	March 31, 2018	March 31, 2017
USD sensitivity		
INR/USD increases by 5%	159.58	(50.42)
INR/USD decreases by 5%	(159.58)	50.42

(D) CAPITAL MANAGEMENT

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the shareholders value. The Company funds its operations through internal accruals and long term borrowings competitive rate. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

46 Disclosure as required by Ind AS 101 first time adoption of Indian Accounting Standards

A Transition to Ind AS:

These are the Company's first Standalone Financial Statements prepared in accordance with Ind AS.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

The accounting standards notified u/s 133 of the Companies Act, 2013 and the Accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A.1 Explanation of transition to Ind AS

In preparing the financial statement, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A.1.1 Ind AS optional exemptions

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment (PPE) as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its PPE, Intangible assets at their previous GAAP at its carrying value.

A.1.2 Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at Fair Value through Other Comprehensive Income (FVOCI) on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

A.1.3 Investments in subsidiary

If a first time adopter measures investments in subsidiary, joint venture or associate at cost in accordance with Ind AS 27, Ind AS 101 allows the entity to measure such investments at one of the following amounts in its separate opening Ind AS Balance Sheet (a) Cost determined in accordance with Ind AS 27; or (b) Deemed cost. The deemed cost of such an investment shall be its: (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or (ii) previous GAAP carrying amount at that date. The above options can be selected each investment wise. Accordingly the Company has elected to measure investment in its subsidiary at their previous GAAP carrying value.

A.2 Ind AS Mandatory Exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI.

A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

B. Reconciliation between previous GAAP to Ind AS

The following tables represent the reconciliations of Balance Sheet, Total Equity, Total Comprehensive Income, and Cash Flows from previous GAAP to Ind AS.

I. Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS as at April 1, 2016

₹ in Lakhs

	Notes to First time adoption	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Non-current assets				
(a) Property, Plant and Equipment	1	9,391.43	5.37	9,396.75
(b) Capital work-in-progress		1,006.91	-	1,006.91
(c) Investment in subsidiary		0.02	-	0.02
(d) Financial Assets				
(i) Investments	2	527.86	8,955.09	9,482.95
(ii) Loans		134.57	-	134.57
(iii) Other financial assets		-	-	-
(e) Other non-current assets		319.52	-	319.52
Total non current assets		11,380.31	8,960.45	20,340.71
Current Assets				
(a) Inventories	1	3,776.48	(6.53)	3,769.96
(b) Financial Assets				
(i) Trade receivables	3	4,543.55	(8.04)	4,535.51
(ii) Cash and cash equivalents		174.56	-	174.57
(iii) Bank balances other than (ii) above		187.96	-	187.96
(iv) Loans		19.14	-	19.14
(v) Other financial assets	4	76.02	10.92	86.94
(c) Other current assets		755.42	-	755.41
Total current assets		9,533.14	(3.65)	9,529.49
TOTAL ASSETS		20,913.46	8,956.80	29,870.22
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		587.20	-	587.20
(b) Other Equity	5	8,487.26	7,579.82	16,067.03
		9,074.46	7,579.82	16,654.23
LIABILITIES				
Non current liabilities				
(a) Financial Liabilities				
(i) Borrowings	6	2,600.04	(12.54)	2,587.50
(b) Provisions		265.75	-	265.75
(c) Deferred tax liabilities (Net)	7	1,540.00	1,920.63	3,460.64
Total non current liabilities		4,405.79	1,908.09	6,313.89
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		3,044.17	-	3,044.17
(ii) Trade payables		2,027.66	-	2,027.66
(iii) Other Financial liabilities	6	920.83	(1.05)	919.78
(b) Other current liabilities		668.42	-	668.43
(c) Provisions	8	755.25	(530.06)	225.19
(d) Current Tax Liabilities (Net)		16.87	-	16.87
Total Current liabilities		7,433.20	(531.11)	6,902.10
Total liabilities		11,838.99	1,376.98	13,215.99
TOTAL EQUITY AND LIABILITIES		20,913.46	8,956.80	29,870.21

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

II. Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS as at March 31, 2017

₹ in Lakhs

	Notes to First time adoption	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Non-current assets				
(a) Property, Plant and Equipment	1	11,710.29	3.30	11,713.55
(b) Capital work-in-progress		1,302.59	-	1,302.59
(c) Investment in subsidiary		0.02	-	0.02
(d) Financial Assets				
(i) Investments	2	527.86	12,549.64	13,077.50
(ii) Loans		108.76	-	108.76
(iii) Other financial assets		224.00	-	224.00
(e) Other non-current assets		274.32	-	274.32
Total non current assets		14,147.85	12,552.94	26,700.75
Current Assets				
(a) Inventories	1	3,715.02	(6.53)	3,708.51
(b) Financial Assets				
(i) Trade receivables	3	6,731.93	(9.40)	6,722.53
(ii) Cash and cash equivalents		37.17	-	37.17
(iii) Bank balances other than (ii) above		89.21	-	89.21
(iv) Loans		72.14	-	72.14
(v) Other financial assets	4	74.95	3.12	78.07
(c) Other current assets		1,231.89	-	1,231.89
Total current assets		11,952.30	(12.81)	11,939.52
TOTAL ASSETS		26,100.15	12,540.13	38,640.27
II. EQUITY AND LIABILITIES				
Equity				
Equity share capital		558.56	-	558.56
Other equity	5	10,106.69	9,897.09	20,003.75
Total equity		10,665.25	9,897.09	20,562.31
LIABILITIES				
Non current liabilities				
(a) Financial Liabilities				
(i) Borrowings	6	2,500.23	(3.13)	2,497.10
(b) Provisions		290.30	-	290.30
(c) Deferred tax liabilities (Net)	7	1,704.67	2,652.59	4,357.26
Total non current liabilities		4,495.21	2,649.46	7,144.66
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		4,487.23	-	4,487.24
(ii) Trade payables		3,386.68	-	3,386.68
(iii) Other Financial liabilities	6	2,035.81	(6.44)	2,029.38
(b) Other current liabilities		625.74	-	625.74
(c) Provisions	8	241.84	-	241.84
(d) Current Tax Liabilities (Net)		162.42	-	162.42
Total Current liabilities		10,939.73	(6.44)	10,933.30
Total liabilities		15,434.94	2,643.02	18,077.96
TOTAL EQUITY AND LIABILITIES		26,100.18	12,540.11	38,640.27

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

III. Reconciliation of Statement of Profit or Loss for the period ended March 31, 2017

₹ in Lakhs

	Notes to First time adoption	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
Revenue from operations		32,770.13	-	32,770.13
Other income	4	750.79	(7.80)	742.99
Total Income		33,520.92	(7.80)	33,513.12
EXPENSES				
Cost of materials consumed		13,905.11	-	13,905.11
Purchases of Stock-in-Trade		672.26	-	672.26
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		283.77	-	283.77
Excise Duty on Sale of Goods		1,112.26	-	1,112.26
Employee benefits expenses	9	3,560.54	(63.59)	3,496.95
Finance costs	6	906.34	4.02	910.36
Depreciation and amortization expense	1	861.14	2.07	863.20
Other expenses	3	8,027.38	1.36	8,028.75
Total expenses		29,328.80	(56.15)	29,272.66
Profit before tax		4,192.12	48.35	4,240.46
Profit before tax		4,192.12	48.35	4,240.46
Tax Expense:				
Current tax		1,087.66	-	1,087.66
Deferred tax and MAT		164.67	(8.51)	156.15
Income Tax adjustments for earlier years		(0.98)	-	(0.98)
Profit for the period		2,940.77	56.86	2,997.62
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
- Remeasurement of Defined benefit plans		-	(63.59)	(63.59)
- Equity instruments through other comprehensive income		-	3,594.55	3,594.55
Income tax relating to items that will not be reclassified to profit or loss				
- Remeasurement of Defined benefit plans		-	22.01	22.01
- Equity instruments through other comprehensive income		-	(762.47)	(762.47)
Total other comprehensive income		-	2,790.49	2,790.49
Total comprehensive income for the period		2,940.77	2,847.35	5,788.12

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

IV. The Company does not have a significant impact on the Cash flow statement as on 31 March 2017.

V. Reconciliation of Equity as on 31 March 2017 and 1 April 2016

₹ in Lakhs

	Notes Ref	March 31, 2017	April 1, 2016
Net worth as per Previous GAAP		10,665.25	9,074.46
Impact on Plant, Property and Equipment	1	3.30	5.37
Fair value measurement of investment in equity instruments	2	12,549.64	8,955.09
Impact of Spare accountings	1	(6.53)	(6.53)
Loss allowance of trade receivables as per expected credit loss model	3	(9.40)	(8.04)
Reversal of Proposed dividend including tax thereon	8	-	530.06
Deferred tax	7	(2,652.59)	(1,920.63)
Others	4,6	12.67	24.46
Total Impact		9,897.09	7,579.77
Net worth as per Ind AS		20,562.33	16,654.23

C Notes to reconciliations:-

1 Stores and Spares and Capital Work in Progress (CWIP)

Under Indian GAAP, machinery spares that are specific to a particular property, plant and equipment (PPE) are capitalised to the cost of the PPE. Spares acquired subsequently are charged to the Statement of Profit and Loss. Under Ind AS, spares with a useful life of more than one year shall be treated as PPE and depreciated from the date they are ready to use over the useful life of the spare part. Hence, spares which were erstwhile treated as inventory under IGAAP shall now be classified as part of PPE if recognition criteria are met and hence resulting into increase in carrying amount of PPE by Rs. 3.30 lakhs as at 31 March, 2017 and by Rs. 5.37 Lakhs as at 1 April, 2016 and simultaneously decrease in Carrying amount of Inventory of stores and spares.

2 Investments at Fair value through Other Comprehensive Income

Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost less diminution in the value which is other than temporary. In accordance with Ind AS, financial assets representing investment in equity shares of entities have been fair valued. The company has designated investments as at fair value through other comprehensive income as permitted by Ind AS 109 resulting in increase in carrying amount by Rs. 12,549.64 lakhs as at 31 March, 2017 and by Rs. 8955.09 lakhs as at 1 April, 2016. The Corresponding deferred taxes have also been recognised as at 31 March, 2017 (Rs.2,684.97 lakhs) and as at 1 April, 2016 (Rs. 1,922.49 lakhs).

3 Loss allowance

On transition to Ind AS, the company has recognised impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109. Consequently, trade receivables have been reduced with a corresponding decrease in retained earnings on the date of transition and there has been an incremental provision for the year ended 31 March, 2017 resulting in decreased in carrying amount by Rs.9.40 lakhs as at 31 March, 2017 and by Rs.8.04 lakhs as at 1 April, 2016.

4 Derivative Contracts

Under Ind AS, all derivative contracts are required to be measured at fair value through profit or loss at each reporting period end. The Company has measured its outstanding derivative contracts at fair value through profit or loss and accordingly recognised a gain of Rs.3.12 lakhs and Rs.10.92 lakhs as on 31 March, 2017 and 1 April, 2016 respectively.

5 Retained Earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS adjustments.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

6 Borrowing

Under Previous GAAP, transaction costs incurred in connection with borrowings were charged to statement of profit and loss account. Under Ind AS, borrowings are recorded initially at fair value less transaction costs and are subsequently measured at amortise cost as per Effective Interest Rate (EIR) method.

7 Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

8 Provision for Dividend

Under previous GAAP, proposed dividend including tax thereon, were recognised as liability in the period in which they relate, as the same was considered as an adjusting event. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is authorised.

9 Actuarial Gain/ Loss

Under the previous GAAP, actuarial gains and losses were recognised in Statement of Profit and Loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit of liability / asset which is recognised in Other Comprehensive Income. Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income under Ind AS instead of Profit and Loss.

10 Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in Statement of Profit and Loss but are shown in the Statement of Profit and Loss as "Other Comprehensive Income", includes remeasurement of Employee Benefit obligation and fair valuation of Equity Instruments through OCI and Income tax relating to these items. The concept did not exist under the previous GAAP.

47 Events after the reporting period

Particulars	₹ in Lakhs	
	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
<u>Proposed dividend on Equity Shares :</u>		
Proposed dividend for the year ended on March 31, 2018 : Rs. 9.00/- per share	502.70	502.70
(Previous year March 31, 2017 : Rs. 9.00 /- per share)		
Dividend Distribution Tax (DDT)on Proposed Dividend	103.33	102.34
	606.03	605.04

Dividend would attract Dividend Distribution Tax when declared or paid. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and are not recognised as liability (including DDT thereon) as at March 31, 2018.

48 The standalone financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 23rd May, 2018. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018...

49 The figures as on the transition date and previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

The accompanying notes (1 to 49) are an integral part of the financial statements.

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
FRN : 101961W/W-100036

Himanshu Kishnadwala
Partner
Mem. No. : 037391

Place : Vadodara
Date : 23rd May, 2018

For and on behalf of the Board of Directors

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Atul G. Shroff (Director) DIN : 00019645
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : 23rd May, 2018

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

To the Members of Transpek Industry Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **TRANSPEK INDUSTRY LIMITED** (the "Company") and its subsidiary (collectively referred to as "the Group"), comprising of the consolidated balance sheet as at 31st March, 2018, the consolidated statement of profit and loss (including consolidated other Comprehensive income), the consolidated cash flow statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Ind AS Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2018;
- (b) in the case of the Consolidated Statement of Profit and Loss (including other comprehensive income), of the profit of the

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS...

