

**ALKYL**

**ANNUAL REPORT  
2017 - 2018**



**Responsible Care®**  
OUR COMMITMENT TO SUSTAINABILITY

**Alkyl Amines Chemicals Limited**

## FINANCIAL HIGHLIGHTS

₹ in Lakhs

Year Ending	31.03.2014	31.03.2015	31.03.2016	31.03.2017	31.03.2018
Gross Revenue	49,443.03	53,011.13	53,797.46	55,712.94	69,576.86
Revenue Growth %	21.58%	7.22%	1.48%	3.56%	24.88%
Net Sales	44,028.65	46,798.01	47,260.79	48,862.45	60,500.14
EBIDTA	8,660.55	8,848.96	9,340.63	9,627.37	11,959.45
% EBIDTA to Gross Revenue	17.52%	16.69%	17.36%	17.28%	17.19%
EBIDTA Growth (%)	47.04%	2.18%	5.56%	3.07%	24.22%
Profit before Tax	6,462.41	6,690.81	7,248.06	7,393.19	9,577.36
PBT Growth (%)	79.87%	3.53%	8.33%	2.00%	29.54%
Profit After Tax	4,288.06	4,542.13	4,985.48	5,035.80	6,428.90
PAT Growth (%)	79.18%	5.93%	9.76%	1.01%	27.66%
Gross Fixed Assets	26,764.49	30,410.00	33,744.73	26,770.29	40,304.57
Net Fixed Assets	15,738.84	18,161.09	20,327.66	25,484.58	37,357.13
Net Current Assets	13,887.63	12,879.92	11,962.62	6,444.81	5,882.65
Equity Share Capital	1,020.61	1,020.61	1,020.61	1,020.61	1,020.61
Reserve & Surplus (excl. Deferred Tax)/ Other equity	12,998.04	16,460.61	18,739.90	23,535.96	28,694.75
Book Value (Rs)	68.73	85.71	96.88	120.40	145.69
Earning per Share - Basic (Rs)	21.02	22.27	24.44	24.69	31.52
Equity Dividend (%)	80.00	80.00	200.00	100.00	140.00
Net Sales to Gross Fixed Assets (%)	164.50	153.89	140.05	182.52	150.11
Return on Capital Employed (%)	37.49	33.42	32.98	26.30	25.64
Return on Net worth (%)	30.59	25.98	25.23	20.51	21.63
PAT to Net Sales (%)	9.74	9.71	10.55	10.31	10.63

\* Figures of March 31, 2017 have been regrouped according to Ind AS.

## BOARD OF DIRECTORS

<b>Yogesh M. Kothari</b>	<i>Chairman &amp; Managing Director</i>
<b>Hemendra M. Kothari</b>	<i>Director</i>
<b>Dilip G. Piramal</b>	<i>Independent Director</i>
<b>Shyam B. Ghia</b>	<i>Independent Director</i>
<b>Shobhan M. Thakore</b>	<i>Independent Director</i>
<b>Premal N. Kapadia</b>	<i>Independent Director</i>
<b>Tarjani Vakil</b>	<i>Independent Director</i>
<b>Kirat Patel</b>	<i>Executive Director</i>
<b>Suneet Kothari</b>	<i>Executive Director</i>

<b>K.P. Rajagopalan</b>	<i>General Manager (Secretarial &amp; Legal) &amp; Company Secretary</i>
<b>Rahul Mehta</b>	<i>General Manager - Finance &amp; Accounts (Chief Financial Officer)</i>

### Auditors

N.M. Raiji &amp; Co.

### Bankers

State Bank of India  
Axis Bank Ltd.  
Standard Chartered Bank  
Citibank

### Registrar & Transfer Agents

Sharex Dynamic (India) Pvt. Ltd.  
Unit No. 1, Luthra Ind. Premises, 1st Floor, 44-E, M. Vasanti Marg,  
Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072  
Tel.: 022 28515606, 28515644 • Fax: 022 2851 2885  
E-mail : sharexindia@vsnl.com • Website: www.sharexindia.com

### Registered Office :

401-407, Nirman Vyapar Kendra,  
Plot No. 10, Sector 17, Vashi,  
Navi Mumbai - 400 703  
Tel.: 022 6794 6618  
Fax : 022 6794 6666  
E-mail : legal@alkylamines.com

### Manufacturing Sites :

**Patalganga Plant**  
Plot No. A-7 & A-25,  
MIDC Patalganga Industrial Area,  
Dist. Raigad - 410 220  
Maharashtra

### Kurkumbh Plant :

Plot No. D-6/1 & D-6/2,  
MIDC Kurkumbh Industrial Area,  
Tal. Daund,  
Dist. Pune - 413802  
Maharashtra

### Dahej Plant :

Plot No. D-2/CH/149/2,  
GIDC Dahej-2 Industrial Area,  
Tal. Vagra,  
Dist. Bharuch - 392110  
Gujarat

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## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 38th Annual General Meeting of **ALKYL AMINES CHEMICALS LIMITED** will be held at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 on Tuesday, July 31, 2018 at 2.30 PM, to transact the following business:

### ORDINARY BUSINESS:

- To consider and adopt:
  - the audited Standalone financial statements of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon; and
  - the audited Consolidated financial statements of the Company for the financial year ended March 31, 2018.
- To declare dividend on equity shares.
- To appoint a Director in place of Mr. Suneet Kothari (holding DIN 00021421) who retires by rotation at ensuing Annual General Meeting and being eligible, offers himself for reappointment.
- To appoint Statutory Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following as an **Ordinary Resolution**:

**“RESOLVED THAT** M/s. N.M. Raiji & Co., Chartered Accountants (Firm Registration No. 108296W), be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at such remuneration as shall be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS:

- To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Hemant Shah & Associates, Cost Accountants, (Firm Registration No. 394), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2019 be paid remuneration, as set out in the Statement annexed to the Notice convening the Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution.”
- To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount of ₹ 50/- (Rupees Fifty Only) per each such document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode.

**RESOLVED FURTHER THAT** the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance.

### NOTES :

- An Explanatory Statement setting out all material facts relating to Business at Item Nos. 3, 5 and 6 is annexed herewith.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
- Register of members and Share Transfer Books will remain closed from July 24, 2018 to July 31, 2018 (both days inclusive) for the purpose of Annual General Meeting and dividend.
- All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 4.00 pm) on all working days except Saturdays and Sundays, up to and including the date of Annual General Meeting of the Company.
- (a) Please note that pursuant to Section 124,125 of the Companies Act, 2013 all unclaimed/unpaid dividends up to 2009-2010 have been transferred to the Account of Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 25, 2017 (date of last Annual General Meeting) on the website of the Company ([www.alkylamines.com](http://www.alkylamines.com)), as also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).

- (b) 24134 equity shares are lying in the unclaimed suspense account. Concerned shareholders have been again reminded to claim their shares.
6. We have been offering the facility of electronic credit of dividend directly to the respective bank accounts of our shareholders, through National Electronic Clearing Service (NECS) and National Automated Clearing House (NACH). This is in addition to the Bank mandate facility that already exists whereby bank account details are printed on the dividend warrants. Shareholders who would like to avail of the ECS facility or the Bank mandate facility (if not done earlier) are requested to complete and submit the ECS/Bank Mandate Form that is also sent with this Annual Report to the Company's Registrar and Transfer Agents. Kindly note that shareholders holding shares in dematerialised form and who have registered their email would receive their dividend directly to the bank account nominated by them to their Depository Participant, as per SEBI directives.
7. The members are requested to notify change of address, if any, to the Company's Registrar and Transfer Agent.
8. The shareholders holding shares in physical form are once again advised to seek their shareholding changed to dematerialised form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded on the Stock Exchanges.
9. The members may note that the Company's Equity Shares are listed on the BSE Limited and the National Stock Exchange of India Limited and the listing fees to the stock exchanges have been paid.
10. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.
11. Members may also note that this Notice and the Annual Report for 2017-18 will also be available on the Company's website [www.alkylamines.com](http://www.alkylamines.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days, except Saturdays and Sundays. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [legal@alkylamines.com](mailto:legal@alkylamines.com)
12. Voting through electronic means
- a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is providing the e-voting facility to its Members holding shares in physical or dematerialized form, as on the cut-off date, being July 24, 2018, to exercise their right to vote at the 38th Annual General Meeting (AGM) by electronic means on any or all of the businesses specified in the Notice (the "Remote e-voting"), and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). The Remote e-voting commences on July 26, 2018 (9:00 A.M.) and ends on July 30, 2018 (5:00 P.M.). Details of the process and manner of Remote e-voting along with the User ID and Password are given in the attached sheet.
- b. The Company is also offering the facility for voting by way of physical ballot at the AGM. The Members attending the meeting should note that those members who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote at the AGM through ballot for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. July 24, 2018.
- c. The Company has appointed Mr. Prashant S. Mehta, Practising Company Secretary (Membership No. A5814), as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- d. The Scrutinizer shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, within a period not exceeding three (3) working days from the conclusion of the meeting, a Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company. The results shall be declared within 48 hours of the conclusion of the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.alkylamines.com](http://www.alkylamines.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
13. Members are requested to bring attendance slip alongwith the copy of the Annual Report at the meeting.

By order of the Board

**K. P. RAJAGOPALAN**

General Manager (Secretarial & Legal)  
& Company Secretary

**Registered Office :**

401-407, Nirman Vyapar Kendra, Plot No. 10,  
Sector 17, Vashi, Navi Mumbai 400 703.

CIN: L99999MH1979PLC021796

**Dated:** May 18, 2018

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT AS REQUIRED UNDER CORPORATE GOVERNANCE AND SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM 3

Mr. Suneet Kothari, Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment

At the Annual General Meeting held on July 7, 2015 the shareholders had approved appointment of Mr. Suneet Kothari as Executive Director for a period of 5 years upto December 31, 2019 upon the terms and conditions including remuneration decided thereat. He retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. Suneet Kothari is working with us since January 15, 2001. He is in-charge of our Commercial Operations, especially Marketing and Procurement. Mr. Suneet Y. Kothari aged 41 years, is a Chemical Engineer and Chemistry/Biochemistry Graduate from Cornell University, U.S.A. He has successfully completed a one year MBA (Masters in Business Administration) course at INSEAD, France / Singapore. Prior to employment with us, he has one and half years' experience with Diamond Technology Partners, U.S.A. as a Management Strategy Consultant. During his tenure with us since January 2001, he played a significant role in setting up the new product development effort and seeing it started off successfully.

Mr. Suneet Kothari is on the Board of Purjeeko Trading & Investment Pvt. Ltd. and Atreya Innovations Pvt. Ltd.

Mr. Suneet Kothari is son of Mr. Yogesh M. Kothari, who is the Promoter of the Company. They alongwith their relatives and entities controlled by them hold 1,51,32,788 equity shares (approx. 74.19% of the equity capital) of the company. As on March 31, 2018 a sum of Rs.66.50 lakhs is kept with the company by way of inter corporate deposit/unsecured loans by the entities controlled by them/their relatives.

None of the Directors, except Mr. Suneet Kothari and Mr. Yogesh M. Kothari, may be considered to be interested in the Resolution.