Group for the year ended on that date;

- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date and
- (d) the case of the Consolidated statement of changes in equity, of the changes in equity of the Group for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit (including other comprehensive income), the Consolidated Cash Flow Statement and consolidated statement of changes in equity dealt with by this report are in agreement with the books of account maintained for the preparation of Consolidated Ind AS Financial Statements;
- (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued there under;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013;
- (f) As per Guidance Note on 'Audit of Internal Financial Controls over Financial Reporting' issued in September 2015 by the Institute of Chartered Accountants of India, since the subsidiary is not incorporate in India, no reporting on the internal financial controls with reference to financial statements of the said subsidiary and operating effectiveness of such control is required. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding company and the operating effectiveness of such controls, refer to our report in Annexure 'B' of the standalone Ind AS financial statements;
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 consolidated Ind AS financial position of the Group – Refer Note 37(A) to the Consolidated Ind AS Financial Statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For C N K & Associates LLP
Chartered Accountants
FRN: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership Number: 037391
Vadodara, 23rd May, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

₹ in Lakhs

Sr. No.	Particulars	Note No.	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
ASSETS					
(1)	Non-current assets				
	(a) Property, Plant and Equipment	5	17,860.89	11,713.55	9,396.75
	(b) Capital work-in-progress	6	5,636.75	1,302.59	1,006.91
	(c) Financial Assets				
	(i) Investments	7	14,354.02	13,077.50	9,482.95
	(ii) Loans	8	228.82	108.76	134.57
	(iii) Other financial assets	9	251.00	224.00	-
	(d) Other non-current assets	10	591.82	274.32	319.52
(2)	Current assets				
	(a) Inventories	11	4,597.45	3,708.51	3,769.98
	(b) Financial Assets				
	(i) Trade receivables	12	9,343.90	6,722.53	4,535.51
	(ii) Cash and cash equivalents	13	66.08	44.21	183.95
	(iii) Bank balances other than (ii) above	14	99.70	89.21	187.96
	(iv) Loans	15	93.79	77.71	25.70
	(v) Other financial assets	16	0.09	78.07	86.94
	(c) Other current assets	17	3,518.77	1,222.06	750.12
	Total Assets		56,643.08	38,643.04	29,880.86
EQUITY AND LIABILITIES					
EQUITY					
	(a) Equity Share capital	18	558.56	558.56	587.20
	(b) Other Equity	19	24,134.98	20,003.77	16,067.05
			24,693.54	20,562.33	16,654.25
LIABILITIES					
(1)	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	20	8,543.95	2,497.10	2,587.50
	(b) Provisions	21	311.36	290.30	265.75
	(c) Deferred tax liabilities (Net)	22	4,752.90	4,357.26	3,460.63
			13,608.21	7,144.66	6,313.88
(2)	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	23	9,469.79	4,487.23	3,044.17
	(ii) Trade payables	24	5,441.62	3,386.68	2,027.66
	(iii) Other Financial liabilities	25	2,532.04	2,032.15	921.62

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

				₹ in Lakhs	
Sr. No.	Particulars	Note No.	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
	(b) Other current liabilities	26	656.57	625.74	677.22
	(c) Provisions	27	178.85	241.84	225.19
	(d) Current Tax Liabilities (Net)	28	62.46	162.42	16.87
			18,341.33	10,936.06	6,912.73
	Total Equity and Liabilities		56,643.08	38,643.04	29,880.86

See accompanying notes forming part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For CNK & Associates LLP
Chartered Accountants
FRN : 101961W/W-100036

Himanshu Kishnadwala
Partner
Mem. No. : 037391

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Atul G. Shroff (Director) DIN : 00019645
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : 23rd May, 2018

Place : Vadodara
Date : 23rd May, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

₹ in Lakhs

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Revenue from operations	29	36,899.79	32,770.13
	Other income	30	433.06	742.99
(I)	Total Income		37,332.85	33,513.12
	EXPENSES			
	Cost of materials consumed	31	18,679.92	13,905.11
	Purchases of Stock-in-Trade	32	800.02	672.26
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	33	(260.53)	283.77
	Excise Duty on Sale of Goods		243.35	1,112.26
	Employee benefits expenses	34	3,742.54	3,501.84
	Finance costs	35	1,173.79	910.36
	Depreciation and amortization expense	5	992.48	863.20
	Other expenses	36	8,459.00	8,023.86
(II)	Total expenses		33,830.58	29,272.66
(III)	Profit before tax (I-II)		3,502.27	4,240.46
(IV)	Tax Expense:			
	Current tax		680.49	1,087.66
	Deferred tax and MAT		209.10	156.15
	Income Tax adjustments for earlier years		(27.61)	(0.98)
			861.98	1,242.83
(V)	Profit (Loss) for the period (III-IV)		2,640.29	2,997.63
(VI)	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
-	Remeasurement of Defined benefit plans		23.85	(63.59)
-	Equity instruments through other comprehensive income		2,542.53	3,594.55
	Income tax relating to items that will not be reclassified to profit or loss			
-	Remeasurement of Defined benefit plans		(8.25)	22.01
-	Equity instruments through other comprehensive income		(462.17)	(762.47)
	Total other comprehensive income		2,095.95	2,790.50
(VII)	Total comprehensive income for the period (V+VI)		4,736.25	5,788.14
	Earnings per equity share (Refer Note 39)			
(1)	Basic		47.27	51.89
(2)	Diluted		47.27	51.89

See accompanying notes forming part of the financial statements

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
FRN : 101961W/W-100036

Himanshu Kishnadwala
Partner
Mem. No. : 037391

Place : Vadodara
Date : 23rd May, 2018

For and on behalf of the Board of Directors

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Atul G. Shroff (Director) DIN : 00019645
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : 23rd May, 2018

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
A Cash flow from operating activities		
Profit before income tax	3,502.27	4,240.46
Adjustments for :		
Depreciation and amortisation expense	992.48	863.20
Interest Income	(41.85)	(42.79)
Allowance for doubtful debts (Expected Credit Loss Allowance)	2.31	1.36
Gain/(loss) on foreign currency transactions/translations	18.15	(7.72)
Interest Expense	1,173.79	910.36
Dividend Income	(284.61)	(535.26)
(Gain) / Loss on disposal of Property, Plant and Equipment	3.54	65.81
Operating profit before working capital changes	5,366.08	5,495.42
Change in operating assets and liabilities:		
(Increase) / Decrease in Trade receivables	(2,576.68)	(2,180.66)
(Increase) / Decrease in Inventories	(888.94)	61.47
(Increase) / Decrease in Loans	(136.13)	(26.21)
(Increase) / Decrease in Other Financial Assets	49.81	(228.92)
(Increase) / Decrease in Other Assets	(2,159.44)	(169.77)
Increase / (Decrease) in Trade Payables	2,054.94	1,359.02
Increase / (Decrease) in Short Term Borrowings	4,948.23	1,443.06
Increase / Decrease in Other Financial Liabilities	42.12	(22.49)
(Increase) / Decrease in Other Liabilities	4.48	(51.85)
Cash generated from operations :	6,704.47	5,679.06
Direct taxes paid (net)	(1,034.92)	(978.32)
Net cash from operating activities (A)	5,669.55	4,700.74
B Cash flows from investing activities		
Capital expenditure on property, plant and equipment (PPE) (including Capital work-in-progress and capital advances)	(11,947.88)	(3,689.95)
Proceeds from sale of property, plant and equipment (PPE)	11.60	5.43
Proceeds from sale of investments	1,266.01	-
Interest received	43.02	56.57
Dividend received	284.61	535.26
Net cash (used) in Investing activities (B)	(10,342.65)	(3,092.69)
C Cash flow from financing activities :		
Buyback of Equity Shares(including premium paid on Buyback)	-	(1,349.98)
Proceeds from of long term borrowings	7,515.27	1,235.00
Repayments of long term borrowings	(990.14)	(258.28)
Interest paid	(1,225.13)	(844.46)
Dividend paid (including Dividend Distribution Tax)	(605.04)	(530.06)
Net cash (used) in financing activities (C)	4,694.97	(1,747.78)
NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	21.88	(139.73)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2018...

₹ in Lakhs		
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
Balances with banks in current accounts and deposit account	31.45	169.91
Cash on hand	12.76	14.04
CASH AND CASH EQUIVALENTS AS PER NOTE 13	44.21	183.95
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
Balances with banks in current accounts and deposit account	42.79	31.45
Cash on hand	23.29	12.76
CASH AND CASH EQUIVALENTS AS PER NOTE 13	66.08	44.21

See accompanying notes forming part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For CNK & Associates LLP
Chartered Accountants
FRN : 101961W/W-100036

Himanshu Kishnadwala
Partner
Mem. No. : 037391

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Atul G. Shroff (Director) DIN : 00019645
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : 23rd May, 2018

Place : Vadodara
Date : 23rd May, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

a. Equity Share Capital :

₹ in Lakhs

Particulars	Amounts
Balance as at the 1st April, 2016	587.20
Changes in equity share capital during the year	(28.64)
Balance as at the 31 March, 2017	558.56
Changes in equity share capital during the year	-
Balance as at the 31 March, 2018	558.56

b. Other Equity

₹ in Lakhs

Particulars	Reserves and Surplus					Other Comprehensive Income(OCI)		Total Equity
	Capital Reserve	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	FVOCI-Equity Reserve	Foreign currency translation reserve	
As at 1st April, 2016	19.00	1,524.09	-	3,446.36	4,044.99	7,032.59	0.02	16,067.05
Profit for the year	-	-	-	-	2,997.63	-	-	2,997.63
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	(41.58)	-	-	(41.58)
Other comprehensive income for the year	-	-	-	-	-	2,832.08	-	2,832.08
Dividends paid including dividend tax thereon	-	-	-	-	(530.06)	-	-	(530.06)
Transfer from General Reserve on buyback of shares	-	-	28.65	(28.65)	-	-	-	-
Utilised for buyback	-	(1,321.33)	-	-	-	-	-	(1,321.33)
Foreign currency translation adjustment	-	-	-	-	-	-	-	-
As at 31st March, 2017	19.00	202.76	28.65	3,417.71	6,470.97	9,864.67	0.02	20,003.76
As at 1st April, 2017	19.00	202.76	28.65	3,417.71	6,470.97	9,864.67	0.02	20,003.78
Profit for the year	-	-	-	-	2,640.29	-	-	2,640.29
Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-	15.60	-	-	15.60
Other comprehensive income for the year	-	-	-	-	-	2,080.36	-	2,080.36
Dividends paid including dividend tax thereon	-	-	-	-	(605.04)	-	-	(605.04)
Transfer of (gain)/loss on FVOCI equity investments	-	-	-	-	972.11	(972.11)	-	-
As at 31st March, 2018	19.00	202.76	28.65	3,417.71	9,493.95	10,972.92	0.02	24,134.98

As per our report of even date

For and on behalf of the Board of Directors

 For CNK & Associates LLP
 Chartered Accountants
 FRN : 101961W/W-100036

 Himanshu Kishnadwala
 Partner
 Mem. No. : 037391

 Place : Vadodara
 Date : 23rd May, 2018

 Ashwin C. Shroff (Chairman) DIN : 00019952
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 Pratik P. Shah (Chief Financial Officer) ACA: 118400

 Place : Vadodara
 Date : 23rd May, 2018

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS

NOTE: 1

CORPORATE INFORMATION

Transpek Industry Limited ('TIL', 'the Company') is into the manufacturing and export of a range of chemicals servicing the requirements of customers from a diverse range of industries - Textiles, Pharmaceuticals, Agrochemicals, Advanced Polymers, etc.

The Consolidated Financial Statements for the year ended 31st March, 2018 were authorized for issue in accordance with a resolution of the Board of Directors on 23rd May, 2018.

NOTE: 2

CONSOLIDATION

- a. The Consolidated financial statements comprise the financial statements of Transpek Industry Limited (herein after referred to as 'the Holding Company') and its subsidiary company, hereinafter collectively referred to as 'the Group'.
- b. Details of the subsidiary company considered in the Consolidated Financial statements are as under:

Name of the Company Shareholding and	Subsidiary / Joint Venture / Associate	Country of Incorporation	%Shareholding and Voting Power
Transpek Industry (Europe) Limited	Subsidiary	United Kingdom	100

NOTE: 3

BASIS OF PREPARATION

i. Compliance with Ind AS

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

The Consolidated financial statements up to year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

This Consolidated financial statements are the Company's first Ind AS Consolidated financial statements and are covered by Ind AS 101- First time Adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the 'Previous GAAP' for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Consolidated Company's financial position, financial performance and cash flows is provided in Note 46 of the consolidated financial statement.

ii. Historical cost convention

The Consolidated financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii. Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- a. The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

balances and intra-group transactions resulting in unrealized profits or losses as per Ind AS - 110.

- b. "Non-Controlling Interest" represents the amount of equity attributable to minority shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since that date. Non-Controlling interest's share of net profit/ loss for the year of the subsidiary is identified and adjusted against the profit after tax of the group.
- c. Intra-group balances and intra-group transactions and resulting unrealized profits have been eliminated.
- d. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances except where it is not practicable to do so.
- e. The exchange difference arising on monetary item relating to foreign operations shall be recognized initially in other comprehensive Income and accumulated in the separate component of equity and shall be reclassified from equity to Consolidated Statement of profit and loss on disposal of investment in foreign operation.
- f. The excess of cost to the company of its investment in the subsidiaries, on the acquisition dates over and above the company's share of equity in the subsidiaries, is recognized in the consolidated financial statements as Goodwill on consolidation. The said Goodwill is tested for impairment at each balance sheet date and the impairment loss, if any is provided for.

iv. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees, which is the Group's functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

3.1 SIGNIFICANT ACCOUNTING POLICIES

A. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for the purpose of current / noncurrent classification of assets and liabilities.

B. Property, Plant and Equipment:

Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, which

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policies. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognized in the consolidated Statement of Profit or Loss.

Subsequent Expenditure;

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

De-Recognition:

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Consolidated Statement of Profit and Loss when the asset is de-recognized.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost (except to the extent of any adjustment permissible under other accounting standard) of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment is provided using the straight-line method based on the life and in the manner prescribed in Schedule II to the Companies Act, 2013, and is generally recognized in the consolidated statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided based on the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the useful life of the property, plant and equipment have been determined by the Management based on the technical assessment / evaluation:

Category of Property, Plant and Equipment	Useful Life in Years	
	As per Schedule II	As per Group's Assessment
Plant & Machinery (Continuous Process Plant)	25	20

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

Capital Work-in-Progress

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the Group's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non Current Assets" and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

C. Intangible Assets:

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

Research costs are expensed as incurred. Product development expenditure incurred on individual product project is recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset and use or sell it;
- Its ability to use or sell the asset;
- The availability of adequate resources to complete the development and to use or sell the asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Amortization

Any expenditure capitalized as technical knowhow is amortized on a straight-line basis not exceeding over a period of ten years from the month of addition of the underlying product.

De-recognition of Intangible Assets:

Intangible asset is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Consolidated Statement of Profit and Loss when the asset is de-recognized.

D. Impairment of Non financial assets:

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

E. Inventories:

Inventories are measured at lower of cost and net realizable value. Cost of inventories is determined on a FIFO (as mentioned below), after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, reduction and conversion costs and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Items of Inventory are valued on the principle laid down by the Ind AS 2 on Inventories on the basis given below:

(a) Raw Materials, Stores & Spares (that are not capitalized) and Fuel	Lower of cost (determined on FIFO) and net realizable value.
(b) Packing Material	Lower of cost (determined on FIFO) and net realizable value.
(c) Traded Goods	Lower of cost and net realizable value.
(d) Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
(e) Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity and excise duty.

The comparison of cost and net realizable value is made on an item-by-basis.

F. Financial Instruments

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

Financial Assets:

Initial recognition, classification 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.

Debt instruments at amortized cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest Rate (EIR) method. 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 in other income in the consolidated statement of profit or loss. The losses arising from impairment are recognized in the consolidated statement of profit or loss.

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

Debt instrument at FVTOCI

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial Assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the consolidated statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Consolidated statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at 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 consolidated statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) the Group has transferred substantially all the risks and rewards of the asset, or
 - (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset.

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

- Trade receivables and
- Other receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount

Financial Liabilities:

Initial recognition and Measurement

The Group's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs.

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 Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the consolidated statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the 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 consolidated statement of profit and loss.

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 consolidated statement of profit and loss.

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

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

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.

G. Derivative financial instruments

The Group uses derivative financial instruments such as forward contracts to hedge its foreign currency risks relating to highly probable transactions or firm commitments. Such forward Exchange Contracts are marked to market and resulting gains or losses are recorded in the consolidated statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

H. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

I. Cash dividend

The Group recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

J. Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

K. Revenue recognition:

Revenue is recognized to the extent that it is possible that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into the account contractually defined terms of payment and excluding taxed or duties collected on behalf of the government.

Sale of Goods

Revenue is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer, recovery of consideration is probable, the associated cost can be measured reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Conversion charges

Income is recorded on accrual basis on dispatch of material and as per terms of agreement

Income from Wind Operated Power generators

Income from Sale of Wind Operated Power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board as per the agreement.

Sale of Scrap

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Revenue from sale of scrap is recognized as and when scrap is sold.

Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

The benefits accrued under the duty drawback scheme as per the Import and Export Policy in respect of exports made under the said scheme has been included under the head 'Export Incentives'.

L. Other Income

Interest income

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Group and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Dividend income

Revenue is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims:

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

Commission Income:

Income on account of commission is accounted on accrual basis based on the Terms of Agreement.

M. Employee benefits:

Employee benefits includes short term employee benefits, contribution to defined contribution schemes, contribution to defined benefit plan and Compensated absences.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Contribution towards defined benefit contribution schemes

Contribution towards provident fund and superannuation fund is made to the regulatory authorities. Contributions to the above scheme are charged to the consolidated Statement of profit and loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions to be made.

Defined benefit Plan

Gratuity plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Group. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy. Current service cost, Past-service costs are recognized immediately in consolidated Statement of profit or loss.

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the consolidated statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in profit or loss in the period in which they arise.

N. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

O. Income taxes :

The tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current Income tax (including Minimum Alternate Tax(MAT) is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability approach temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting 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 re-assessed at each reporting date 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 the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilized when the Group will pay normal income tax during the specified period. Deferred tax assets on such tax credit are recognized to the extent that it is probable that the unused tax credit can be utilized in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

P. Provisions and Contingent liabilities and contingent assets :

a) Provisions:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

b) Contingent Liabilities and Contingent assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Q. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss 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.

R. Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the consolidated statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased assets or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Group is a lessor is recognized in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

S. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performances. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

T. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

classified as an exceptional item and accordingly, disclosed in the notes accompanying to the Consolidated financial statements.

2.2 USE OF JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Estimates and assumptions

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

a. Determination of the estimated useful life of tangible assets

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

b. Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognized in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

c. Taxes

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

d. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e. Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realizable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each balance sheet date.

NOTES FORMING PART OF THE GROUP'S CONSOLIDATED IND AS FINANCIAL STATEMENTS...

f. Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model on trade receivables. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade 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.

g. Impairment of non- financial assets

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

These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

h. Other Provisions

Significant estimates are involved in the determination of provisions. Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated.

4. The list of standards issued but not yet notified as on 31st March 2018:

Ind AS 115. Revenue from contracts with Customers

On 28th March, 2018, Ministry of Corporate Affairs (MCA), has notified the Ind AS 115, Revenue from contracts with Customers. The core principal of new standard is that an Entity should recognise the revenue to depict the transfer of promised goods or services to Customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flow arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial period beginning on or after 1st April, 2018. The Group will adopt the standard on 1st April, 2018 using cumulative catchup transition method and accordingly comparative for the year ending or ended 31st March, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 on the operation of the Group is not likely to be material.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

5 Property, Plant & Equipments

₹ in Lakhs

Particulars	Land-Free Hold	Factory Building	Office Building	Electric Installations	Plant and Equipment	Data Processing Machines	Research and Development	Furniture and Fixtures	Vehicles	Office equipment	Wind Power Generators	Tech nical Books	Total
Gross carrying amount													
Deemed cost As at 01-04-2016	312.09	653.93	122.39	101.74	7,395.72	53.96	415.21	100.57	220.09	18.32	-	2.77	9,396.81
Additions	-	188.66	-	19.77	2,597.22	22.97	77.00	25.08	83.49	16.55	220.50	-	3,251.25
Disposals	-	-	-	-	(63.85)	-	-	-	(9.46)	-	-	-	(73.31)
Gross carrying amount As at 31-03-2017	312.09	842.59	122.39	121.51	9,929.09	76.93	492.21	125.65	294.12	34.87	220.50	2.77	12,574.76
Additions	93.23	32.51	-	126.30	6,630.60	72.72	113.48	9.92	65.29	14.53	-	-	7,158.58
Disposals	-	-	-	-	(14.25)	-	(0.40)	-	(3.04)	-	-	-	(17.69)
Gross carrying amount As at 31-03-2018	405.32	875.10	122.39	247.81	16,545.44	149.65	605.29	135.57	356.37	49.40	220.50	2.77	19,715.65
Accumulated Depreciation:													
Charge for the year	-	81.99	2.36	21.75	627.23	21.27	34.45	26.54	40.11	6.40	0.85	0.25	863.20
On Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation As at 31-03-2017	-	81.99	2.36	21.75	627.23	21.27	34.45	26.54	40.11	6.40	0.85	0.25	863.20
Charge for the year	-	77.43	2.36	22.51	736.91	26.77	36.31	21.82	41.40	7.81	19.05	0.11	992.48
On Disposals	-	-	-	-	(0.76)	-	(0.23)	-	(0.05)	-	-	-	(1.04)
Closing accumulated depreciation As at 31-03-2018	-	159.42	4.72	44.26	1,363.38	48.04	70.53	48.36	81.46	14.21	19.90	0.36	1,854.64
Net carrying amount:													
As at 31-03-2018	405.32	715.68	117.67	203.55	15,182.06	101.61	534.76	87.21	274.91	35.19	200.60	2.41	17,860.89
As at 31-03-2017	312.09	760.60	120.01	99.77	9,303.96	55.65	457.76	99.12	254.01	28.46	219.65	2.52	11,713.55
As at 01-04-2016	312.09	653.93	122.39	101.74	7,395.72	53.96	415.21	100.57	220.09	18.32	-	2.77	9,396.75

Notes:

(i) The Company has adopted Previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly, the company has set the Net Block as per Previous GAAP as on April 1, 2016 as the Gross Block under Ind AS.

(ii) Assets pledge as security :

The free hold Land and Buildings except free hold land acquired during the year amounting to ₹ 93.23 Lakhs, all movable Plant and Machineries and other assets are pledge as security on pari passu basis to the bankers under a mortgage. The Company is not allowed to sell these assets to other entity.

(iii) Borrowing cost capitalized during the year amounts to ₹ 307.60 Lakhs.

6. Capital work-in-progress

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Capital Work in Progress			
(Related to Plant and Equipments under construction)	5,636.75	1,302.59	1,006.91

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

7 Investments

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Investments at Fair Value Through Other Comprehensive Income			
Investment in Equity Instruments (Quoted fully paid up)			
1,56,650 (31st March 2017: 1,56,650, April 1, 2016: 1,56,650) equity shares of Excel Industries Limited	1,357.76	595.90	340.09
Investment in Equity Instruments (Unquoted fully paid up)			
Nil (31st March 2017: 10,000, April 1, 2016: 10,000) equity shares Agrocel Industries Private Limited *	-	798.24	798.24
9,49,315 (31st March 2017: 9,49,315, April 1, 2016: 9,49,315) equity shares of Transpek-Silox Industry Private Limited	12,996.12	11,683.22	8,344.48
400 (31st March 2017: 400, April 1, 2016: 400) equity share of Co-operative Bank of Baroda Limited	0.10	0.10	0.10
10 (31st March 2017: 10, April 1, 2016: 10) equity shares of Pragati Sahakari Bank Limited#	0.00	0.00	0.00
Total (A)	14,353.98	13,077.46	9,482.91
Investments carried at amortized cost			
12 Years National Defence Certificate	0.01	0.01	0.01
7 Years National Saving Certificate	0.03	0.03	0.03
Total (B)	0.04	0.04	0.04
Total - (A+B)	14,354.02	13,077.50	9,482.95
Aggregate amount of quoted investments	1,357.76	595.90	340.09
Aggregate amount of unquoted investments	12,996.26	12,481.60	9,142.86

* During the year the Company has disposed off its entire investment in equity shares of Agrocel Industries Private Limited. The profit of Rs. 12,560.00 lakhs realised on sale of above investments is included in other comprehensive income of the company and is now transferred to retained earnings (net of tax).

Amount less than thousand

8 Loans

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good			
Security Deposit *	208.28	108.76	134.57
Deferred Deposit	20.54	-	-
Total	228.82	108.76	134.57

*Security Deposit includes amount of ₹ 170.00 lakhs (Previous Period ₹ 100.00 Lakhs) to related party.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

9 Other Financial Assets

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Bank deposits with more than 12 months of original maturity *	251.00	224.00	-
Total	251.00	224.00	-

* The above deposits are maintained for the purpose of Deposit Repayment Reserve Accounts as required under section 73(5) of the Companies Act, 2013 and the rules made there under.

10 Other Non Current Assets

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good			
Capital Advances	458.80	143.02	172.75
<u>Balances with government authorities</u>			
Taxes paid in advance (net of provisions)	106.45	100.00	84.80
VAT recoverable	26.57	31.30	61.97
Total	591.82	274.32	319.52

11 Inventories

(At lower of cost and net realisable value)

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Raw materials	1,963.20	1,400.52	1,171.57
Semi Finished goods	127.48	38.57	104.91
Finished goods	2,131.73	1,960.10	2,177.53
Stores and spares	290.05	238.46	241.29
Packing Materials	58.88	39.09	56.82
Stock of Fuel	26.11	31.77	17.86
Total	4597.45	3708.51	3769.98

Notes

- The above inventories are pledged as securities to the bankers on pari passu basis against the fund based and non fund based credit limits availed or to be availed by the Holding Company.
- During the year and in previous year there are no instances with respect to write down of inventories from cost to net realizable value, nor there have been any reversal of the write down.