#### ITEM 5

At the last Annual General Meeting, the shareholders had approved appointment and payment of remuneration of M/s. Hemant Shah & Associates for the year ended March 31, 2018. The Board of Directors has reappointed them to conduct cost audit for the year ending March 31, 2019. The remuneration as recommended by the Audit Committee and approved by the Board of Directors is Rs.1,25,000/- (exclusive of GST) plus out-of-pocket expenses. The members are requested to pass the resolution for appointment and remuneration payable to M/s. Hemant Shah & Associates, as set out at item no.5 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives, is, in any way, concerned or interested, financially or otherwise, in the resolution.

#### ITEM NO. 6

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting. Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution. Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly commend the Ordinary Resolution at item no. 6 of the accompanying notice, for the approval of the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, is, in any way, concerned or interested, financially or otherwise, in the resolution.

By order of the Board

**K. P. RAJAGOPALAN**

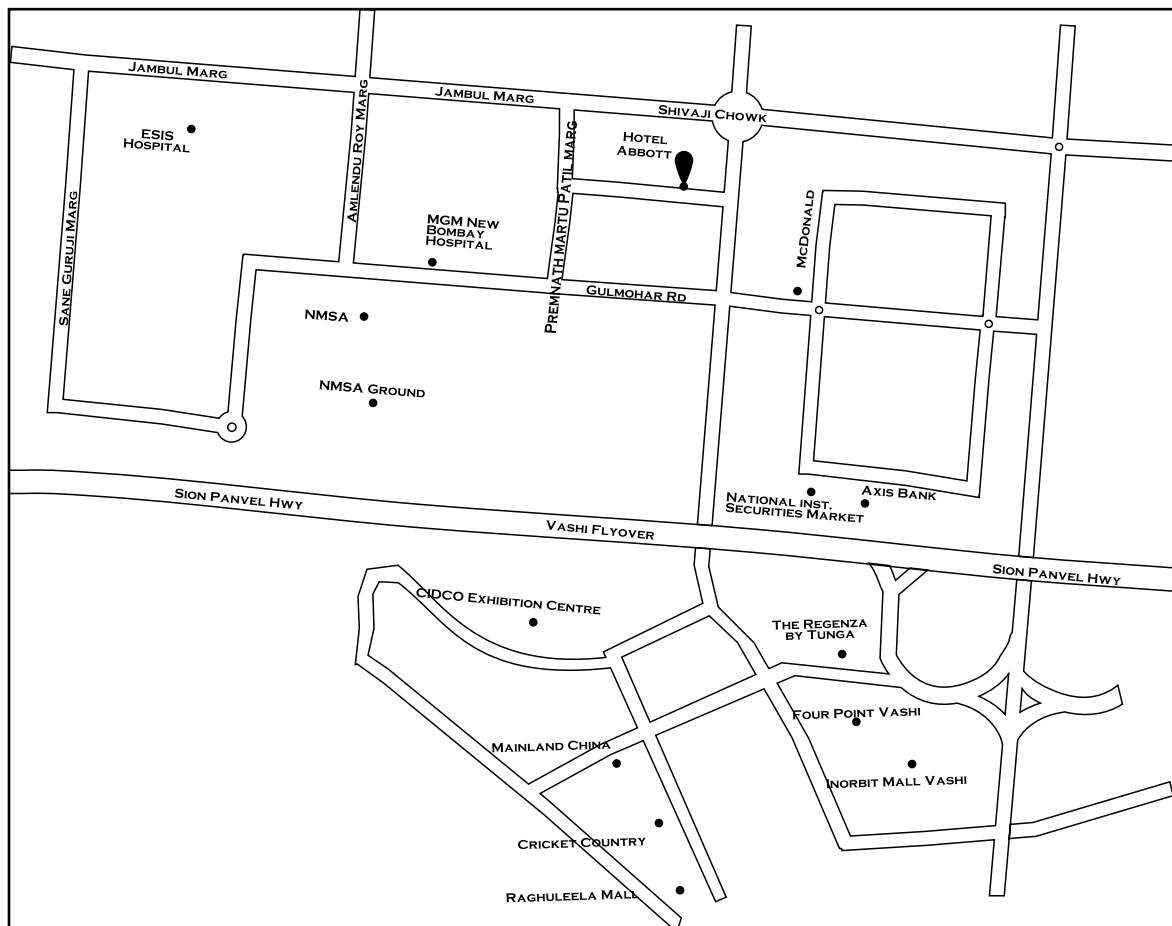
General Manager (Secretarial & Legal)  
& Company Secretary

#### Registered Office :

401-407, Nirman Vyapar Kendra,  
Plot No. 10, Sector 17, Vashi,  
Navi Mumbai 400 703.  
CIN: L99999MH1979PLC021796

**Dated:** May 18, 2018

## ROUTE MAP OF Annual General Meeting venue



HOTEL ABBOTT

## DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders,

Your Directors take pleasure in presenting the 38th Annual Report on the business and operations of your Company together with Audited Statement of Accounts for the financial year ended March 31, 2018.

### 1. FINANCIAL RESULTS:

The financial performance of your Company is as summarized below for the year under review:

	2017-18 Rs. In Lakhs	2016-17 Rs. In Lakhs
Revenue from operations	62482	54179
Other Income	316	113
Total Income	62798	54292
Profit before interest, depreciation & taxation	11959	9628
Finance costs	815	806
Depreciation	1567	1429
Profit before tax	9577	7393
Provision for tax	3148	2357
Net Profit after tax	6429	5036
Other Comprehensive Income	(47)	(66)
Total Comprehensive Income	6382	4970
Opening balance in retained earnings	18925	13969
Profit available for appropriations	25307	18939
Other adjustments due to IND AS:		
- Impact of adjustment in derivatives financial instruments	63	9
- Amalgamation of subsidiary	0	(23)
Dividends paid for the year 2016-17	(1020)	-
Tax on dividends	(207)	-
Closing balance in retained earnings	24143	18925

The Company has adopted Ind AS with effect from 1st April, 2017 with a transition date of 1st April, 2016. Accordingly, results for the year ended 31st March, 2018 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Previous periods figures have been restated as per Ind AS to make them comparable.

### 2. PERFORMANCE HIGHLIGHTS:

During the year under review, total Income increased from Rs.54292 lakhs to Rs. 62798 Lakhs, an increase of 16%.

Profit before tax for the year was Rs.9577 Lakhs compared to Rs.7393 lakhs of the previous year (an increase of 30%) and Profit after tax was Rs. 6429 Lakhs as against Rs.5036 lakhs of the previous year (an increase of 28%).

Further details of operations are given in the Management Discussion and Analysis Report annexed (Annexure 1).

### 3. DIVIDENDS:

Your Directors are pleased to recommend for your approval dividend of Rs. 7/- on Equity Share of Rs.5/- each for the year ended March 31, 2018 (Previous Year: Dividend of Rs.5/- per share of Rs.5/- each). The total amount of dividend including Income tax thereon amounts to Rs. 1718 Lakhs (Previous Year Rs.1227 Lakhs). You are requested to approve the same.

**4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in this Annual Report. (Annexure 1)

**5. NEW PROJECTS:**

We are pleased to report that our Methylamines Plant at Dahej was commissioned on March 24, 2018. Commissioning of the project was delayed due to unexpected heavy rains at Dahej.

Our proposed capital expenditure includes:

- a) Enhancing aggregate capacity of aliphatic amine hydrochloride at various locations;
- b) Enhancing DEHA capacity at Kurkumbh;
- c) Enhancing capacity of Acetonitrile;
- d) Adding to hydrogenation capacity; and
- e) Investment in environment sustainability and safety aspects.

**6. SUBSIDIARY/ASSOCIATE COMPANIES**

- a. Alkyl Speciality Chemicals Limited:

Application for merger of this subsidiary company with our Company was approved by National Company Law Tribunal and the Subsidiary Company is merged with this Company with effect from April 1, 2016.

- b. Diamines & Chemicals Limited, Vadodara:

Diamines and Chemicals Ltd., Vadodara, our associate company, has achieved a total income (net) of Rs.3994.29 Lakhs as against Rs. 3882.38 Lakhs of the previous year. They made a profit after tax of Rs. 708.90 Lakhs as against Rs.479.81 Lakhs of the previous year. They have declared a dividend of Rs.2.50 per equity share of Rs.10/- each for the year ended March 31, 2018.

Pursuant to IND AS 110, Consolidated Financial Statements presented by the Company include the financial information of Diamines and Chemicals Ltd.

**7. RESPONSIBLE CARE®:**

Responsible Care is a voluntary initiative of International Council of Chemical Associations, implemented in India by Indian Chemical Council to safely handle the products from inception in the research laboratory, through manufacture and distribution, to ultimate reuse, recycle and disposal, and to involve the public in the decision making processes. We have got our company recertified for Responsible Care® in Sept 2017. Several programs and studies related to safety, environment and health have been taken up and are being implemented.

Your Company has participated in developing Product Safety and Stewardship and Product distribution code as a part of initiative taken by Indian Chemical Council (ICC) along with other chemical companies. The objective was to update codes after rigorous implementation of Responsible Care program and findings of audits.

**7.1. ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION:**

The information on conservation of energy, technology absorption and other details stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith in "Annexure 2".

**7.2. SAFETY, HEALTH AND ENVIRONMENT:**

Keeping in line with the core values of being a responsible corporate citizen, an Integrated Management System to ensure an effective Environment Management and Occupational Health Management has been established by your Company.

In the new manufacturing site at Dahej, which was commissioned recently, safety and Environment management systems, similar to those followed in Kurkumbh and Patalganga are being implemented. Safety performance would be monitored regularly on monthly basis in monthly review meetings.

- (a) Safety: We encourage a high level of awareness of safety issues among our employees and strive for continuous improvement. All incidents are investigated by team and discussed in safety committee meetings and corrective actions, wherever necessary, are taken immediately. Employees are trained in safe practices to be followed at workplace. Compliance of safety training has improved over the years and there is active participation from employees. Safety Professional meetings are organized by Industrial Association in Mutual Aid scheme in the respective industrial areas. We are one of the leading members of Local and District Crisis Group and have earned reputation amongst society around and statutory authorities for prompt support during Disaster Management events.

External safety audit is carried out by outside agencies and the audit recommendations are being implemented. No major deviation has been observed.

Safety promotional activities such as celebration of National Safety Week, World Environment Day, Fire Service Day are celebrated with active participation of employees and contract workers. Competition are held and prizes are awarded to successful participants. Persons from neighboring industries and Govt. officers are invited for closing safety week ceremony.

The Company conducts scheduled mock drill for emergency scenarios with the active involvement of its staff and occasionally in the presence of external stakeholders. The gaps, if any, are immediately addressed for closure. To strengthen the Emergency Response, the company conducts truncated drills and table top exercises to assess the performance of emergency responders. Daily tool box talks and safety talks to officers and contractors are done by the company staff.

The Company has a Disaster Management Plan within the Company, either in the form of providing risk information to the community or responding in case of any emergency, as a part of its social responsibility.

Online deviation reporting system has been installed with access to all employees including contract employees. The deviations recorded are promptly corrected by Area in-charge and closed. Employees are rewarded for good suggestions. This system encourages involvement of employees at all levels.

The Safe employee and Safe contractor awards initiated in 2015-16 were distributed accordingly in 2017-18

There have been no major incidents in any site during the year 2017-18. Minor incidents are recorded and investigated regularly. Walkthrough rounds by senior managers are conducted monthly and each area of the factory is visited regularly. Observed deviations are recorded and closed immediately. Special budget is allocated to Site Head for this activity.

- (b) **Health :** Health of employees is of utmost importance. Periodic check up of employees is done to monitor their health. Regular work area monitoring to check concentration of chemicals, noise level, and quality of ambient air is done. We also have well equipped Occupation Health Centers with a Doctor, appropriate staff and own AMBULANCE Vehicle at manufacturing sites at Patalganga and Kurkumbh. We have team of employees trained as FIRST AIDERS who contribute their skills while on duty as well as away from duties to serve the society. Occupational Health and Safety issues are continuous focus points for your Company. Both sites are certified to BS OHSAS 18001:2007.

New employees undergo medical check up before they join duty. Training programs are arranged on lifestyle diseases by eminent doctors. Health camps (including blood donation camps) are arranged. Drivers are provided training on health issues. Occupational health Centres have been upgraded and modern equipments are provided. Health promotional activities, such as celebrating International Yoga day at all our sites and conducting Yoga training of our employees and contractors were done.

- (c) **Environment:**

In line with our Alkyl Policy, we give utmost importance to Environment protection and adherence to pollution control norms. Environmental Management System at Patalganga and Kurkumbh are certified to ISO 14001:2015. We have successfully completed the upgradation to ISO 14001:2015 in August 2017.

- i) **Air Emissions** – We monitor regularly emissions from various sources and are very particular about compliance with statutory requirement. Projects are undertaken for reduction of emissions. During the year, we have provided at Patalganga, sprinkler system at coal storage, conveyor and crusher area.
- ii) **Liquid Waste Treatment** – We have integrated Effluent Treatment Plants and we maintain outlet standards within the prescribed limits by hydrocavitation method. Continuous efforts are made by improving the internal processes to minimize the quantity of effluent generated. During the year, we have enhanced the capacity of tertiary plant in ETP to bring down TSS. Our Company is also a member of the CETP located at Patalganga and Kurkumbh. We are also planning for zero discharge for our Kurkumbh Plant. First phase of the project has been commissioned. The remaining phase will be commissioned shortly.
- iii) **Solid Waste Management** – Solid wastes are disposed of to secured landfill or sent for incineration at the Hazardous waste disposal facility. The manufacturing sites at Patalganga, Kurkumbh and Dahej are members of the Authorized Common Hazardous Waste Transport, Storage & Disposal Facility namely; Mumbai Waste Management Limited, Taloja, Maharashtra Enviro Power Limited, Ranjangaon and Bharuch Enviro Infrastructure Ltd. respectively. We have a program in place for waste management using reduction/ recycle/ reuse/ recovery techniques. These programs are continuously reviewed for monitoring their progress and effectiveness.
- iv) **Green belt** – Tree plantation inside and outside the factory premises is given utmost importance and is done on a regular basis
- v) **Non conventional Renewable Energy and Natural Resource conservation** –

Our 2 MW Solar Power Plant at Bhoom, Maharashtra, is working satisfactorily. Solar Water heaters have been

installed at the staff colony. Use of water from the Sewage Treatment Plant for gardening, and number of GO GREEN activities were undertaken at the plant and staff colony.

- vi) New storm water drainage system has been constructed in Kurkumbh to regulate flow of water to outside factory premises.

## **8. CORPORATE SOCIAL RESPONSIBILITY:**

Your Company works with a deep sense of social commitment and contributes towards the welfare of the society that it is part of. Your Company's concerns are focused on Environment Sustainability & Rural Development, Health/Women Empowerment, Education/Sports and others. The Annual Report on CSR activities is annexed herewith as "Annexure 3".

## **9. DIRECTORS:**

Mr. Suneet Kothari retires by rotation at the Annual General Meeting and, being eligible, has offered himself for re-appointment. Your Directors recommend his reappointment.

### **9.1 Board Evaluation**

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the annual evaluation has been carried out by the Board of its own performance and that of its Committees and individual Directors by way of individual and collective feedback from Directors. The Directors expressed their satisfaction with the evaluation process.

### **9.2 Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy can be viewed on the company's website.

### **9.3 Meetings**

During the year four Board Meetings and five Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **9.4. Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **10. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were at an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, form AOC-2 is not applicable to the Company.

#### **11. CODE OF CONDUCT:**

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management, which is available on the company's website. All Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

#### **12. INSIDER TRADING POLICY:**

As required under the new Insider Trading Policy Regulations of SEBI, your Directors have framed new Insider Trading Regulations and Code of Internal Procedures and Conduct for, regulating monitoring and reporting of trading by insiders. For details please refer to the company's website.

#### **13. FIXED DEPOSITS:**

The Company has not accepted any fixed deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### **14. INSURANCE:**

The Properties and Assets of the Company are adequately insured.

#### **15. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

#### **16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, wherever applicable, are given in the notes to financial statements.

#### **17. AUDITORS:**

##### **17.1 Statutory Auditors**

Messrs. N. M. Rajji & Co., Chartered Accountants (ICAI Firm Registration Number 108296W) Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment. Your Board recommends their reappointment. We have received a certificate from them to the effect that they are eligible to be reappointed as per provisions of Section 139 of The Companies Act, 2013.

##### **17.2 Cost Auditors**

The Board of Directors has re-appointed Messrs. Hemant Shah & Associates, as Cost Auditor for the year 2018-19. Their re-appointment as Cost Auditors for the year 2018-19 is sought under Item No. 5 of the Notice convening the Annual General Meeting.

##### **17.3 Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Prashant S. Mehta, Practising Company Secretary, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as "Annexure 4".

#### **18. CORPORATE GOVERNANCE**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section (Annexure 5) on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditors confirming compliance forms an integral part of this Report.

#### **19. CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company prepared in accordance with relevant IND AS 110 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

**20. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure 6”.

**21. PARTICULARS OF EMPLOYEES**

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, and the Rules framed thereunder is enclosed as “Annexure 7” to the Board’s Report. The information in respect of employees of the Company required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 will be provided upon request. In terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid Annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company (except Saturdays and Sundays) up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

**22. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Complaints Committees at its workplaces. No complaints have been received during the year 2017-18.

**23. CAUTIONARY STATEMENT**

Statements in the Board’s Report and the Management Discussion & Analysis describing the Company’s objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company’s operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

**24. ACKNOWLEDGEMENTS**

The Directors wish to place on record their appreciation of the continuous support received by the Company from the investors, Bankers, Central/State Government Departments, its Customers and Suppliers.

For and on behalf of the Board

Place: Mumbai

Dated: May 18, 2018

**YOGESH M. KOTHARI**  
Chairman & Managing Director  
(DIN: 00010015)

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ANNEXURE 1

#### INDUSTRY STRUCTURE AND DEVELOPMENT

We are global manufacturers and suppliers of amines, amine derivatives and other speciality chemicals. We have three manufacturing sites, two in Maharashtra, i.e. at Patalganga and at Kurkumbh and one in Gujarat, i.e. at Dahej. We have an R&D Centre located at Pune, Maharashtra, equipped with advanced equipments and analytical instruments. We also have a Solar Plant at Bhoom, Dist. Osmanabad, Maharashtra State. We have an excellent team of technical and commercial professionals with expertise in chemical manufacturing and marketing.

Our products have application in important industries like pharmaceuticals, agro-chemicals, water treatment chemicals, foundry chemicals, rubber chemicals, etc. We cater to both domestic and international market. We have competition both from local and international producers.

For more details please refer to our website [www.alkylamines.com](http://www.alkylamines.com).

#### PERFORMANCE

Total Income amounted to Rs.62798 Lakhs compared to Rs.54292 Lakhs of the previous year.

#### OPPORTUNITIES AND THREATS

India is steadily moving up the ranks as a global economic power and a business magnet for investment. Key drivers for success in the chemical sector include proximity to strong growth markets, greater ease in doing business, and the continued development of petroleum, chemicals and petrochemical investment. Backed by one of the strongest GDP growth rates in the world, the future looks bright for the Indian chemical industry.

The Chemical Industry is critical for the economic development of our country, providing products and enabling technical solutions in virtually all sectors of the economy. Your Company has the advantage of having a product range of speciality chemicals, covering a broad spectrum of applications. The demand for our products is driven by a wide range of end use industries.

Your Company is ready to take the challenges of increased demand by continuously investing in upgradation and expansion of its manufacturing capacities. The in-house R&D Department has been developing quality products and is also striving for achieving cost efficiencies.

The industries in which our products have application, like pharmaceuticals, agrochemicals, rubber chemicals etc. are growing at a reasonable pace. We have a fair chance of improving our position as a reliable supplier of good quality chemicals to these industries. Our Core Competence in chemical handling and manufacturing supported by an able technical team, should provide a lot of opportunities and scope to the company to improve its performance. We enjoy leadership position in some of the products in domestic market, driven by strong in-house technology, diversified product portfolio and customer base.

The commodity nature of some of our products makes them susceptible to fluctuations in raw material prices and exchange rates. The company is vulnerable to alcohol price volatility. Domestic alcohol prices are dependent on the cyclical nature of the sugar industry and Government policy for its use in oil sector. Other petroleum based raw materials are subject to international gas/crude oil price fluctuation.

Being a global player, we are also exposed to competition not only from domestic players but also large international players. Cheap imports have posed problems, which are being addressed by consistency in quality of the products and improving production efficiencies and also by initiating anti-dumping investigations.

#### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The profit before tax amounted to Rs.9577 Lakhs compared to Rs.7393 Lakhs reported last year.

During the year, our gross domestic sales amounted to Rs.55603 Lakhs compared to Rs.44042 Lakhs of the previous year. Exports increased from Rs.9004 Lakhs (FOB) of the previous year to Rs. 10908 Lakhs (FOB) for the year 2017-18.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's internal control procedures which includes internal financial controls, ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. We have set up a statutory compliance management system to ensure compliance with various applicable laws.

We have in place internal control systems in all spheres of activities commensurate with the size of the Company. The system is helping the Managers to advantageously assimilate information and make more knowledge-based and efficiency-driven decisions. The internal control is supplemented by effective internal audit being carried out by an external firm of Chartered Accountants. The Internal Auditor's team carries out extensive audits throughout the year across all locations and across all functional areas.

The Audit Committee of Directors regularly reviews the findings of the Internal Auditors and effective steps to implement the suggestions/observations of the Auditors are taken and monitored regularly.

Your Company also has laid down procedures and authority levels with suitable checks and balances encompassing the entire operations of the Company.

### WHISTLE BLOWER POLICY

The Company has a whistleblower policy to deal with instances of fraud and mismanagement, if any.

The details of the policy are explained in the Corporate Governance Report and also posted on the website of the Company.

### RISKS AND CONCERNS

The economic and business environment is fast evolving. The global market is complex and demands a very efficient and complex supply chain configuration. The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for all manufacturing sites are analyzed to minimize risk associated with protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company. The Company fulfills its legal requirements concerning emission, waste water and waste disposal. Improving work place safety continued to be top priority at all manufacturing sites.