12 Trade Receivables

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good	9,355.62	6,731.93	4,543.55
Less: Allowance for doubtful debts (Expected Credit Loss Allowance)	(11.72)	(9.40)	(8.04)
Total	9,343.90	6,722.53	4,535.51

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

13 Cash and cash equivalents

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Balances with banks			
In current accounts	42.79	31.45	169.91
Cash in hand	23.29	12.76	14.04
Total	66.08	44.21	183.95

14 Bank balances other than above

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Term deposits with original maturity for more than 3 months but less than 12 months*	1.15	1.09	86.36
Balances held as margin money against letters of credit issued by banks and Bill Discounting	61.78	59.18	56.55
Balances held in unpaid dividend accounts	24.81	18.92	14.85
Balances held in Right issue application money account	1.71	1.71	1.71
Balances held in unpaid interest on fixed deposit accounts	10.26	8.31	28.49
Total	99.70	89.21	187.96

* Fixed Deposits pledged with Government authorities As at 31 March 2018 ₹ 1.14 Lakhs, As at 31 March 2017 ₹ 1.09 Lakhs, and As at 1 April 2016 ₹ 1.00 Lakhs.

15 Loans

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good			
Loans and advances to employees and others*	93.79	77.71	25.70
Total	93.79	77.71	25.70

* Security Deposit includes amount As at 31 March 2018 ₹ 60.00 lakhs, As at 31 March 2017 ₹ 47.50 Lakhs and As at 1 April 2016 ₹ Nil to related party.

16 Other Financial Assets

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Forward contracts Outstanding	-	76.81	71.90
Interest accrued on deposits	0.09	1.26	15.04
Total	0.09	78.07	86.94

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

17 Other Current Assets

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Unsecured, considered good			
Advances to Suppliers	267.73	81.82	32.97
Prepaid expenses	201.76	212.00	291.90
Balances with Government authorities	3049.28	928.24	409.49
Assets held for disposal	-	-	15.76
Total	3,518.67	1,222.06	750.12

18 Share Capital

(i) Authorised Share Capital

Particulars	Equity Share Capital		Preference Share Capital	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
As at 1st April 2016	75,00,000	750	5,00,000	500
Increase /(decrease) during the year	-	-	-	-
As at 31 March 2017	75,00,000	750	5,00,000	500
Increase /(decrease) during the year	-	-	-	-
As at 31 March 2018	75,00,000	750	5,00,000	500

(ii) Issued Share Capital

Particulars	Equity Share Capital		Preference Share Capital	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
As at 1st April 2016	58,72,040	587.20	-	-
Increase /(decrease) during the year	(2,86,471)	(28.64)	-	-
As at 31 March 2017	55,85,569	558.56	-	-
Increase /(decrease) during the year	-	-	-	-
As at 31 March 2018	55,85,569	558.56	-	-

(iii) The rights, preferences and restrictions attaching to each class of shares :

Equity shares with voting rights :

Each holder of equity shares 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 remaining assets of the company, after distribution of all preferential amounts and repayment towards Preference share holders, if any.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

(iv) Shares held by shareholders each holding more than 5% of the shares

Shareholders	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Kamaljiyot Investments Limited	7,02,703	12.58%	7,02,703	12.58%	7,02,703	11.97%
Shruti A. Shroff	3,05,725	5.47%	3,05,725	5.47%	3,05,725	5.21%
Utkarsh Global Holdings Private Limited*	-	-	13,21,440	23.66%	8,18,367	13.94%
Anshul Speciality Molecules Private Limited*	13,76,440	24.64%	-	-	-	-
PAT Financial Consultants Private Limited	-	-	-	-	5,13,554	8.75%

*The Company Utkarsh Global Holdings Private Limited has amalgated with Anshul Speciality Molecules Private Limited vide Court order dated 23rd August 2017, and there by the Share Holding in the Company has also been transferred.

(v) Details of Shares bought back by the company in the immediately preceding five years from the date of Balance sheet

The Company has bought back 2,86,471 shares. The details of the same is as under:

Year	Shares (Number)	Face Value per share	Total Face Value (₹ in Lakhs)	Premium Per Share ₹	Total Premium (₹ in Lakhs)	Grand Total (₹ in Lakhs)
2016-17	2,86,471	10	28.64	461.25	1,321.33	1,349.97

19 Other Equity

Particulars	₹ in Lakhs		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Reserve	19.00	19.00	19.00
Capital Redemption Reserve	28.65	28.65	0.00
Securities Premium Account	202.76	202.76	1,524.09
General Reserve	3,417.71	3,417.71	3,446.36
Equity Instruments through Other Comprehensive Income	10,972.92	9,864.67	7,032.59
Foreign Currency translation reserve	0.02	0.02	0.02
Retained Earnings	9,493.93	6,470.97	4,044.99
Total	24,134.99	20,003.77	16,067.05
(i) Capital Reserve (On amalgamation of subsidiary company)			
Opening/closing balance	19.00	19.00	
(ii) Capital Redemption Reserve			
As per last Balance Sheet	28.65	-	
Add: Transfer from General Reserve on buyback of shares	-	28.65	
Balance at the end of the year	28.65	28.65	
(iii) Securities Premium Account			
As per last Balance Sheet	202.76	1,524.09	
Add/(Less): Utilised for buyback	-	(1,321.33)	
Balance at the end of the year	202.76	202.76	

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

(iv) General Reserve

As per last Balance Sheet	3,417.71	3,446.36
Add/ (Less): Transfer to Capital Redemption Reserve on buyback of shares		(28.65)
Balance at the end of the year	3,417.71	3,417.71

(v) Equity Instruments through Other Comprehensive Income

As per last Balance Sheet	9,864.67	7,032.59
Add/Less : Additions/(Deletions) during the year	2,080.36	2,832.08
Transfer of (gain)/loss on FVOCI equity investments	(972.11)	-
Balance at the end of the year	10,972.92	9,864.67

(vi) Foreign Currency translation reserve

As per last Balance Sheet	0.02	0.02
Add/ (Less) : Transfer for the year	0.00	-
Balance at the end of the year	0.02	0.02

(vii) Retained Earnings

Opening balance	6,470.97	4,044.99
Add: Net Profit for the Year	2,640.29	2,997.63
Add/(Less): Remeasurement of the Net Defined benefit liability/asset, (net of tax effect)	15.60	(41.58)
Add: Transfer to retained earnings from FVOCI equity investments, (net of tax)	972.11	-
Less : Dividends paid including dividend tax thereon	(605.04)	(530.06)
Closing balance	9,493.94	6,470.97
Total	24,134.98	20,003.77

20 Borrowings

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Secured - at amortized cost			
(a) Term Loans			
- from Banks (Refer note (i) and (ii))	5,931.52	1,208.02	898.76
Unsecured - at amortized cost			
(a) Deposits			
- Deposits from members (Refer note - (iii) and (iv) below)	2,267.43	1,129.08	1,513.74
(b) Unsecured Loans from Related Parties. (Refer note-(v) below)			
- Inter Corporate Deposits	75.00	110.00	110.00
- Deposits from Directors	270.00	45.00	60.00
- Deposits from relative of Directors	-	5.00	5.00
	345.00	160.00	175.00
Total	8,543.95	2,497.10	2,587.50

(i) Nature of security:

The above Term loans/capex loans are secured by first charge by way of hypothecation of all the movable machinery financed or to be financed under the said term/capex loans by the respective banks. The above loans are further secured by first charge by way of an equitable mortgage on the whole of the immovable assets of the Company, both present and future, on pari passu basis. They are further secured by second charge by way of hypothecation over entire current assets including stock and book debts with current charge holders on pari passu basis. The Corporate working capital term loans are secured by way of pari passu first hypothecation charge over entire current assets of the company, present and future, ranking pari passu with other term lenders.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

(ii) Maturity profile of Secured Term loans are set out below:

(Interest rate range from 8.75 % to 11.50 %)

₹ In Lakhs

Particular	Term loans - from Banks
1-2 years	1,686.15
2-3 years	1,633.33
3-4 years	1,466.67
4-5 years	1,300.00
5-6 years	1,300.00

(iii) Deposits from members are repayable within a period of 2-3 years from the date of acceptance. The interest rate for the same ranges from 9.00% to 10.52 %

(iv) Deposits from members includes deposits from related parties amounting to As at 31 March 2018: ₹ 38.60 Lakhs (As at 31 March 2017: ₹ 28.36 Lakhs and As at 1 April 2016: ₹ 10.61 Lakhs)

(v) Intercompany Deposits and unsecured Loan from Related Parties aggregating to ₹ 345.00 Lakhs (As at 31 March 2017 ₹ 160.00 Lakhs and 1st April, 2016 ₹ 175.00 Lakhs) are repayable within a period of 1-2 years. The interest rate for the same ranges from 8.75% to 11.25%.

21 Provisions

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Provision for employee benefits			
Provision for compensated absences (Refer note 40)	311.36	290.30	265.75
Total	311.36	290.30	265.75

22 Deferred tax (assets) / Liabilities (Net)

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Deferred Tax Liability			
Related to Property, Plant and Equipments and Intangible asset	2,313.32	1,823.67	1,639.42
Financial Asset at fair value through other comprehensive income	2,863.59	2,684.97	1,922.49
Remeasurements of the defined benefit plans	8.25	-	-
Total	5,185.16	4,508.64	3,561.91
Deferred Tax Assets			
Provision For Employee Benefit	121.79	117.96	98.38
Remeasurements of the defined benefit plans	-	22.01	-
Unused tax credit (MAT)	305.38	-	-
Others	5.09	11.41	2.90
Total	432.26	151.38	101.28
Deferred tax (assets) / liabilities (Net)	4,752.90	4,357.26	3,460.63

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

23 Borrowings

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Secured - at amortized cost			
(a) Loans repayable on demand			
- from banks	7,004.66	2,447.44	1,906.06
(b) Acceptances from Bank (Refer note (i) below)	1,465.13	756.58	1,028.74
Unsecured - at amortized cost			
(a) Loan from banks (Refer note (ii) below)	-	1,000.00	-
(b) Acceptances from Bank	-	30.11	-
(c) Deposits			
- Deposits from Directors (Refer note (ii) below)	1,000.00	250.00	-
- Deposits from members (Refer note (iii) below)	-	3.10	109.37
Total	9,469.79	4,487.23	3,044.17

(i) The above cash/Export credit facilities, short term loan, Buyers credit and Bills discounting from Consortium bankers i.e. State Bank of India, Axis Bank Limited, Bank of Baroda and IDBI Bank Limited are secured by first charge by way of hypothecation of stocks of raw materials, packing materials, consumable stores, finished goods, semi-finished goods and book debts of the company, on pari passu basis. The aforesaid credit facilities are further secured by way of charge on the all fixed assets of the company ranking second and subservient for the charges created in respect of borrowings obtained from them. The interest rate for the same ranges from 10.45 % to 13.50 %.

(ii) The Interest rate for unsecured short term loan and deposit from director is 9.90%.

(iii) The Interest rate for short term unsecured Deposits from members is 10.00% to 10.38%.

24 Trade Payables

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Trade payables			
- To Micro and small enterprises (Refer note 43)	221.53	164.51	207.74
- To other than Micro and small enterprises	5,220.09	3,222.17	1,819.92
Total	5,441.62	3,386.68	2,027.66

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

25 Other Financial Liabilities

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Current maturities of long-term debt (Refer Note (i) below)	1,686.15	684.51	514.03
Current maturities of unsecured deposits (Refer Note (ii) below)	604.78	1,128.13	231.49
Interest accrued but not due on borrowings	128.26	179.59	113.69
Unpaid dividend(*)	24.81	18.92	14.85
Application money received for allotment of securities	1.71	1.71	1.71
Unpaid matured deposits and interest accrued thereon	42.53	5.47	32.96
Security deposits	11.05	11.05	11.05
Forward contracts outstanding	27.69	-	-
Others	5.06	2.77	1.84
Total	2,532.04	2,032.15	921.62

(*) To be deposited with Investor Education and Protection Fund as and when they became due.