### HUMAN RESOURCES

The Company believes that its employees are the key to driving sustainable performance and developing competitive advantage. The HR policies and procedures of your Company are geared towards nurturing and development of Human Capital. Your Company has transparent processes for rewarding performance and retaining talent.

We had conducted a survey among senior management staff to ascertain “What’s working well in the Company ” and “ Areas of improvement”. We have benchmarked our Company with some other organisations and outlined the challenges which the Company is facing along with proposed road maps. The Senior Management people had deliberations and drawn an execution plan based on priority suggested by the Group to work towards a Future Ready Organisation.

Skill Gap Analysis and other systems are also in place to identify the training interventions required. Employee relations at all locations continued to remain cordial. Your Directors wish to acknowledge the sincere and dedicated efforts of the employees of the company and would like to thank them for the same.

### OUTLOOK

For the year 2018-19, our focus will continue on sustainable growth by taking measures for:

- a) increasing our market share of existing products; and
- b) creating new business with new products, both in domestic and export market.

Increased competition from global and domestic players, are putting pressure on sales prices. Increase in prices of certain raw materials also put pressure on contribution. However, with the global growth of chemicals focused more on Asia, it is expected that there will be further growth in chemical industry.

During the year 2018-19, we expect our investments in various projects to add to both our topline and bottomline.

We will continue with our efforts for improving our bottom-line by expanding our product-range, while re-looking at business strategies and models, wherever necessary. With our continuous efforts for improving efficiencies and margins, barring, unforeseen circumstances, we expect to achieve better results for the year 2018-19.

For and on behalf of the Board of Directors

**YOGESH M. KOTHARI**  
Chairman & Managing Director  
(DIN: 00010015)

Place : Mumbai

Dated : May 18, 2018

## ANNEXURE 2

(Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Act, 2013)

### (A) ENERGY CONSERVATION:

Energy conservation continues to be an active focus area for your Company since it is not only a major cost in the manufacturing process but, more importantly, a significant part of your Company's corporate social responsibilities. Your Company has taken several initiatives at each plant level in order to conserve energy which is in line with our policy of conservation of natural resources. The Company has been certified for the ISO 50001:2011, Energy Management System.

Projects Implemented to conserve energy include:

- 1) APFC installation to ethyl plant load to improve power factor and reduce electrical consumption, increase in power generation from turbine and LED lighting fixtures to replace old lamps.
- 2) Improved steam condensate recovery at Patalganga to save water consumption along with heat, Installed new design of traps and monitoring trap performance and also by Connecting all open steam traps in a closed system and recycling this collected condensate to boiler.
- 3) Recovering the heat from high pressure condensate at by generating low pressure steam and reusing in the process.
- 4) Replacing old air-conditioners with new energy efficient non-CFC air conditioners.
- 5) Replacing conventional motors by high efficiency motors and thereby improving energy efficiency.
- 6) Installing Energy meters for each consumer in Patalganga that benefited in monitoring the daily consumption and taking immediate action on abnormal change.
- 7) Replacing gas separator pumps with adequate capacity & running only one pump instead of two.
- 8) Reduced lot cycle time in MIPA solution preparation saving operating power of pump.
- 9) Providing VFD for boiler FD fans.
- 10) Energy review of coal boiler at Patalganga to assess efficiency and implement the recommended suggestions.

### (B) TECHNOLOGY ABSORPTION:

1. Specific areas in which R & D carried out by the company
  - a) Development of continuous and batch process for aliphatic amines & amine derivatives
  - b) To develop value addition products from the waste streams.
  - c) Improvement in existing processes for commercialized product based on latest technology
2. Benefits derived as a result of the above R & D
  - a) Developed a continuous process for a new amine and pilot trials are planned by third quarter 2018-19
  - b) Developed batch process for two new products used as solvent for different applications. Also developed an intermediate for agrochemical using one of our amines.
  - c) Extensive work was carried out for improvement in existing processes. One of the processes is modified and yield improved resulting in increased capacity of the product.
3. Future plans of action
  - a) Scale up trials for the products developed in previous year
  - b) Development of new processes for new products
  - c) To develop Value addition products from the existing waste streams
4. Expenditure incurred on Research & Development
 

a) Revenue Exps	Rs. 472.00 Lakhs
b) Capital Exps	Rs. 20.00 Lakhs
Total	Rs. 492.00 lakhs
Total R&D expenditure	
As a percentage of Total turnover	1%

### (C) FOREIGN EXCHANGE EARNINGS & OUTGO

	2017-18	2016-17
Foreign Exchange earned	<b>Rs. 10,908.73 Lakhs</b>	Rs. 9,010.92 Lakhs
Foreign Exchange used	<b>Rs. 7,127.90 Lakhs</b>	Rs. 11,953.23 Lakhs

### ANNEXURE 3

#### ANNUAL REPORT ON CSR ACTIVITIES FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2017-18

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 programmes.

CSR Policy is stated on the company's website : [www.alkylamines.com](http://www.alkylamines.com)

2. Composition of the CSR Committee:

Ms. Tarjani Vakil Chairperson (Independent Director)  
Mr. Yogesh M. Kothari (Chairman & Managing Director)  
Mr. Kirat Patel (Executive Director)

3. Average profit (as calculated for the purpose of CSR) of the Company for last three financial years:

Average profit: Rs. 7847.94 Lakhs

4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above):

The Company is required to spend Rs. 156.96 lakhs towards CSR.

5. Details of CSR spent during the financial year 2017-2018:

- (a) Total amount spent for the financial year: Rs. 155.10 lakhs (Previous year: Rs. 125.88 Lakhs)
- (b) Amount unspent, if any: Rs. 1.86 Lakhs
- (c) Manner in which the amount spent during the financial year is detailed below (Rs.in Lakhs)

Sr. No.	Project Area/ Sector	Locations	Amount Outlay (Budget) Project or Programs wise	Amount spent on the project or programs	Cumulative expenditure (1.4.2014 to 31.3.2018)	Amount spent: Direct or through implementing agency
1	Environment Sustainability & Rural Development	a) Amount spent In the State of Maharashtra. b) Amount spent in the State of Gujarat in the area of education.	35.00	32.61	87.84	Direct
2	Health/ Woman Empowerment		37.00	42.88	91.94	Both directly and through implementing agency
3	Education/Sports		80.00	74.90	209.45	
4	Others		5.00	4.71	15.89	
	Total		157.00	155.10	405.12	

#### REASON FOR SHORTEALL OF CSR SPEND

As against the sum of Rs. 156.96 lakhs required to be spent, we have actually spent a sum of Rs. 155.10 Lakhs (as against Rs. 125.88 lakhs of the previous year). Though funds have been allocated, in order to make payment, agencies still have to complete the milestones as planned and spend the money, including approval of Government authorities. Based upon the baseline study, further projects in the areas of health and Sanitation are being finalised.

#### RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE:

All our projects are identified in a collective manner, in consultation with the community decision makers and the local beneficiaries. Gauging their basic needs and assessing our own mechanisms, we take recourse to the participatory rural appraisal mapping process. Subsequently, based on discussions with local authorities such as Village Panchayats/Tehsildars, projects are prioritized.

Arising from this, the focus areas that have emerged are those chosen to be included in the CSR plan for the year. All of our community projects are identified and monitored by the hierarchy of our Company:

- Our CSR Committee of Directors
- Subordinate HR/CSR and P&A staff
- Employee Volunteers
- 3rd party/NGO associates/agencies

All projects are assessed under the agreed strategy, and are monitored every quarter, measured against targets and budgets. Wherever necessary, mid-course corrections are employed and applied, to ensure that AACL's standard of excellence is met at all levels of making a positive impact on community.

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

**Tarjani Vakil**  
Chairperson- CSR Committee

**Yogesh M. Kothari**  
Chairman and Managing Director

**Kirat Patel**  
Executive Director

Mumbai  
May 18, 2018

## ANNEXURE 4

### SECRETARIAL AUDIT REPORT

**Form No. MR-3**

[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]

For the financial year ended 31st March, 2018

The Members,  
Alkyl Amines Chemicals Limited  
Vashi, Navi Mumbai  
CIN: L99999MH1979PLC021796.

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

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

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

- (i) The Companies Act, 2013 (the 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 External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act dealing with the Company; (Not Applicable)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable during the audit period), and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable during the audit period).
- (vi) We have relied on the representation made by the management and its officers for systems and mechanism framed by the Company and having regard to the compliance system prevailing in the Company & on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws as specifically applicable to the Company:
  - a. Environment Protection Act 1986;
  - b. Water/Air (Prevention and control of pollution) Act, 1974;
  - c. Income Tax Act, 1961 and other Indirect Tax laws;

- d. Factories Act, 1948;
- e. All applicable Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;
- f. Industrial Disputes Act;
- g. Hazardous Chemical Rules;
- h. Hazardous Waste Management Rules, 2016;
- i. Bombay Shops & Establishment Act;
- j. Food and Drug Administration (for poison licence);
- k. The National Environment Tribunal Act, 1995;
- l. The Batteries (Management and Handling) Rules, 2001;
- m. The Indian Boilers Act, 1923;
- n. The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996;

We have also examined compliance with the applicable provisions of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the best of our knowledge and belief, during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Decisions at the meetings of Board of Directors of the Company were carried through on the basis of requisite majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that based on review of compliance mechanism established by the Company and on the basis of Compliance Certificates issued by the Company Secretary, we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, the Company has convened meeting of members of the Company and Alkyl Speciality Chemicals Limited (ASCL) as directed by the National Company Law Tribunal (NCLT) for the purpose of approving the scheme of Arrangement of ASCL with the Company.

We further report that during the audit period the Company and its officers in all departments have co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

Place : Mumbai

Date : May 18, 2018

**Prashant S. Mehta**

Practising Company Secretary

Membership No: A5814

COP: 17341

## ANNEXURE 5

### CORPORATE GOVERNANCE REPORT

1. Our philosophy on Code of Governance is aimed at safeguarding and adding value to the interest of the various stakeholders of our company including shareholders, lenders, employees and public at large. At Alkyl Amines Chemicals Limited, ("ALKYL"), we are committed to Good Corporate Governance to ensure that all functions of the Company are discharged in a professionally sound and competent manner. Given below is the requisite information relating to corporate functioning of your Company at apex level for the purposes of due transparency on this aspect.

#### 2. BOARD OF DIRECTORS

##### i) Composition of Board:

The Board of Directors of the Company consists of 9 members. Three of the Directors, i.e. the Chairman & Managing Director and two Executive Directors, are Executive Directors and rest of the 6 Directors are non-executive Directors, who bring a wide range of skills and experience to the Board. The Board of Directors of the Company as on 31st March, 2018 is as under:

Name	Designation / Category	No. of Directorships and Committee Memberships / Chairmanships in other Companies (excluding Pvt. Cos.)		
		Other Director-ships	*Committee Member-ships	*Committee Chairpersonships
Mr. Yogesh M. Kothari	Chairman & Managing Director (Promoter)	One	One	One
Mr. Hemendra M. Kothari	Non-executive Director (Brother of Mr. Yogesh Kothari)	---	---	---
Mr. Shyam B. Ghia	Non-Executive Director (Independent)	Four	Four	One
Mr. Shobhan M. Thakore	Non-Executive Director (Independent)	Seven	Seven	One
Mr. Dilip G. Piramal	Non-Executive Director (Independent)	Five	Two	---
Mr. Premal N. Kapadia	Non-Executive Director (Independent)	Two	One	---
Ms. Tarjani Vakil	Non-Executive Director (Independent)	Five	Six	Four
Mr. Kirat Patel	Executive Director	Two	Two	One
Mr. Suneet Kothari	Executive Director (son of Mr. Yogesh Kothari)	---	---	---

\*Membership/Chairmanships of Audit Committees and Stakeholders' Relationship Committees.

Mr. Hemendra Kothari, Mr. Yogesh Kothari and Mr. Suneet Kothari are relatives.

Weblink where details of familiarization programmes imparted to independent directors is disclosed: [www.alkylamines.com](http://www.alkylamines.com)

##### ii) Attendance record of each Director:

Four Board Meetings were held during the year 2017-18. These meetings were held on 18.05.2017, 17.08.2017, 23.11.2017 and 05.02.2018. The attendance record of all the Directors at the Board Meetings and the last Annual General Meeting between 01.04.2017 to 31.03.2018 is as under:-

Name	No. BoD Meetings held	No. of BoD Meetings attended	Attended last AGM
Mr. Yogesh M. Kothari	Four	Four	Yes
Mr. Hemendra M. Kothari	Four	Two	No
Mr. Shyam B. Ghia	Four	Four	Yes
Mr. Shobhan M. Thakore	Four	Four	No
Mr. Dilip G. Piramal	Four	Four	No

Name	No. BoD Meetings held	No. of BoD Meetings attended	Attended last AGM
Mr. Premal N. Kapadia	Four	Four	No
Ms. Tarjani Vakil	Four	Two	No
Mr. Kirat Patel	Four	Four	Yes
Mr. Suneet Kothari	Four	Three	Yes

### 3. COMMITTEES OF THE BOARD OF DIRECTORS

#### i) Audit Committee

The Company has an Audit Committee of the Board of Directors since April 2000. The Audit Committee comprises of four Directors, i.e., Mr. Shyam B. Ghia (Chairman), Mr. Premal N. Kapadia and Mr. Shobhan M. Thakore (all being Non-Executive and independent) and also Mr. Kirat Patel. The Committee met 5 times during the year 2017-2018 on 18.05.2017, 25.07.2017, 17.08.2017, 23.11.2017 and 05.02.2018. The attendance of the Audit Committee Members is as under:-

Name	No. of Audit Committee Meetings held	No. of Audit committee Meetings attended
Mr. Shyam B. Ghia	Five	Five
Mr. Premal N. Kapadia	Five	Five
Mr. Shobhan N. Thakore	Five	Five
Mr. Kirat Patel	Five	Five

Mr. K.P. Rajagopalan, General Manager (Secretarial & Legal) & Company Secretary of the Company, acts as Secretary to the Audit Committee. The Account & Finance Officials of the Company, Statutory Auditors and Internal Auditors also attended the meetings of Audit Committee.

The terms of reference of Audit Committee include overview of the company's financial reporting process, review with management the various aspects of financial statements including quarterly, half yearly and annual results, adequacy of internal controls and internal audit function, various audit reports, significant judgments affecting the financial statements, compliance with accounting standards and Company's financial & risk management policies. It reports to the Board of Directors about its findings & recommendations pertaining to above matters. No personnel have been denied access to the Audit Committee.

#### ii) Nomination and Remuneration Committee of the Board

a) The Company has also set up a Nomination and Remuneration Committee of Directors, consisting of Mr. S.B. Ghia, Chairman, Mr. S.M. Thakore and Mr. Dilip G. Piramal. The main criteria for fixing remuneration of the Directors are performance and also practice in the industry. The terms of reference of the Committee include review and recommendation to the board of directors of the remuneration paid to the directors. The Committee meets as and when required to consider remuneration of Directors. No meetings of the Committee were held in the current financial year. The Committee has formed a remuneration policy, which is available on the Company's website.

#### b) Performance evaluation criteria for directors:

Evaluation of	Evaluation by	Criteria
Non-independent Director (Executive)	Independent Directors	Transparency, Leadership (business and people), Governance and Communication
Non-independent Director (Non-executive)	Independent Directors	Preparedness, Participation, Value addition, Governance and Communication
Independent Director	All other Board Members	Preparedness, Participation, Value addition, Governance and Communication
Chairman	Independent Directors	Meeting dynamics, Leadership (business and people), Governance and Communication
Committees	Board Members	Composition, Process and Dynamics
Board as a whole	Independent Directors	Composition, Process and Dynamics

**c) Remuneration of Directors:**

Remuneration paid/payable to the Directors for the year from 1.4.2017 to 31.3.2018 is given below:

(Rs. in Lakhs)

Name	Remuneration	Sitting Fee (Gross)	Commission*	Total
Mr. Yogesh M. Kothari	195.93	Nil	299.81	495.74
Mr. Hemendra M. Kothari	Nil	0.40	17.81	18.21
Mr. Shyam B. Ghia	Nil	2.08	17.81	19.89
Mr. Shobhan M. Thakore	Nil	2.68	17.81	20.49
Mr. Dilip G. Piramal	Nil	1.00	17.81	18.81
Mr. Premal N. Kapadia	Nil	2.00	17.81	19.81
Ms. Tarjani Vakil	Nil	0.80	17.81	18.61
Mr. Kirat Patel	103.90	Nil	106.84	210.74
Mr. Suneet Y. Kothari	97.94	Nil	106.84	204.78

\*Commission will be paid during the year 2018-2019.

Remuneration to Executive Directors includes salary and perquisites. The Company does not have any stock option scheme.

The Executive Directors of the Company, namely, the Managing Director & two Executive Directors, have been appointed for a period of five years. Either party is entitled to terminate the appointment by giving not less than six months' notice in writing to the other party.

**iii) Stakeholders' Relationship Committee:**

- The Stakeholders' Relationship Committee consists of Mr. Shobhan M. Thakore, Mr. Shyam B. Ghia and Mr. Yogesh M. Kothari, whose terms of reference include approval of share transfers and overview of investor grievance handling system. Mr. Shobhan M. Thakore is the Chairman of this Committee.
- Total 4 meetings of Stakeholders' Relationship Committee were held during the year 2017-2018 on 30.06.2017, 29.09.2017, 20.12.2017 and 28.03.2018.
- The attendance of the Stakeholders' Relationship Committee Members is as under:-

Name	Category	No. of meetings held	No. of meetings Attended
Mr. Shobhan M. Thakore	Independent	Four	Four
Mr. Shyam B. Ghia	Independent	Four	Four
Mr. Yogesh M. Kothari	Executive Director	Four	Four

- Mr. K.P. Rajagopalan, General Manager (Secretarial & Legal) is the Compliance Officer.
- No. of shareholder complaints received during 2017-18
 

Relating to non-receipt of annual report	: 2
Relating to loss of share certificates / Dividend	: 12
Relating to transmission of shares	: 0
Others	: 0
- No. of shareholder complaints not solved to the satisfaction of the shareholders:
 

Relating to non-receipt of annual report	: None
Relating to loss of share certificates / Dividend	: None
Relating to transmission of shares	: None
Others	: None
- No. of pending share transfers as on 31.3.2018 : None

**iv) Finance Committee:**

The Company also has a Finance Committee of Directors to consider finance related decisions consisting of Mr. Y. M. Kothari, Chairman, Mr. Kirat Patel and Mr. Shobhan M. Thakore. During the year 2017-2018 the Finance Committee Meetings were held on 04.04.2017, 25.07.2017 and 26.09.2017.

Name	No. of Finance Committee Meetings held	No. of Finance Committee Meetings attended
Mr. Yogesh M. Kothari	3	3
Mr. Shobhan N. Thakore	3	3
Mr. Kirat Patel	3	3

**v) Corporate Social Responsibility Committee:**

The Company has a Corporate Social Responsibility Committee, consisting of Ms. Tarjani Vakil (Chairperson), Mr. Yogesh M. Kothari and Mr. Kirat Patel. During the year 2017-18, the Committee Meeting was held on 06.11.2017. The attendance record of Directors is as under:

Name	No. of Committee Meetings held	No. of Meetings attended
Ms. Tarjani Vakil	One	One
Mr. Yogesh M. Kothari	One	One
Mr. Kirat M. Patel	One	One

**vi) Independent Directors' Meeting:**

A meeting of the Independent Directors of the Company was held on February 05, 2018, in conformity with the provisions of the Schedule IV of the Companies Act, 2013 & the SEBI (Listing Obligations and Disclosure Regulations) 2015. All the Directors were present at the meeting.

**4. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

A copy of the Nomination and Remuneration policy is available on the Company's website.

**5. GENERAL BODY MEETINGS**

i) Location and time where last three Annual General Meetings were held and details of special resolutions passed:

No. of AGM	Venue	Date	Time
37th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra Special Resolution was passed for payment of commission to Directors other than the Managing Director and Executive Directors.	July 25, 2017	11.00 A.M.
36th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra No Special Resolutions were passed.	July 29, 2016	2.30 P.M.
35th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra Special resolutions were passed for : a) Approval for re-appointment and payment of remuneration of Mr. Yogesh M. Kothari as Chairman & Managing Director b) Approval for re-appointment and payment of remuneration of Mr. Kirat Patel as Executive Director c) Approval for re-appointment and payment of remuneration of Mr. Suneet Kothari as Executive Director	July 7, 2015	12.00 noon

- ii) No business was transacted vide postal ballot during the year.
- iii) No special resolutions are proposed to be conducted by the Company through postal ballot.

We are proposing voting by means of e-voting for which necessary instructions are given in the notice convening the annual general meeting.

## 6. DISCLOSURES

- i) There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- ii) A list of transactions with related parties as per Accounting Standard AS-18 is mentioned in Note 34 to the Audited Accounts.
- iii) No penalty/stricture was imposed on the Company by Stock Exchange(s), SEBI or any other authority, or any matter related to capital markets, during the last three years.
- iv) The Company has a whistleblower policy, which is available on the Company's website.
- v) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements: The Company has complied with all mandatory requirements of Corporate Governance.