Note (i): Current maturities of long-term debt (Refer Notes (i) in Note 20 - Long-term borrowings for details of security and guarantee):

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
(a) Secured Term loans from banks:	1,686.15	684.51	514.03
(The Interest rate for the same ranges from 8.75% to 11.50%)			
Total	1,686.15	684.51	514.03

Note (ii): Current maturities of unsecured deposits

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Current maturities of unsecured deposits	604.78	1,128.13	231.49
(The Interest rate for the same ranges from 9.00% to 10.52 %)			
Total	604.78	1,128.13	231.49

26 Other Current Liabilities

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Advances from customers	7.98	6.71	4.98
Statutory dues	51.83	156.64	141.62
Salary and Wages payable	244.12	200.01	174.86
Other payables	352.64	262.38	355.76
Total	656.57	625.74	677.22

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

27 Provisions

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Provision for employee benefits			
- Provision for compensated absences	13.56	50.55	18.52
- Provision for gratuity (net)	53.07	88.01	109.77
- Provision for Bonus/exgratia	112.22	103.28	96.90
Total	178.85	241.84	225.19

28 Current Tax Liabilities

₹ in Lakhs

Particulars	As on 31st March, 2018	As on 31st March, 2017	As on 1st April, 2016
Provision for income tax (Net of Advance Tax)	62.46	162.42	16.87
Total	62.46	162.42	16.87

29 Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of Products	36,152.45	31,772.50
Other Operating revenues	747.34	997.63
Total	36,899.79	32,770.13

Note: With effect from 1st July, 2017 Goods and Services Tax (GST) was introduced and hence the revenue from operations for period 1st July, 2017 to 31st March, 2018 is net of GST. However, the revenue from operations for the period of 1st April, 2017 to 30th June, 2017 includes excise duty recovered on sales of ₹ 243.33 Lakhs and year ended 31st March, 2017 includes excise duty recovered on sales of ₹ 1,112.26 Lakhs.

Note 29 (i) Other operating revenue comprises of :

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Job Work Income	100.99	133.70
Income from sale of scrap and other items	57.09	71.66
Export incentives and duty drawbacks	542.31	792.27
Income from wind power	46.95	-
Total	747.34	997.63

30 Other Income

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Income	41.85	42.79
Dividend Income (From equity Instruments designated at FVOCI)	284.61	535.26
Other Non-Operating Income (net of expenses directly attributable to such income)	3.87	36.68
Net gain on foreign currency transactions/translations	102.72	128.26
Total	433.06	742.99

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

Note- 30 (i) Interest Income Comprises of

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest on Financial Assets (measured at amortized cost)		
Banks deposits	25.86	32.92
Other deposits	5.97	8.71
Interest on Tax refunds	10.02	1.16
Total	41.85	42.79

Note- 30(ii) Other non- operating income comprises of :

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Insurance claims	0.98	0.15
Sale of Technical know how	0.86	33.83
Commission Income	0.66	2.70
Balances written back	1.37	-
Total	3.87	36.68

31 Cost of materials consumed

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Raw Material Consumption		
Opening Stock	1,400.52	1,171.57
Add: Purchases	19,242.60	14,134.06
	<u>20,643.12</u>	<u>15,305.63</u>
Less: Closing stock	1,963.20	1,400.52
Cost of Material Consumed	18,679.92	13,905.11
Total	18,679.92	13,905.11

32 Purchase of Traded goods

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Organic Chemicals	800.02	672.26
Total	800.02	672.26

33 Changes in Inventories of finished goods, Work in Progress and Stock-in-Trade

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Inventories at the beginning of the year:		
Finished Goods	1,960.10	2,177.53
Semi Finished Goods	38.57	104.91
	<u>1,998.67</u>	<u>2,282.44</u>
Inventories at the end of the year:		
Finished Goods	2,131.73	1,960.10
Semi Finished Goods	127.48	38.57
	<u>2,259.21</u>	<u>1,998.67</u>
Net Change in Inventories	(260.53)	283.77

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

34 Employee Benefit expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, wages, bonus, allowances, etc.	3,008.75	2,831.79
Contributions to Provident and other funds	450.02	411.37
Staff welfare expenses	283.77	258.68
Total	3,742.54	3,501.84

35 Finance Costs

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest costs:		
(i) Interest on borrowings	909.81	719.39
(ii) Others	4.45	2.77
Other borrowing costs	259.53	188.20
Total	1,173.79	910.36

36 Other Expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Consumption of stores and spare parts	171.15	199.24
Power and fuel	2,179.61	1,723.56
Consumption of Packing Materials	521.68	573.93
Rent (Refer Note No 41 (B))	281.80	307.67
Repairs and maintenance		
Buildings	33.19	73.93
Plant & Machinery	535.10	744.25
Others	133.51	132.77
Insurance	79.13	81.55
Rates and taxes (other than taxes on income)	11.55	10.70
Freight and Forwarding charges	2,309.19	1,904.10
Commission	450.96	504.11
Travelling and Conveyance	281.45	218.07
Legal and Professional charges	288.62	232.94
Payment to Auditors	16.40	12.54
Donation and contribution to charitable organizations (Refer Note no.43(D))	152.66	122.29
Bad Debts	-	24.32
Loss on disposal of assets(Net)	3.54	65.81
Corporate Social Responsibility expenditure (Refer Note no.43 (C))	104.21	49.48
Allowance for doubtful debts (Expected Credit Loss Allowance)	2.31	1.36
Miscellaneous expenses	902.94	1,041.24
Total	8,459.00	8,023.86

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

37 Additional information to the financial statements

(A) Contingent Liabilities and Capital Commitments

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(a) Contingent Liabilities			
(i) Claims against the company not acknowledged as debts (on account of outstanding law suits)	370.38	370.38	133.25
(ii) Guarantees given by Banks to third parties on behalf of the Group	272.81	181.71	20.69
(b) No provision has been made for following demands raised by the authorities since the Group has reason to believe that it would get relief at the appellate stage as the said demand are excessive and erroneous			
(i) Disputed Income tax Liability Against Which amount already paid As at March 31, 2018 ₹13.16 lakhs (As at March 31, 2017 ₹ 51.51 lakhs and As at April 1, 2016 ₹ 36.87 Lakhs)	59.16	71.01	54.05
(ii) Disputed Sales tax Liability Against Which amount already paid As at March 31, 2018 ₹ 6.63 lakhs (As at March 31, 2017 ₹ 6.63 lakhs and As at April 1, 2016 ₹ 6.63 Lakhs)	6.63	6.63	40.74
(iii) Disputed Excise & Service Tax Liability Against Which amount already paid As at March 31, 2018 ₹ 21.94 lakhs (As at March 31, 2017 ₹ 24.14 lacs and As at April 1, 2016 ₹ 8.69 Lacs)	510.26	592.95	600.72
Total	1,219.25	1,222.68	849.44
(c) Commitments			
(i) Estimated amount of contracts remaining to be executed on capital account & not provided for Net of Advances As at ₹ 458.81 Lakhs As at March, 2017 ₹ 143.02 Lakhs, As at April, 2016 ₹ 172.74 Lakhs)			
- Tangible Assets	1,849.00	843.45	751.63
(ii) Other Commitments - Refer note 42 (v) of Related Party Transactions			

(B) Auditor's Remuneration

₹ in Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Audit Fees(including for quarterly limited review)	13.09	9.89
For certification	1.30	1.29
Fees for other services	1.50	1.00
Out of pocket expenses	0.51	0.36
Total	16.40	12.54

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

38 TAX EXPENSE

Particular	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	680.49	1,087.66
Income Tax adjustments for earlier years	(27.61)	(0.98)
	<u>652.88</u>	<u>1,086.68</u>
Deferred tax		
Deferred tax for the year*	209.10	156.15
	<u>209.10</u>	<u>156.15</u>
	<u>861.98</u>	<u>1,242.83</u>

*excludes below tax impact on Other Comprehensive Income

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit before income tax expense	3,502.27	4,240.46
Tax at the Indian tax rate of 21.34% # (2016-2017 - 34.61%)	<u>747.44</u>	<u>1,467.54</u>
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Tax-exempt income (Dividend)	(59.96)	(184.00)
Non-deductible tax expenses (Disallowances Under Section 14A and 43B of the Income Tax Act, 1961 and Capital Expenditure, Depreciation expense)	467.49	80.85
Deductible tax expenses (Allowances Under Section 35(2AB))	-	(103.66)
Deductible tax expenses (Allowances Under Section 43B)	-	(6.51)
Deductible tax expenses (Allowances Under Section 35AC)	-	(18.34)
Others	12.40	6.96
Unused tax credit (MAT)	(305.38)	-
Income Tax Expense	861.99	1,242.84

#The Holding Company falls under the provisions of Minimum Alternate Tax u/s 115JB and the applicable Indian statutory tax rate for year ended March 31, 2018 is 21.34%.

39 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity Shareholders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

	₹ In Lakhs	
	March 31, 2018	March 31, 2017
Profit attributable to equity share holders of the Holding Company for basic and diluted earnings per share	2,640.29	2,997.63

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

ii. Weighted average number of ordinary shares

	March 31, 2018	March 31, 2017
Weighted average number of shares as at March 31 for basic and diluted earnings per shares	55,85,569	57,77,073
Basic/Diluted earnings per share (in ₹)	47.27	51.89

40 Employee benefits

(a) Defined benefit plan:

The Holding company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded. The following tables summaries the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Risks associated with defined benefit plan

Interest rate risk: A fall in the discount rate which is linked to the Government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality Risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2018. (₹ in lakhs)

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

40. Employee Benefits:

a) Reconciliation in present value of obligations (PVO) - defined benefit obligation:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
PVO at the beginning of the year	1,276.09	1,108.64	979.04
Current service cost	62.05	55.88	50.61
Interest cost	94.30	88.25	77.83
Actuarial (Gains)/Losses on obligations- Due to Change in Financial Assumption	(31.64)	48.74	(0.79)
Actuarial (Gains)/Losses on obligations- Due to Experience	10.32	26.30	59.14
Benefits paid	(184.09)	(51.72)	(57.19)
Accrued Payment	-	-	-
PVO at the end of the year	1,227.03	1,276.09	1,108.64

b) Change in fair value of plan assets:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Fair value of plan assets at the beginning of the year	1,188.08	998.88	776.53
Interest Income	87.79	79.51	61.73
Return on Plan Assets, Excluding Interest Income	2.54	11.44	14.94
Contributions by the employer	79.65	149.97	202.87
(Benefits paid from the Fund)	(184.09)	(51.72)	(57.19)
Fair value of plan assets at the end of the year	1,173.97	1,188.08	998.88

c) Reconciliation of PVO and fair value of plan assets:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
PVO at the end of period	1,227.03	1,276.09	1,108.64
Fair value of planned assets at the end of year	1,173.97	1,188.08	998.88
Funded status	(53.06)	(88.01)	(109.76)
Net asset/(liability) recognised in the balance sheet	(53.06)	(88.01)	(109.76)

d) Net Interest Cost for Current Period	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Present Value of Benefit Obligation at the Beginning of the Period	1,276.09	1,108.64	979.04
(Fair Value of Plan Assets at the Beginning of the Period)	(1,188.08)	(998.88)	(776.53)
Net Liability/ (Asset) at the Beginning	88.01	109.76	202.52
Interest cost	94.30	88.25	77.83
(Interest Income)	(87.79)	(79.51)	(61.73)
Net Interest Cost for Current Period	6.51	8.74	16.10

e) Expenses Recognized in the Statement of Profit or Loss for Current Period	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Current Service Cost	62.05	55.88	50.61
Net Interest Cost	6.51	8.74	16.10
Expenses Recognized	68.56	64.62	66.71

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

f) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period			
	March 31, 2018	March 31, 2017	April 1, 2016
Actuarial (Gains) Losses on Obligation for the Period	(21.32)	75.04	58.35
Return on Plan Assets, Excluding Interest Income	(2.54)	(11.44)	(14.94)
Net (Income)/ Expense For the Period Recognized in OCI	(23.86)	63.60	43.41

g) Balance Sheet Reconciliation			
	March 31, 2018	March 31, 2017	April 1, 2016
Opening Net Liability	88.01	109.76	-
Expense Recognized in Statement of Profit Or Loss	68.56	64.62	66.71
Expense Recognized in OCI	(23.86)	63.60	43.41
(Employer's Contribution)	(79.65)	(149.97)	-202.87
Net Liability (Assets) Recognized in the Balance Sheet	53.06	88.01	-92.75

h) Category of Assets			
	March 31, 2018	March 31, 2017	April 1, 2016
Insurance Fund	1173.97	1188.08	998.88
Total	1173.97	1188.08	998.88

i) Other Details			
	March 31, 2018	March 31, 2017	April 1, 2016
No of Active Members	576.00	565.00	563.00
Per Month Salary for Active Members	120.46	112.77	101.98
Weighted Average Duration of the Projected Benefit	9.00	8.00	8.00
Average Expected Future Service	14.00	14.00	14.00
Projected Benefit Obligation	1227.03	1276.09	1108.64
Prescribed Contribution for Next Year (12 Months)	120.45	112.77	101.98

j) Net Interest Cost for Next Year		
	March 31, 2018	March 31, 2017
Present Value of Benefit Obligation at the End of the Period	1227.03	1276.09
(Fair Value of Plan Assets at the End of the Period)	(1,173.97)	(1,188.08)
Net Liability/(Asset) at the End of the Period	53.06	88.01
Interest Cost	94.84	94.30
(Interest Income)	(90.74)	(87.79)
Net Interest Cost for Next Year	4.10	6.51

k) Expenses Recognized in the statement of Profit or Loss for Next Year		
	March 31, 2018	March 31, 2017
Current Service Cost	67.48	62.05
Net Interest	4.10	6.50
Expenses Recognized	71.58	68.55

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

l) Major category of assets as at:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Insurer Managed funds	1,173.97	1,188.08	998.88

m) Assumption used in accounting for the gratuity plan:	Gratuity - Funded as on		
	March 31, 2018	March 31, 2017	April 1, 2016
Expected return on plan assets (%)	7.73%	7.39%	7.96%
Rate of Discounting	7.73%	7.39%	7.96%
Rate of Salary Increase	8.00%	8.00%	8.00%
Rate of Employee Turnover	2.00%	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate after Employment	N.A	N.A	N.A

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Note 3: 100% of the plan assets are invested in group gratuity scheme offered by LIC of India.

₹ in Lakhs		
Maturity Analysis of the Benefit Payments : From the Fund	March 31, 2018	March 31, 2017
1st Following Year	76.79	198.25
2nd Following Year	85.51	48.89
3rd Following Year	89.17	109.30
4th Following Year	115.61	83.37
5th Following Year	97.04	108.71
Sum of Years 6 to 10	768.55	659.24
Sum of Years 11 and above	-	-

Sensitivity analysis

₹ in Lakhs		
Particulars	March 31, 2018	March 31, 2017
Projected Benefit Obligation on Current Assumptions	1127.03	1276.09
Delta Effect of +1 % Change in Rate of Discounting	(85.52)	(83.24)
Delta Effect of -1 % Change in Rate of Discounting	97.24	94.75
Delta Effect of +1 % Change in Rate of Salary Increase	96.03	93.26
Delta Effect of -1 % Change in Rate of Salary Increase	(86.07)	(86.52)
Delta Effect of +1 % Change in Rate of Employee Turnover	(2.18)	(4.04)
Delta Effect of -1 % Change in Rate of Employee Turnover	2.37	4.45

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

		₹ in Lakhs		
	Note	March 31, 2018	March 31, 2017	April 1, 2016
Total employee benefit liabilities				
Non-current	-	-	-	-
Current	27	53.07	88.01	109.77

(b) Other long term Benefit:

The Holding Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to, policy of maximum leave accumulation of company. The scheme is not funded.

Changes in the present value of the obligation in respect of leave encashments

	₹ in Lakhs	
Particulars	March 31, 2018	March 31, 2017
Obligation at the year beginning	340.85	284.27
Actuarial (gains) / losses on obligation	(15.93)	56.58
Obligation at the year end	324.92	340.85

(c) Defined Contribution plans:

Amounts recognized as expense for the period towards contribution to the following funds:

	₹ in Lakhs	
Particulars	March 31, 2018	March 31, 2017
Employers contribution to:		
- Provident Fund	197.38	179.65
- Gujarat Labour Welfare Fund	0.06	0.03
- Superannuation Fund	180.70	166.27
Total	378.14	345.95

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

41 Disclosures under Indian Accounting Standards

(A) Disclosure pursuant to Ind AS 108 "Operating Segment"

The Group's operations predominantly comprise of only one segment i.e. chemicals.

Geographical Information

The analysis of geographical information is based on the geographical location of the customers. The geographical information considered for disclosure are as follows:

Sales within India include sales to customers located within India.

Sales outside India include sales to customers located outside India.

Revenue by Geography

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Within India	10,658.31	10,203.02
Asia	5,392.39	5,015.92
Europe	1,754.79	2,457.42
North America	18,103.60	12,989.72
Total	35,909.10	30,666.08

Concentration of Revenues from three customers of the group were 48% and 40% of total revenue for the year ended March 31, 2018 and March 31, 2017 respectively.

Carrying value of segment assets

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Within India	49,621.41	34,739.32
Asia	1,144.80	773.04
Europe	488.32	538.72
North America	5,388.56	2,591.88
Total	56,643.08	38,642.96

Property, Plant & Equipment by Geographical Locations

The Group has common PPE for producing goods for domestic as well as overseas market. There are no PPE situated outside India. Hence, additional segment-wise information for PPE / additions to PPE has not been furnished.

(B) Operating Lease:

The Group has cancellable operating leasing arrangements related to office premises and equipments which are renewable by mutual consent and lease rentals payable are accordingly charged as rent. During the period, the Group has taken office premises under cancelable operating lease; the rentals for which are charged to the Statement of Profit and Loss for the period. The lease term is for 11 months for office premises and lease term for equipments range from one to three years and there are no sub-leases.

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Annual lease rent of office premises	22.70	20.30
Annual lease rent of equipments	259.10	287.37

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

42 Related Party Disclosures:

(i) Names of related parties and description of relationship with whom transactions have taken place:

Enterprises owned or significantly influenced by key management personnel or their relatives	Excel Industries Limited Transpek Silox Industry Private Limited TML Industries Limited Anshul Specialty Molecules Private Limited Anshul Life Sciences Madison Investments Private Limited Agrocel Industries Private Limited Transchem Agritech Private Limited Kamaljiyot Investments Limited Excel Crop Care Limited (Related Party upto 7th October, 2016) Nectar Crop Sciences Private Limited (Related Party upto 15th December, 2017) Shroffs Foundation Trust
Key Management Personnel	Atul G. Shroff (Managing Director up to 30th November, 2018 and thereafter Non- Executive Director.) Bimal V. Mehta (Executive Director up to 30th November, 2018 and thereafter Managing Director) Ashwin C. Shroff (Chairman and Non Executive Director) Ravi A. Shroff (Non Executive Director) Dipesh K. Shroff (Non Executive Director) Ninad D. Gupte (Independent Director) Dr. Bernd Dill (Independent Director) Nimish U. Patel (Independent Director) Geeta A. Goradia (Independent Director) Hemant J. Bhatt (Independent Director) Ashok P. Shah (Chief Financial Officer upto 31st December, 2016) Pratik P. Shah (Chief Financial Officer w.e.f. 1st June, 2017) Alak D. Vyas (Company Secretary)
Relatives of key management personnel	Vishwa A. Shroff Shruti A. Shroff Hanny B. Mehta Kumud V. Mehta

(ii) Key management personnel compensation

Particulars	₹ in Lakhs	
	Year ended 31st March, 2018	Year ended 31st March, 2017
Short term employee benefits	554.68	296.54
Post employment benefits	39.94	34.21
Long term employee benefits	64.32	52.40
Total compensation	658.94	383.15

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

(iii) Particulars of Transactions with Related Parties

Transactions with related parties for the year ended March 31, 2018 are as follows: (Previous Year's figures are shown in brackets)

₹ in Lakhs			
Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Sale of Goods	1,011.42 (685.36)	- -	1,011.42 (685.36)
Services Rendered	0.86 (12.11)	- -	0.86 (12.11)
Windmill Income	46.95 -	- -	46.95 -
Dividend Received	280.97 (531.68)	- -	280.97 (531.68)
Dividend Paid	69.83 (58.19)	42.38 (35.32)	112.21 (93.51)
Commission Paid	54.27 (58.66)	44.25 (35.50)	98.52 (94.16)
Purchase of Goods	767.99 (588.60)	- -	767.99 (588.60)
Purchase of Fixed Asset	- (220.50)	- -	- (220.50)
Processing Charges	720.00 (240.00)	- -	720.00 (240.00)
Office Rent	- (1.33)	- -	- (1.33)
Services Availed	- (12.63)	- -	- (12.63)
Donations Paid	101.51 (81.54)	- -	101.51 (81.54)
Corporate Social Responsibility Expense	62.07 (33.29)	- -	62.07 (33.29)
Trade Advance Given	- (200.00)	- -	- (200.00)

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

₹ in Lakhs

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Trade Advance Received	47.50	-	47.50
	-	-	-
Capital Advance Given	180.00	-	180.00
	(14.50)	-	(14.50)
Security Deposit Given	150.00	-	150.00
	-	-	-
Security Deposit Received	20.00	-	20.00
	-	-	-
Inter Corporate Deposit Taken	1,000.00	-	1,000.00
	-	-	-
Inter Corporate Deposit Repaid	1,000.00	-	1,000.00
	-	-	-
Deposit Taken	-	1,000.00	1,000.00
	-	(250.00)	(250.00)
Deposit Repaid	-	-	-
	-	(15.00)	(15.00)
Interest Paid	11.88	33.78	45.66
	(13.26)	(20.34)	(33.60)
Interest Received	2.51	-	2.51
	(8.10)	-	(8.10)
Sale of Shares	-	1,266.00	1,266.00
	-	-	-
Reimbursement charged to the company	268.33	-	268.33
	(17.75)	-	(17.75)
Remuneration to Executive Director	-	129.35	129.35
	-	(143.58)	(143.58)
Managerial Remuneration(*)	-	464.18	464.18
	-	(211.54)	(211.54)
Directors' Sitting Fees	-	18.30	18.30
	-	(15.80)	(15.80)
CSR Meeting Fees	-	1.60	1.60
	-	(2.20)	(2.20)

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

* As the liabilities for leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors is not separately determined and hence are not included in above.

Balance Outstanding at the year end:

Accounts Payable	162.56	-	162.56
	(31.89)	-	(31.89)
Accounts Receivable including Trade Advance	467.89	-	467.89
	(346.40)	-	(346.40)
Agency Deposit	4.00	-	4.00
	(4.00)	-	(4.00)
Deposits	110.00	1,338.36	1,448.36
	(110.00)	(286.36)	(396.36)
Rent Deposit	-	-	-
	(0.60)	-	(0.60)
Remuneration payable to Executive Directors	-	-	-
	-	(53.80)	(53.80)
Remuneration payable to Managing Directors	-	68.76	68.76
	-	(82.18)	(82.18)
Remuneration payable to Independent Directors	-	51.47	51.47
	-	(46.79)	(46.79)

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

(iv) Significant transactions with related parties:

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2018	Year Ended 31st March, 2017
A) Transactions during the year		
Sale of Goods		
Nectar Crop Sciences Private Limited	169.59	78.89
Transpek Silox Industry Private Limited	830.82	597.79
Services Rendered		
Transchem Agritech Private Limited	0.86	12.11
Windmill Income		
TML Industries Limited	46.95	-
Dividend Received		
Transpek Silox Industry Private Limited	251.57	512.63
Dividend Paid		
Atul G. Shroff	-	2.86
Shruti A. Shroff	27.51	22.93
Kamaljyot Investments Limited	63.24	52.70
Commission Paid		
Ashwin C. Shroff	6.00	4.50
Dipesh K. Shroff	6.00	4.50
Ravi A. Shroff	5.00	5.00
Ninad D. Gupte	7.25	6.00
Dr. Bernd Dill	5.00	3.50
Nimish U. Patel	5.00	4.00
Geeta A. Goradia	5.00	4.00
Hemant J. Bhatt	5.00	4.00
Anshul Life Sciences	54.27	58.66
Purchase of Goods		
TML Industries Limited	767.99	588.60
Purchase of Fixed Assets		
TML Industries Limited	-	220.50
Processing Charges		
TML Industries Limited	720.00	240.00
Office Rent		
Excel Crop Care Limited	-	1.33
Services Availed		
Transchem Agritech Private Limited	-	12.63

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Donation Paid		
Shroffs Foundation Trust	101.51	81.54
Corporate Social Responsibility Expense		
Shroffs Foundation Trust	62.07	33.29
Trade Advance Given		
TML Industries Limited	-	200.00
Trade Advance Received		
TML Industries Limited	47.50	-
Capital Advance Given		
TML Industries Limited	180.00	14.50
Security Deposit Given		
TML Industries Limited	150.00	-
Security Deposit Received		
TML Industries Limited	20.00	-
Inter Corporate Deposit Taken		
Agrocel Industries Private Limited	1,000.00	-
Inter Corporate Deposit Repaid		
Agrocel Industries Private Limited	1,000.00	-
Deposit Taken		
Atul G. Shroff	1,000.00	-
Ashwin C. Shroff	-	250.00
Deposit Repaid		
Bimal V. Mehta	-	15.00
Interest Paid		
Bimal V. Mehta	2.81	3.76
Shruti A. Shroff	0.63	0.63
Ashwin C. Shroff	24.75	15.36
Madison Investments Private Limited	3.94	3.94
Agrocel Industries Private Limited	7.62	9.00
Atul G. Shroff	-	-
Interest Received		
TML Industries Limited	2.51	8.10

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

₹ in Lakhs		
Particulars	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Sale of Shares of Agrocel Industries Private Limited		
Dipesh K. Shroff	633.00	-
Shruti A. Shroff	316.50	-
Atul G. Shroff	316.50	-
Reimbursements charged to the company (expense)		
Anshul Life Sciences	-	6.18
TML Industries Limited	261.77	-
Remuneration		
Atul G. Shroff	382.96	211.54
Bimal V. Mehta	210.57	143.58
Ashok P. Shah	-	20.03
Pratik P. Shah	28.61	-
Alak D. Vyas	9.55	8.00
Director Sitting Fees		
Atul G. Shroff	0.80	-
Ashwin C. Shroff	1.00	0.80
Ravi A. Shroff	0.80	1.60
Dr. Bernd Dill	1.20	1.00
Geeta A. Goradia	2.00	1.40
Hemant J. Bhatt	3.70	2.90
Nimish U. Patel	3.20	3.70
Ninad D. Gupte	2.80	2.20
Dipesh K. Shroff	2.80	2.20
CSR Meeting Fees		
Atul G. Shroff	0.40	-
Dipesh K. Shroff	0.40	0.60
Geeta A. Goradia	0.40	0.80
Nimish U. Patel	0.40	0.60
Hemant J. Bhatt	-	0.20
B) Closing Balance as at end of the year :		
Outstanding Payables		
Agrocel Industries Private Limited	75.00	75.00
TML Industries Limited	140.14	-
Madison Investments Private Limited	35.00	35.00

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

Particulars	₹ in Lakhs	
	Year Ended 31st March, 2018	Year Ended 31st March, 2017
Transchem Agritech Private Limited	8.75	8.76
Anshul Life Sciences	13.65	23.13
Bimal V. Mehta	25.00	25.00
Shruti A. Shroff	5.61	11.22
Vishwa A. Shroff	1.50	1.50
Kumud V. Mehta	4.75	4.25
Ninad D. Gupte	34.00	34.00
Atul G. Shroff	1,000.00	-
Receivables Including Trade Advance		
Excel Crop Care Limited	-	1.32
TML Industries Limited	444.88	250.70
Transchem Agritech Private Limited	23.01	13.01
Anshul Specialty Molecules Private Limited	-	0.79
Nectar Crop Science Private Limited	72.52	40.41
Transpek Silox Industry Private Limited	85.63	92.39
Indenting Agency Deposit		
Anshul Life Sciences	4.00	4.00

(v) Other Commitment with Related Party:

- The company has commitment to pay ₹ 6.00 Lakhs Per Month (subject to indexation) to Mr. Atul G. Shroff (Director) during his lifetime and thereafter ₹ 3.00 Lakhs Per Month to his spouse during her lifetime.
- The Company has entered into an agreement with TML Industries Limited whereby the company has to pay fixed amount of ₹ 60.00 Lakhs on monthly basis against the entire facility reserved by the above related party exclusively for the company for carrying manufacturing activities of its products.