## 7. MEANS OF COMMUNICATION:

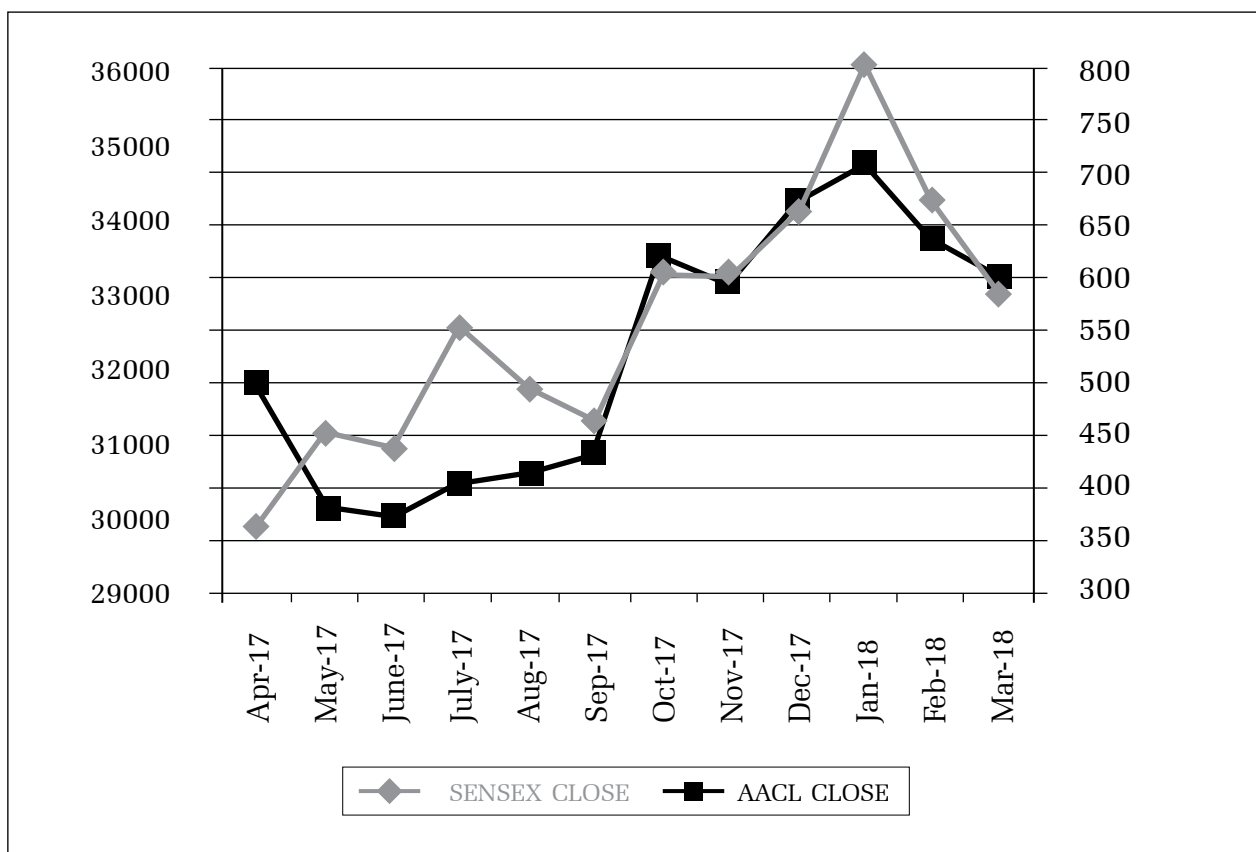
- i) The Company is publishing its financial results in National & Regional Newspapers like Economic Times and Maharashtra Times. Quarterly Results are also put on the Company's web-site, [www.alkylamines.com](http://www.alkylamines.com)
- ii) Management Discussion & Analysis is part of Annual Report 2017-2018.

## 8. GENERAL SHAREHOLDER INFORMATION

- i) Annual General Meeting
  - Date : July 31, 2018
  - Time : 2.30 P.M.
  - Venue : Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703.
- ii) Financial Year : April to March
- iii) Dates of Book Closure : 24.7.2018 to 31.7.2018 (Both days inclusive)
- iv) The equity shares of the Company are listed on The Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.
- v) Stock code. (BSE) : 506767  
(NSE) : ALKYLAMINE
- vi) Market Price Data - High & Low at BSE and NSE of the equity shares of the Company during each month for the year 2017-2018 as compared to BSE Sensex/Nifty are as under:

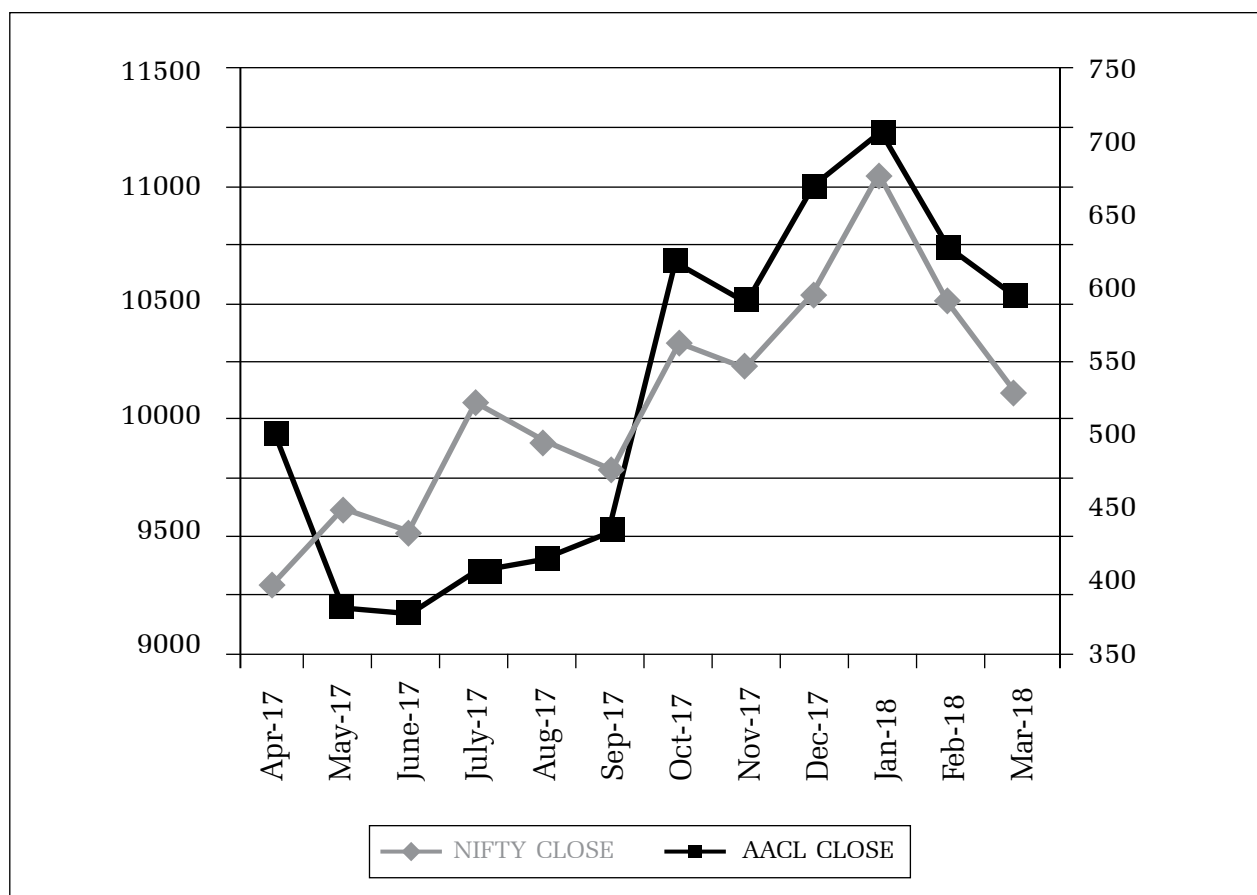
**AACL Share Price on BSE vis-à-vis Sensex (April 2017 – March 2018)**

Month	SENSEX	High	Low	AACL Close
Apr-17	29918.40	539.00	428.50	501.25
May-17	31145.80	508.00	376.00	381.70
Jun -17	30921.61	442.00	375.00	376.90
July -17	32514.94	453.90	375.00	407.00
Aug -17	31730.49	419.00	362.00	418.85
Sept-17	31283.72	520.00	410.05	432.55
Oct -17	33213.13	623.00	426.45	616.95
Nov -17	33149.35	649.00	545.50	591.05
Dec -17	34056.83	674.60	550.00	667.90
Jan -18	35965.02	790.00	626.75	704.40
Feb -18	34184.04	719.70	589.00	636.25
Mar -18	32968.68	635.00	589.00	605.35



**AACL Share Price on NSE vis-à-vis S&P CNX Nifty 50 (April 2017 – March 2018)**

Month	Nifty	High	Low	AACL Close
Apr-17	9304.05	538.65	415.40	502.05
May-17	9621.25	508.80	376.00	384.20
Jun-17	9520.90	425.00	375.00	378.20
Jul-17	10077.10	454.40	370.15	406.25
Aug-17	9917.90	420.00	359.80	416.50
Sept-17	9788.60	519.90	409.00	432.60
Oct-17	10335.30	624.70	422.85	617.80
Nov-17	10226.55	649.50	551.55	590.15
Dec-17	10530.70	676.00	550.00	669.50
Jan-18	11027.70	789.90	637.50	704.55
Feb-18	10492.85	716.00	580.00	626.85
Mar-18	10113.70	639.00	570.10	594.05



## 9. Share Transfer System/ Dividend and other related matters :

### a) Share Transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

### b) Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from Registrar and Transfer Agent of the Company, M/s. Sharex Dynamic India Pvt. Ltd. or download from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

### c) Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

### d) Dividend

#### i) Payment of dividend through National Automated Clearing House (NACH)

The Company provides the facility for remittance of dividend to the Members through NACH mode. Members who hold shares in demat mode should inform their Depository Participant and such of the Members holding shares in physical form should inform the Company of the core banking account number and RTGS codes of their respective bank branches allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / depository Participant, the Company will issue dividend warrants to the Members.

#### ii) Transfer of unpaid / unclaimed amounts to Investor Education and Protection Fund

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. During the year under the review, the Company has credited Rs. 3,48,255/- to the Investor Education and Protection Fund (IEPF) pursuant to section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001. The Company will, in September 2018 transfer to the said fund, the dividends for the year ended March 31, 2011 which has remained unclaimed / unpaid.

In conformity with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has also transferred 84,688 equity shares on 28/11/2017 of those shareholders, who have not, for a continuous period of seven years, claimed their dividend. Necessary notices had already been sent to these shareholders.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies Rules, 2012), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 25/07/2017 (date of last Annual General Meeting) on the Company's website ([www.alkylamines.com](http://www.alkylamines.com)).

Financial Year	Date of Declaration	Rate of Dividend	Due date for transfer to IEPF
31.03.2011	04.08.2011	30%	10-09-2018
31.03.2012	07.08.2012	40%	13-09-2019
31.03.2013	07.08.2013	50%	13-09-2020
31.03.2014	07.08.2014	80%	13-09-2021
31.03.2015	07.07.2015	80%	13-08-2022
31.03.2016	09.03.2016	200%	15-04-2023
31.03.2017	25.07.2017	100%	30-08-2024

Individual reminders are sent each year to those Members whose dividends have remained unclaimed for a period of seven years from the date they became due for payment, before transferring the monies to the Investor Education & Protection Fund (IEPF).

### iii) Pending Investor Grievances

Any Member / Investor whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary at the Registered office with a copy of the earlier correspondence.

### iv) Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to Bombay Stock Exchange Limited and the National Stock Exchange of India Limited and is also placed before the Board of Directors.

## 10. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2018 :

Shareholding of Nominal Value (₹)	No. of Holders	% of Holders	Total Amount (₹)	% of Amt.
UPTO 5000	7428	92.46	7059730	6.92
5001 TO 10000	308	3.83	2225970	2.18
10001 TO 20000	130	1.62	1815340	1.78
20001 TO 30000	40	0.50	1001360	0.98
30001 TO 40000	24	0.30	852895	0.84
40001 TO 50000	12	0.15	549145	0.54
50001 TO 100000	45	0.56	3243690	3.18
100001 AND ABOVE	47	0.59	85233830	83.58
<b>TOTAL</b>	<b>8034</b>	<b>100.00</b>	<b>101981960</b>	<b>100.00</b>

### a) Shareholding pattern as on 31st March, 2018 :

No.	Category of shareholders	No. of Shares held	% of share holding
01	I) Indian Promoters & Persons acting in concert	15108036	74.072
	II) Non-Resident Persons acting in concert	24752	0.121
	<b>Sub-Total (A)</b>	<b>15132788</b>	<b>74.193</b>
02	Mutual Funds and UTI	1300	0.006
03	Banks/Financial Institutions/ Insurance Cos., Central Govt./ State Govt. Institutions/Venture Capital Funds	99065	0.486
04	Foreign Portfolio Investors	220282	1.080
	<b>Sub-Total (B)</b>	<b>228143</b>	<b>1.119</b>
05	Private Corporate Bodies	374664	1.837
06	NRIs/OCBs	159079	0.78
07	Clearing members	132517	0.65
08	Indian Public	4369201	21.42
	<b>Sub-Total (C)</b>	<b>5035461</b>	<b>24.68</b>
	<b>Total Share Capital (A+B+C)</b>	<b>20396392</b>	<b>100.00</b>

**b. Statement Showing Shareholding of More Than 1% of The Capital as on March 31, 2018:**

Sr. No.	Name of the Shareholder	Number of Shares	Percentage of Capital
1.	Mr. Yogesh M. Kothari (Promoter)	12206622	59.85
2.	Mrs. Nini Yogesh Kothari (Promoter Group)	507148	2.49
3.	Mr. Hemendra M. Kothari (Promoter Group)	213400	1.05
4.	Niyoko Trading & Consultancy LLP (Promoter Group)	780200	3.83
5.	YMK Trading & Consultancy LLP (Promoter Group)	764932	3.75
6.	SYK Trading & Consultancy LLP (Promoter Group )	313308	1.54

**c. Shareholding of Directors as on March 31, 2018**

Sr. No.	Name	No. of Equity Shares held
1.	Mr. Yogesh M. Kothari	12206622
2.	Mr. Hemendra M. Kothari	213400
3.	Mr. Shyam B. Ghia	-----
4.	Mr. Shobhan M. Thakore	11080
5.	Mr. Dilip G. Piramal	----
6.	Mr. Premal N. Kapadia	-----
7.	Ms. Tarjani Vakil	-----
8.	Mr. Kirat Patel	55000
9.	Mr. Suneet Y. Kothari	153324

**11. DEMATERIALISATION OF SHARES AND LIQUIDITY**

Trading in Equity Shares of the Company is permitted only in dematerialised Form. All requests for dematerialization of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within the stipulated time.

Other details are as under:

Demat ISIN Number for Equity Shares of the

Company in NSDL & CDSL	-	INE150B01021
Total No. of Shares as on 31.3.2018	-	20396392 Shares
Total No. of shares dematerialised upto 31.03.2018	-	19731532 Shares
Percentage to total paid up capital	-	97.35%

**12. OUTSTANDING GDR/ADR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND IMPACT ON EQUITY : NIL**
**13. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:**

The commodity nature of some of company's products makes them susceptible to fluctuations in raw material prices and exchange rates. The company is vulnerable to alcohol price volatility. Domestic alcohol prices are dependent on the cyclicity of the sugar industry and Government policy for its use in oil sector. Other petroleum based raw materials are subject to international gas/crude oil price fluctuation.

#### 14. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:

To address commodity price risks, we ensure that normally contracts for supply generally do not exceed the production cycle time of three months. In exports, we have linked prices to benchmark raw material prices in most cases of long term supply contracts.

As regards raw material and utilities, volatility in input prices are mitigated by ensuring that commitments match the production plans not exceeding Four months, except for Ethyl Alcohol and, Coal during the Monsoon.

The Company has a comprehensive Risk Management Policy covering commodity price risks and foreign exchange risks.

#### 15. EQUITY SHARES IN THE SUSPENSE ACCOUNT

In compliance with Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Requirements, 2015, the Company reports the following details in respect of equity shares lying in the suspense accounts which are issued to the shareholders on their request.

Particulars	Number of Shareholders	Number of Equity Shares
Number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2017	365	24190
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account upto 31.03.2018	2	56
Number of Shareholders and the outstanding shares in the suspense account lying as on 31.03.2018	363	24134

#### 16. OTHER DISCLOSURES:

As required under the Listing Regulations, the Company has formulated policy for determining material subsidiaries and policy on dealing with related party transactions, which has been uploaded on the Company's website at <http://www.alkylamines.com>

#### 17. PLANT LOCATIONS

Patalganga Plant : A-7/A-25 MIDC, Patalganga Industrial Area, Village Kaire, Taluka Khalapur, Dist. Raigad.

Kurkumbh Plant: D-6/1 & D-6/2, MIDC, Kurkumbh Industrial Area, Taluka Daund, Dist. Pune.

Bhoom Solar Plant: Survey Nos. 179/2, 180/2 and 180/3, Bhoom Gramin, Taluka Bhoom, Dist. Osmanabad.

Dahej Plant: Plot No. D-2/CH/149/2, Dahej – 2 Industrial Estate, Taluka Vagra, Dist. Bharuch, Gujarat.

#### 18. ADDRESS FOR CORRESPONDENCE

Alkyl Amines Chemicals Ltd.,  
401/407 Nirman Vyapar Kendra, Sector 17, Vashi, Navi Mumbai 400703. Maharashtra

#### 19. COMPANY'S REGISTRAR & SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit No.1, Luthra Industrial Premises,  
1st Floor, 44-E, M. Vasanji Marg, Andheri Kurla Road,  
Safed Pool, Andheri (East), Mumbai 400 072.

Tel Nos. : 022 28515606, 28515644 Fax No. : 022 2851 2885

Email Address :- [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com) Website :- [www.sharexindia.com](http://www.sharexindia.com)

#### 20. CODE OF CONDUCT

Your company has always encouraged and supported compliance to ethical business practices in personal and corporate behavior by its employees. Your company in order to further strengthen corporate governance practices has framed a specific code of conduct, for the members of the Board of Directors and Senior Management personnel of the Company.

For **ALKYL AMINES CHEMICALS LTD.**,

**YOGESH M. KOTHARI**

Chairman & Managing Director



## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

### **Alkyl Amines Chemicals Limited**

We have examined the compliance of conditions of Corporate Governance by Alkyl Amines Chemicals Limited ('the Company'), for the Financial Year ended 31st March, 2018 as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulation') as referred to in Regulation 15(2) of the Listing Regulations.

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

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

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

### **Prashant S. Mehta**

Practicing Company Secretary

Membership No: A5814

COP: 17341.

**Place :** Mumbai

**Dated:** May 18, 2018

**ANNEXURE 6****FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018**

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

<b>I. REGISTRATION AND OTHER DETAILS</b>	
CIN	L99999MH1979PLC021796
Registration Date	17th October 1979
Name of The Company	Alkyl Amines Chemicals Limited
Category / Sub-Category of the Company	Public Company Limited By Shares
Address of the Registered Office and Contact Details	401-407, Nirman Vyapar Kendra, Plot No.10, Sector 17, Vashi, Navi Mumbai – 400 703
Whether Listed Company	Yes
Name, Address and Contact Details of Registrar and Transfer Agent, if any	<b>Sharex Dynamic (India) Pvt. Ltd.</b> Unit-1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai -400072

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>		
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
Manufacture of organic and inorganic chemical compounds	20119	100%

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>				
Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate of the Company	% of shares held	Applicable Section
Diamines and Chemicals Ltd. Plot No. 13, PCC Area, P.O. Petrochemicals, Vadodara, Gujarat - 391346	L24110GJ1976PLC002905	Associate	30%	2(6)

<b>IV. SHAREHOLDING PATTERN</b>									
<b>(i) Category-Wise Shareholding</b>									
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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	13197896	0	13197896	64.707	13197896	0	13197896	64.707	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	1910140	0	1910140	9.365	1910140	0	1910140	9.365	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(1)</b>	<b>15108036</b>	<b>0</b>	<b>15108036</b>	<b>74.072</b>	<b>15108036</b>	<b>0</b>	<b>15108036</b>	<b>74.072</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	24752	0	24752	0.121	24752	0	24752	0.121	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(2)</b>	<b>24752</b>	<b>0</b>	<b>24752</b>	<b>0.121</b>	<b>24752</b>	<b>0</b>	<b>24752</b>	<b>0.121</b>	<b>0</b>
<b>Total Shareholding of Promoters (A)=(A)(1)+(A)(2)</b>	<b>15132788</b>	<b>0</b>	<b>15132788</b>	<b>74.193</b>	<b>15132788</b>	<b>0</b>	<b>15132788</b>	<b>74.193</b>	<b>0</b>

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	
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds / UTI	3560	52	3612	0.017	1300	0	1300	0.006	-0.011
b) Banks / FI	4249	0	4249	0.020	14377	0	14377	0.070	0.019
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs / FPIs	220282	0	220282	1.080	330614	0	330614	1.621	0.541
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total B(1):</b>	<b>228091</b>	<b>52</b>	<b>228143</b>	<b>1.117</b>	<b>346291</b>	<b>0</b>	<b>346291</b>	<b>1.697</b>	<b>0.580</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corporates	370678	3986	374664	1.837	528165	3256	531421	2.605	0.768
b) Individual Holding									
i. upto Rs. 1 Lakh	2701573	659354	3360927	16.478	2433052	535892	2968944	14.556	-1.922
ii. above Rs. 1 Lakh	1008274	0	1008274	4.943	1087426	0	1087426	5.331	0.388
<b>c) Any Other</b>									
- Clearing Members	132517	0	132517	0.649	5883	0	5883	0.029	-0.620
- OCB	0	0	0	0	0	0	0	0	0
- NRI	157611	1468	159079	0.779	251998	1144	253142	1.241	0.462
- Trusts	0	0	0	0	186	0	186	0.001	0.001
<b>Sub-Total B(2)</b>	<b>4370653</b>	<b>664808</b>	<b>5035461</b>	<b>24.688</b>	<b>4306710</b>	<b>540292</b>	<b>4847002</b>	<b>23.763</b>	<b>-0.925</b>
<b>Total(B)=B(1)+B(2)</b>	<b>4598744</b>	<b>664860</b>	<b>5263604</b>	<b>25.807</b>	<b>4723312</b>	<b>540292</b>	<b>5263604</b>	<b>25.804</b>	<b>-0.003</b>
<b>Total (A+B)</b>	<b>19731532</b>	<b>664860</b>	<b>20396392</b>	<b>100.00</b>	<b>19856100</b>	<b>540292</b>	<b>20396392</b>	<b>100.00</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>19731532</b>	<b>664860</b>	<b>20396392</b>	<b>100.00</b>	<b>19856100</b>	<b>540292</b>	<b>20396392</b>	<b>100.00</b>	<b>0</b>

<b>(ii) Shareholding of Promoters</b>								
Sr. No.	Share Holder's 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	Yogesh Mathradas Kothari	12206622	59.847	0	12206622	59.847	0	0
2	Hemendra Mathradas Kothari	213400	1.046	0	213400	1.046	0	0
3	Nini Yogesh Kothari	507148	2.486	0	507148	2.486	0	0
4	Suneet Yogesh Kothari	153324	0.752	0	153324	0.752	0	0
5	Anjyko Investments Pvt. Ltd.	51700	0.253	0	51700	0.253	0	0
6	SYK Trading and Consultancy LLP	313308	1.536	0	313308	1.536	0	0
7	YMK Trading and Consultancy LLP	764932	3.750	0	764932	3.750	0	0
8	Niyoko Trading and Consultancy LLP	780200	3.825	0	780200	3.825	0	0
9	Kunjalata N Shah	30002	0.147	0	30002	0.147	0	0
10	Aditi Kothari Desai	28336	0.139	0	28336	0.139	0	0
11	Shuchi Hemendra Kothari	28144	0.138	0	28144	0.138	0	0
12	Devangana Jayant Desai	30920	0.152	0	30920	0.152	0	0
13	Anjali Y. Kothari	24752	0.121	0	24752	0.121	0	0

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

There is no change in the shareholding of the Promoter Group.