43 Other Disclosures :

(A) Disclosures related to the Micro, Small and Medium Enterprises.

Based on the information available with the Group, the Group has identified Micro, Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The Group has made payments of dues to Micro, Small and Medium enterprises, generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act, 2006.

The details relating to Micro, Small and medium enterprise is disclosed as under :

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

₹ in Lakhs		
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Total outstanding dues to Micro, small and Medium enterprises	221.53	164.51
Interest paid and payment made to supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment beyond appointed day	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
Interest accrued and remaining due of the preceeding years	-	-

(B) Research and Development costs (as certified by the management) debited to the statement of profit and loss are as under:

₹ in Lakhs		
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a) Revenue expenses debited to appropriate heads of account	185.86	146.05
b) Depreciation on Research and Development Assets	36.31	34.45
Total	222.17	180.50

(a) Capital Expenditure incurred during the year on Research and Development ₹ 113.18 lakhs (Previous Year ₹ 77.00 lakhs).

(b) The Holding Company has been granted revised approval from 1st April, 2016 to 31st March, 2019 for claiming deduction u/s 35 (2AB) of the Income Tax Act, 1961. Accordingly, the Holding company has considered weighted deduction u/s 35 (2AB) while computing the tax liability under the Income Tax Act, 1961.

(C) As per section 135 of the Companies Act , 2013 , a CSR committee has been formed by the Holding company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The details of amount required to be spent and actual expenses spent during the year is as under:

(a) Gross amount required to be spent by the Group during the year: ₹63.11 lakhs (Previous Year ₹ 46.38 lakhs)

(b) Amount spent during the year on:

(b) Amount spent during the year on:

₹ in Lakhs			
Sr. No.	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
1	Construction/Acquisition of Assets		
	In cash	-	-
	- Yet to be paid in cash	-	-
2	On purpose other than (i) above		
	In cash	104.21	49.48
	- Yet to be paid in cash	-	-

(c) Out of the above , ₹ 62.06 lakhs (Previous Year ₹ 33.29 lakhs) has been paid to Shroffs Foundation Trust towards Financial Assistance for operating mobile medical units and household sanitation programme.

(D) Donation includes donation made to Bhartiya Janata Party (Political party) ₹ 25.00 Lakhs P.Y. (Nil)

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

44 FAIR VALUE MEASUREMENTS

Financial instruments by category

₹ in Lakhs

	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets									
Investments									
- Equity Instruments	-	14,353.98	-	-	13,077.46	-	-	9,482.91	-
- Other	-	-	0.04	-	-	0.04	-	-	0.04
Deposits	-	-	228.82	-	-	108.76	-	-	134.57
Trade Receivables	-	-	9,343.90	-	-	6,722.53	-	-	4,535.51
Cash and Cash Equivalents	-	-	66.08	-	-	44.21	-	-	183.95
Bank Balances other than above	-	-	99.70	-	-	89.21	-	-	187.96
Loans and advances to employees and others	-	-	93.79	-	-	77.71	-	-	25.70
Forward Exchange Contracts	-	-	-	76.81	-	-	71.90	-	-
Other Financial Assets	-	-	251.09	-	-	225.26	-	-	15.03
Total Financial Assets	-	14,353.98	10,083.42	76.81	13,077.46	7,267.72	71.90	9,482.91	5,082.76
Financial Liabilities									
Borrowings	-	-	18,013.74	-	-	6,984.33	-	-	5,631.67
Other Current financial Liabilities	-	-	2,504.35	-	-	2,032.15	-	-	921.62
Forward Exchange Contracts	27.69	-	-	-	-	-	-	-	-
Trade payables	-	-	5,441.62	-	-	3,386.68	-	-	2,027.66
Total Financial Liabilities	27.69	-	25,959.71	-	-	12,403.16	-	-	8,580.95

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized 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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	7	1,357.76	12,996.22	-	14,353.98
Financial Assets at amortized cost					
Deposits	8	-	228.82	-	228.82
					-
Total Financial Assets		1,357.76	13,225.04	-	14,582.80
Financial Liabilities at FVTPL					
Forward Exchange Contracts	25	-	27.69	-	27.69
Financial Liabilities at amortized cost					
Borrowings (Non Current)	20	-	8,543.95	-	8,543.95
Total Financial Liabilities		-	8,571.64	-	8,571.64

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at March 31, 2017	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	7	595.90	12,481.56	-	13,077.46
Financial Assets at FVTPL					
Forward Exchange Contracts	16	-	76.81	-	76.81
Financial Assets at amortized cost					
Deposits	8	-	108.76	-	108.76
					-
Total Financial Assets		595.90	12,667.13	-	13,263.03
Financial Liabilities at amortized cost					
Borrowings (Non Current)	20	-	2,497.10	-	2,497.10
Total Financial Liabilities		-	2,497.10	-	2,497.10

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at April, 1, 2016	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	7	340.09	9,142.82	-	9,482.91
Financial Assets at FVTPL					
Forward Exchange Contracts	16	-	71.90	-	71.90
Total Financial Assets		340.09	9,214.72	-	9,554.81
Financial Liabilities at amortized cost					
Borrowings (Non Current)	20	-	2,587.50	-	2,587.50
Total Financial Liabilities		-	2,587.50	-	2,587.50

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis.

All of the resulting fair value estimates are included in level 1 or 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

The carrying amounts of trade receivables, electricity deposit, employee advances, cash and cash equivalents and other short term receivables, trade payables, unclaimed dividend, borrowings, capital creditors and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

45 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Group's activities. The Group, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(A) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

(i) Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group also has credit insurance and ECGC for export supplier. In addition to above, there are no major delay in payment receipt from the trade receivables.

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and relevant information that is available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Following table represent allowance for doubtful debts with the trade receivables over the years:

(ii) Reconciliation of loss allowance provision – Trade receivables

	₹ in Lakhs
Loss allowance on April 1, 2016	8.04
Changes in loss allowance	1.36
Loss allowance on March 31, 2017	9.40
Changes in loss allowance	2.31
Loss allowance on March 31, 2018	11.72

(iii) Cash and cash equivalents

As at the year end, the Group held cash and cash equivalents of ₹ 66.08 Lakhs (31.03.2017 ₹ 44.21 Lakhs, 01.04.2016 - ₹ 183.95 Lakhs). The cash and cash equivalents are held with bank and financial institution counter parties with good credit rating.

(iv) Loans and advances

In the case of loans to employees, the same is managed by establishing limits. (Which in turn based on the employees salaries and number of years of service put in by the concern employee)

(v) Derivatives

The derivatives are entered into with scheduled banks which have good credit ratings.

(vi) Other Financials Assets

Others Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

Maturities of financial liabilities

The tables herewith analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Contractual maturities of financial liabilities)

	₹ in Lakhs		
	Less than 1 year	More than 1 year	Total
As at March 31, 2018			
Non-derivatives			
Borrowings	9,469.79	8,543.95	18,013.74
Other financial liabilities	2,532.04	-	2,532.04
Trade payables	5,441.62	-	5,441.62
Total Non-derivative liabilities	17,443.45	8,543.95	25,987.40
As at March 31, 2017			
Non-derivatives			
Borrowings	4,487.23	2,497.10	6,984.33
Other financial liabilities	2,032.15	-	2,032.15
Trade payables	3,386.68	-	3,386.68
Total Non-derivative liabilities	9,906.06	2,497.10	12,403.16
As at April 1, 2016			
Non-derivatives			
Borrowings	3,044.17	2,587.50	5,631.67
Other financial liabilities	921.62	-	921.62
Trade payables	2,027.66	-	2,027.66
Total Non-derivative liabilities	5,993.45	2,587.50	8,580.95

(C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. Group is exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Group uses derivative to manage market risk. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Group is exposed to currency risk on account of its operations in other countries. The functional currency of the Group is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group uses both derivative instruments, i.e., foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities.

The Group enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

Following is the derivative financial instruments to hedge the foreign exchange rate risk:

Currency	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD	107.95	43.41	64.54	47.60	41.85	5.75	40.37	40.37	-
Equivalent INR	7,021.07	2,823.39	4,197.68	3,002.13	2,639.48	362.65	2,545.33	2,545.33	-

Currency	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
	Trade Payable	Hedges available	Net exposure to foreign currency risk	Trade Payable	Hedges available	Net exposure to foreign currency risk	Trade Payable	Hedges available	Net exposure to foreign currency risk
USD	15.47	-	15.47	21.74	-	21.74	13.54	0.51	13.03
Equivalent INR	1,006.17	-	1,006.17	1,371.14	-	1,371.14	853.70	32.16	821.54

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

	Impact on profit after tax	
	March 31, 2018	March 31, 2017
USD sensitivity		
INR/USD increases by 5%	159.58	(50.42)
INR/USD decreases by 5%	(159.58)	50.42

(D) CAPITAL MANAGEMENT

For the purpose of Group's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Group. The Group manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Group's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Group funds its operations through internal accruals and long term borrowings competitive rate. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

46 Disclosure as required by Ind AS 101 first time adoption of Indian Accounting Standards

A Transition to Ind AS:

These are the Group's first Consolidated Financial Statements prepared in accordance with Ind AS.

The accounting standards notified u/s 133 of the Companies Act, 2013 and the Accounting policies set out in note 2 have been applied in preparing the Group's Consolidated financial statements for the year ended March 31, 2018, the comparative information presented in these Consolidated financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (The Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in Consolidated financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

A.1 Explanation of transition to Ind AS

In preparing the Consolidated financial statement, the Group has applied the below mentioned optional exemptions and mandatory exceptions.

A.1.1 Ind AS optional exemptions

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment (PPE) as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Group has elected to measure all of its PPE, Intangible assets at their previous GAAP at its carrying value.

A.1.2 Designation of previously recognized financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at Fair Value through Other Comprehensive Income (FVOCI) on the basis of the facts and circumstances at the date of transition to Ind AS. The Group has elected to apply this exemption for its investment in equity investments.

A.2 Ind AS Mandatory Exceptions

A.2.1

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI.
- Impairment of financial assets based on expected credit loss model.

A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B Reconciliations between previous GAAP and Ind AS

The following tables represent the reconciliations of Consolidated Balance Sheet, Consolidated Total Equity, Consolidated Total Comprehensive Income, and Consolidated Cash Flows from previous GAAP to Ind AS.

I. Reconciliation of Consolidated Balance Sheet as previously reported under IGAAP to Ind AS as at April 1, 2016

				₹ in Lakhs
	Notes to First time adoption	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Non-current assets				
(a) Property, Plant and Equipment	1	9,391.43	5.37	9,396.75
(b) Capital work-in-progress		1,006.91	-	1,006.91
(c) Financial Assets				
(i) Investments	2	527.86	8,955.09	9,482.95
(ii) Loans		134.57	-	134.57
(iii) Other financial assets		-	-	-
(d) Other non-current assets		319.52	-	319.52
Total non current assets		11,380.29	8,960.45	20,340.70
Current Assets				
(a) Inventories	1	3,776.48	(6.53)	3,769.98
(b) Financial Assets				
(i) Trade receivables	3	4,543.55	(8.04)	4,535.51
(ii) Cash and cash equivalents		183.95	-	183.95
(iii) Bank balances other than (ii) above		187.96	-	187.96
(iv) Loans		25.70	-	25.70
(v) Other financial assets	4	76.02	10.92	86.94
(c) Other current assets		750.12	-	750.12
Total current assets		9,543.78	(3.65)	9,540.15
TOTAL ASSETS		20,924.08	8,956.80	29,880.85
II. EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share capital		587.20	-	587.20
(b) Other Equity	5	8,487.26	7,579.82	16,067.05
		9,074.46	7,579.82	16,654.25
LIABILITIES				
Non current liabilities				
(a) Financial Liabilities				
(i) Borrowings	6	2,600.04	(12.54)	2,587.50

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

				₹ in Lakhs
	Notes to First time adoption	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
(b) Provisions		265.75	-	265.75
(c) Deferred tax liabilities (Net)	7	1,540.00	1,920.63	3,460.63
Total non current liabilities		4,405.79	1,908.09	6,313.88
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		3,044.17	-	3,044.17
(ii) Trade payables		2,027.66	-	2,027.66
(iii) Other Financial liabilities	6	922.67	(1.05)	921.62
(b) Other current liabilities		677.22	-	677.22
(c) Provisions	8	755.25	(530.06)	225.19
(d) Current Tax Liabilities (Net)		16.87	-	16.87
Total Current liabilities		7,443.83	(531.11)	6,912.72
Total liabilities		11,849.62	1,376.98	13,226.60
TOTAL EQUITY AND LIABILITIES		20,924.10	8,956.80	29,880.85

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

II. Reconciliation of Consolidated Balance Sheet as previously reported under IGAAP to Ind AS as at March 31, 2017

				₹ in Lakhs
	Notes to First time adoption	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Non-current assets				
(a) Property, Plant and Equipment	1	11,710.29	3.30	11,713.55
(b) Capital work-in-progress		1,302.59	-	1,302.59
(c) Financial Assets				
(i) Investments	2	527.86	12,549.64	13,077.50
(ii) Loans		108.76	-	108.76
(iii) Other financial assets		224.00	-	224.00
(d) Other non-current assets		274.32	-	274.32
Total non current assets		14,147.83	12,552.94	26,700.73
Current Assets				
(a) Inventories	1	3,715.02	(6.53)	3,708.51
(b) Financial Assets				

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

₹ in Lakhs

	Notes to First time adoption	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
(i) Trade receivables	3	6,731.93	(9.40)	6,722.53
(ii) Cash and cash equivalents		44.21	-	44.21
(iii) Bank balances other than (ii) above		89.21	-	89.21
(iv) Loans		77.71	-	77.71
(v) Other financial assets	4	74.95	3.12	78.07
(c) Other current assets		1,222.06	-	1,222.06
Total current assets		11,955.09	(12.81)	11,942.31
TOTAL ASSETS		26,102.92	12,540.13	38,643.04
II. EQUITY AND LIABILITIES				
Equity				
Equity share capital		558.56	-	558.56
Other equity	5	10,106.69	9,897.09	20,003.77
Total equity		10,665.25	9,897.09	20,562.33
LIABILITIES				
Non current liabilities				
(a) Financial Liabilities				
(i) Borrowings	6	2,500.23	(3.13)	2,497.10
(b) Provisions		290.30	-	290.30
(c) Deferred tax liabilities (Net)	7	1,704.67	2,652.59	4,357.26
Total non current liabilities		4,495.21	2,649.46	7,144.66
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		4,487.22	-	4,487.23
(ii) Trade payables		3,386.68	-	3,386.68
(iii) Other Financial liabilities	6	2,038.59	(6.44)	2,032.15
(b) Other current liabilities		625.74	-	625.74
(c) Provisions	8	241.84	-	241.84
(d) Current Tax Liabilities (Net)		162.42	-	162.42
Total Current liabilities		10,942.50	(6.44)	10,936.07
Total liabilities		15,437.71	2,643.02	18,080.72
TOTAL EQUITY AND LIABILITIES		26,102.94	12,540.11	38,643.06

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

III. Reconciliation of Consolidated Statement of Profit or Loss for the period ended March 31, 2017

				₹ in Lakhs
	Notes to First time adoption	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
Revenue from operations		32,770.13	-	32,770.13
Other income	4	750.79	(7.80)	742.99
Total Income		33,520.92	(7.80)	33,513.12
EXPENSES				
Cost of materials consumed		13,905.11	-	13,905.11
Purchases of Stock-in-Trade		672.26	-	672.26
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		283.77	-	283.77
Excise Duty on Sale of Goods		1,112.26	-	1,112.26
Employee benefits expenses	9	3,565.43	(63.59)	3,501.84
Finance costs	6	906.34	4.02	910.36
Depreciation and amortization expense	1	861.14	2.07	863.20
Other expenses	3	8,022.50	1.36	8,023.86
Total expenses		29,328.81	(56.15)	29,272.66
Profit before tax		4,192.11	48.35	4,240.46
Profit before tax		4,192.11	48.35	4,240.46
Tax Expense:				
Current tax		1,087.66	-	1,087.66
Deferred tax and MAT		164.67	(8.51)	156.15
Income Tax adjustments for earlier years		(0.98)	-	(0.98)
Profit for the period		2,940.76	56.86	2,997.63
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
- Remeasurement of Defined benefit plans		-	(63.59)	(63.59)
- Equity instruments through other comprehensive income"		-	3,594.55	3,594.55
Income tax relating to items that will not be reclassified to profit or loss				
- Remeasurement of Defined benefit plans		-	22.01	22.01
- Equity instruments through other comprehensive income"		-	(762.47)	(762.47)
Total other comprehensive income		-	2,790.49	2,790.49
Total comprehensive income for the period		2,940.76	2,847.35	5,788.12

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

IV. The Group does not have a significant impact on the Consolidated Cash flow statement as on 31 March 2017.

V. Reconciliation of Consolidated Equity as on 31 March 2017 and 1 April 2016

₹ in Lakhs

	Note Ref	March 31, 2017	April 1, 2016
Net worth as per Previous GAAP		10,665.25	9,074.46
Impact on Plant, Property and Equipment	1	3.30	5.37
Fair value measurement of investment in equity instruments	2	12,549.64	8,955.09
Impact of Spare accountings	1	(6.53)	(6.53)
Loss allowance of trade receivables as per expected credit loss model	3	(9.40)	(8.04)
Reversal of Proposed dividend including tax thereon	8	-	530.06
Deferred tax	7	(2,652.59)	(1,920.63)
Others	4,6	12.69	24.46
Total Impact		9,897.11	7,579.77
Net worth as per Ind AS		20,562.34	16,654.23

C Notes to reconciliations:-

1 Stores and Spares and Capital Work in Progress (CWIP)

Under Indian GAAP, machinery spares that are specific to a particular property, plant and equipment (PPE) are capitalised to the cost of the PPE. Spares acquired subsequently are charged to the Statement of Profit and Loss. Under Ind AS, spares with a useful life of more than one year shall be treated as PPE and depreciated from the date they are ready to use over the useful life of the spare part. Hence, spares which were erstwhile treated as inventory under IGAAP shall now be classified as part of PPE if recognition criteria are met and hence resulting into increase in carrying amount of PPE by Rs. 3.30 lakhs as at 31 March, 2017 and by Rs. 5.37 Lakhs as at 1 April, 2016 and simultaneously decrease in Carrying amount of Inventory of stores and spares.

2 Investments at Fair value through Other Comprehensive Income

Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost less diminution in the value which is other than temporary. In accordance with Ind AS, financial assets representing investment in equity shares of entities have been fair valued. The Group has designated investments as at fair value through other comprehensive income as permitted by Ind AS 109 resulting in increase in carrying amount by Rs. 12,549.64 lakhs as at 31 March, 2017 and by Rs. 8955.09 lakhs as at 1 April, 2016. The Corresponding deferred taxes have also been recognised as at 31 March, 2017 (Rs.2,652.59 lakhs) and as at 1 April, 2016 (Rs. 1,920.63 lakhs).

3 Loss allowance

On transition to Ind AS, the Group has recognised impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109. Consequently, trade receivables have been reduced with a corresponding decrease in retained earnings on the date of transition and there has been an incremental provision for the year ended 31 March, 2017 resulting in decreased in carrying amount by Rs.9.40 lakhs as at 31 March, 2017 and by Rs.8.04 lakhs as at 1 April, 2016.

4 Derivative Contracts

Under Ind AS, all derivative contracts are required to be measured at fair value through profit or loss at each reporting period end. The Group has measured its outstanding derivative contracts at fair value through profit or loss and accordingly recognised a gain of Rs.3.12 lakhs and Rs.10.92 lakhs as on 31 March, 2017 and 1 April, 2016 respectively.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

5 Retained Earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS adjustments.

6 Borrowing

Under Previous GAAP, transaction costs incurred in connection with borrowings were charged to statement of profit and loss account. Under Ind AS, borrowings are recorded initially at fair value less transaction costs and are subsequently measured at amortise cost as per Effective Interest Rate (EIR) method.

7 Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

8 Provision for Dividend

Under previous GAAP, proposed dividend including tax thereon, were recognised as liability in the period in which they relate, as the same was considered as an adjusting event. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is authorised.

9 Actuarial Gain/ Loss

Under the previous GAAP, actuarial gains and losses were recognised in Statement of Profit and Loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit of liability / asset which is recognised in Other Comprehensive Income. Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income under Ind AS instead of Profit and Loss.

10 Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expenses that are not recognized in Statement of Profit and Loss but are shown in the Statement of Profit and Loss as "Other Comprehensive Income", includes remeasurement of Employee Benefit obligation and fair valuation of Equity Instruments through OCI and Income tax relating to these items. The concept did not exist under the previous GAAP.

47. Events after the reporting period

Particulars	₹ in Lakhs	
	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
<u>Proposed dividend on Equity Shares :</u>		
Proposed dividend for the year ended on March 31, 2018 : Rs. 9.00/- per share	502.70	502.70
(Previous year March 31, 2017 : Rs. 9.00 /- per share)		
Dividend Distribution Tax (DDT) on Proposed Dividend	103.33	102.34
	606.03	605.04

Dividend would attract dividend distribution tax when declared or paid. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and are not recognised as liability (including DDT thereon) as at March 31, 2018.

Notes to Consolidated Financial Statements for the year ended 31st March, 2018...

Following is the derivative financial instruments to hedge the foreign exchange rate risk:

₹ in Lakhs

Name of entity	Net assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Transpek Industry Limited	100	24,693.54	100	2,640.29	100.00	2,095.95	100.00	4,736.25
(Previous Year)	(100.00)	(20,562.33)	(100.00)	(2,997.63)	100.00	(2,790.50)	(100.00)	5788.14
Foreign Subsidiary								
Transpek Industry (Europe) Limited	-	-	-	-	-	-	-	-
Total	100.00	24,693.54	100.00	2,640.29	100.00	2,095.95	100.00	4,736.25
(Previous Year)	(100.00)	(20,562.33)	(100.00)	(2,997.63)	(100.00)	(2,790.50)	(100.00)	5,788.14

- 49 The Consolidated financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 23rd May, 2018. The Consolidated financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.
- 50 The figures as on the transition date and previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

The accompanying notes (1 to 50) are an integral part of the financial statements.

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
FRN : 101961W/W-100036

Himanshu Kishnadwala
Partner
Mem. No. : 037391

Place : Vadodara
Date : 23rd May, 2018

For and on behalf of the Board of Directors

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Atul G. Shroff (Director) DIN : 00019645
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : 23rd May, 2018

FORM AOC - 1

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Transpek Industry (Europe) Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2017 to 31.03.2018
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	GBP 81.55
4.	Share capital	Rs.1631.00
5.	Reserves & surplus	Rs.215.00
6.	Total assets	Rs.1613952.00
7.	Total Liabilities	Rs.1613952.00
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit before taxation	NIL
11.	Provision for taxation	NIL
12.	Profit after taxation	NIL
13.	Proposed Dividend	NIL
14.	% of shareholding	100

For and on behalf of the Company:

Ashwin C. Shroff (Chairman) DIN : 00019952

Bimal V. Mehta (Managing Director) DIN : 00081171

Atul G. Shroff (Director) DIN : 00019645

Ninad D. Gupte (Director) DIN : 00027523

Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731

Pratik P. Shah (Chief Financial Officer)

Form AOC - 1...

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates / Joint Ventures	NIL	NIL	NIL
1. Latest audited Balance Sheet Date	NIL	NIL	NIL
2. Shares of Associate/Joint Ventures held by the Company on the year end	NIL	NIL	NIL
No.	NIL	NIL	NIL
Amount of Investment in Associates/Joint Venture	NIL	NIL	NIL
Extend of Holding%	NIL	NIL	NIL
3. Description of how there is significant influence	NIL	NIL	NIL
4. Reason why the associate/joint venture is not consolidated	NIL	NIL	NIL
5. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL	NIL	NIL
6. Profit/Loss for the year	NIL	NIL	NIL
i. Considered in Consolidation	NIL	NIL	NIL
ii. Not Considered in Consolidation	NIL	NIL	NIL

For and on behalf of the Company:

Ashwin C. Shroff (Chairman) DIN : 00019952

Bimal V. Mehta (Managing Director) DIN : 00081171

Atul G. Shroff (Director) DIN : 00019645

Ninad D. Gupte (Director) DIN : 00027523

Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731

Pratik P. Shah (Chief Financial Officer)



SPREADING LITERACY

Young children being taught to read.

TOWARDS A GREENER INDIA

The Company has set up vermi - compost unit in Khanderaopura village near factory site





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