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
S. Shyam	15719	0.077	166759	0	182478	0.895
Adesh Ventures LLP	0	0	177318	0	177318	0.869
Priti Vimal Chandaria	65000	0.319	101700	0	166700	0.817
Gouri Bipin Mistry	55400	0.272	101700	0	157100	0.770
Hirzel Capital Master Fund	54531	0.267	50234	0	104765	0.514
SLG International Opportunities	104100	0.510	0	0	104100	0.510
Bhavesh Dhiresbhai Shah	30051	0.147	65174	0	95225	0.467
Govindlal M. Parikh	52787	0.259	0	0	52787	0.259
Jollyben Bhartkumar Jain	51990	0.255	0	0	51990	0.255
Amit M. Mehta	49008	0.240	258	0	49266	0.241

**Note:** Top ten shareholders as on March 31, 2018 have been considered for the above disclosure.

**(v) Shareholding of Directors and Key Managerial Personnel**

For Each of the Directors and KMP	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
Mr.Yogesh M. Kothari	12206622	59.847	12206622	59.847
Mr. Suneet Y. Kothari	153324	0.752	153324	0.752
Mr. Hemendra M. Kothari	213400	1.046	213400	1.046
Mr. Kirat M. Patel	55000	0.269	55000	0.269
Mr. Dilip G. Piramal	0	0	0	0
Mr. Shobhan M. Thakore	11080	0.054	11080	0.054
Mr. Shyam B. Ghia	0	0	0	0
Mr. Premal N. Kapadia	0	0	0	0
Ms. Tarjani Vakil	0	0	0	0
Mr. K. P. Rajagopalan	13986	0.069	13986	0.069
Mr. Pravin Tawle	2	0.000	2	0.000
Mr. Rahul Mehta	0	0	0	0

**V. INDEBTEDNESS (₹ In Lakhs)**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	8053.15	52.50	0	8105.65
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	41.54	0	0	41.54
<b>Total (i+ii+iii)</b>	<b>8094.69</b>	<b>52.50</b>	<b>0</b>	<b>8147.19</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	7445.90	1002.00	0	8447.90
Reduction	1994.19	988.00	0	2982.19
<b>Net Change</b>	<b>13546.40</b>	<b>66.50</b>	<b>0</b>	<b>13612.90</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	13546.40	66.50	0	13612.90
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	72.57	0	0	72.57
<b>Total (i+ii+iii)</b>	<b>13618.97</b>	<b>66.50</b>	<b>0</b>	<b>13685.47</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (₹ In Lakhs)**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Mr. Yogesh M. Kothari	Mr. Kirat Patel	Mr. Suneet Kothari	Total
1	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	172.80	96.00	89.28	358.08
(b)	Value of perquisites under Section 17(2) of Income Tax Act, 1961	6.6	0.32	0.39	7.31
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Options	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	299.81	106.84	106.84	513.49
	- as % of profit	3.05%	1%	1%	5.05%
	- others, specify	Nil	Nil	Nil	Nil
5	Others (Company contribution towards PF, Medical Reimbursement)	16.53	7.58	8.27	32.38
	<b>Total (A)</b>	<b>495.74</b>	<b>210.74</b>	<b>204.78</b>	<b>911.26</b>

**B. Remuneration to other Directors:**
**1. Independent Directors**

Sr. No.	Particulars of Remuneration	Name of Director					Total Amount (₹ In Lakhs)
		Mr. S. B. Ghia	Mr. S. M. Thakore	Mr. P. N. Kapadia	Mr. D. G. Piramal	Ms. Tarjani Vakil	
1	- Fee for attending Board / Committee Meetings	2.08	2.68	2.00	1.00	0.80	8.56
2	- Commission	17.81	17.81	17.81	17.81	17.81	89.05
3	- Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>19.89</b>	<b>20.49</b>	<b>19.81</b>	<b>18.81</b>	<b>18.61</b>	<b>97.61</b>

**2. Other Non-Executive Directors**

Sr. No.	Particulars of Remuneration	Name of Director Mr. Hemendra Kothari	Total Amount (₹ In Lakhs)
1	-Fee for attending Board/Committee Meetings	0.40	0.40
	- Commission	17.81	17.81
	- Others, please specify	Nil	Nil
	<b>Total (2)</b>	<b>18.21</b>	<b>18.21</b>
	<b>Total (B)=(1+2)</b>		<b>115.82</b>

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM**

Sr. No.	Particulars of Remuneration	Mr. Pravin Tawle Chief Financial Officer (upto 28.02.2018)	Mr. Rahul Mehta Chief Financial Officer (w.e.f. 05.03.2018)	Mr. K. P. Rajagopalan Company Secretary	Total Amount (₹ In Lakhs)
1	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	26.60	2.21	29.05	57.86
(b)	Value of perquisites under Section 17(2) of Income Tax Act, 1961	0.30	0	0.32	0.62
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	0	0	0	0
2	Stock Options	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	- others, specify	0	0	0	0
5	Others, please specify (LTA, PF & Gratuity)	2.07	0.15	3.92	6.14
	<b>Total (A)</b>	<b>28.97</b>	<b>2.36</b>	<b>33.29</b>	<b>64.62</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES (Under the Companies Act) : None**

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Alkyl Amines Chemicals Limited**

### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial Statements of Alkyl Amines Chemicals Limited ("the Company"), which comprise the balance sheet as at March 31, 2018, the statement of profit and loss (including other comprehensive income), cash flow statement and the statement of change in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

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

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order under section 143 (11) of the Act.
5. We conducted our audit of financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
  - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
  - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date; and
  - (d) in the case of the Statement of Change in Equity, the change in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

9. 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, Cash Flow Statement and Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable.
  - (e) On the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 financial position in its standalone financial statements – Refer Note 29 to the standalone financial statements;
    - ii. The Company did not have any material foreseeable losses 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.
10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India, in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order.

**For N.M.RAJI AND CO.**

Chartered Accountants

Firm's Registration Number: 108296W

**VINAY D. BALSE**

Partner

Membership Number: 39434

Place: Mumbai

Dated: May 18, 2018

## **ANNEXURE - A**

### **TO THE INDEPENDENT AUDITORS' REPORT**

### **OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF**

### **ALKYL AMINES CHEMICALS LIMITED**

(Referred to in Paragraph 1 point (f) under the heading of  
"Report on Other Legal and Regulatory Requirements" of our report of even date)

#### **Report on the Internal Financial Controls Over Financial Reporting 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 Alkyl Amines Chemical Limited ("the Company") as at March 31, 2018, in conjunction with our audit of the standalone 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting 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 of material misstatement of the financial statements, whether due to fraud or error.

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

#### **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 standalone 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 standalone financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial Statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of 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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 N.M.RAIJI AND CO.**

Chartered Accountants

Firm's Registration Number: 108296W

**VINAY D. BALSE**

Partner

Membership Number: 39434

Place: Mumbai

Dated: May 18, 2018

**ANNEXURE - B**  
**TO THE INDEPENDENT AUDITORS' REPORT**  
**OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF**  
**ALKYL AMINES CHEMICALS LIMITED**

(Referred to in Paragraph 2 under the heading of  
"Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment (PPE). In respect of the new Dahej Plant which was commissioned on March 24, 2018, the fixed asset records are in the process of being updated.
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain PPE were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the records provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as PPE in the standalone financial statements, the lease agreements are in the name of the Company except in the case of Leasehold Land situated at Kurkumbh Plot No. D-6/2, taken on lease from Maharashtra Industrial Development Corporation, for which lease deed is yet to be executed.
- (ii) Inventories, other than stocks in transit and inventories lying with third parties, have been physically verified during the year by the Management. In respect of Company's inventories with third parties, physical verification has been carried out. In respect of stock in transit at the year end, the necessary documentary evidences have been obtained. In our opinion, the frequency of verification is reasonable. Discrepancies noticed on physical verification of stocks were not material and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the "Act"). Accordingly, sub-clauses (a), (b) & (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments made. The Company has not granted any loans or provided guarantees and securities, and hence reporting in respect thereof not required.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. Therefore, reporting under clause (v) of paragraph 3 of the Order is not required.
- (vi) We have broadly reviewed the cost records maintained by the Company, pursuant to the Companies (Cost Records and Audit) Rules, 2014, as specified 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. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and on the basis of our examination of the books of account, in respect of statutory dues:
- (a) the Company has been generally regular in depositing with the appropriate authorities undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Customs Duty, Excise Duty, Goods and Service Tax, Value Added Tax, Cess and other statutory dues, wherever applicable. There were no undisputed amounts payable in respect of the above statutory dues in arrears as at 31st March, 2018, for a period of more than six months from the date they became payable, except in the case of Electricity Duty (on Captive Power generated) in Kurkumbh, aggregating Rs. 123.45 lakhs (previous year - Rs. 91.17 lakhs) with the appropriate authorities.

(b) the following dues have not been paid on account of disputes with the respective authorities:

Nature of Statute	Nature of Dues	Amount (Rs. In lakhs)	Period	Forum where dispute is pending	Remarks
Income Tax Act, 1961	Disallowance of Expenditure/ Deductions	84.04	AY 1998-1999 AY 1999-2000 AY 2003-2004	The Assessing Officer is yet to give order giving effect of the Income Tax Appellate Tribunal	Amount of Deposit Rs. 41.97 lakhs
Income Tax Act, 1961	Income Tax & Interest	278.38	AY 2004-2005 AY 2007-2008 AY 2008-2009 AY 2009-2010	ITAT	Amount of Deposit Rs. 57.17 lakhs
Income Tax Act, 1961	Income Tax & Interest	164.88	AY 2009-2010 AY 2009-2010 AY 2009-2010 AY 2009-2010	CIT(A)	Amount of Deposit Rs. 216.83 lakhs
Central Excise Act, 1944	Dispute relating to Cenvat Credit (Interest and Penalty)	820.84	FY 2002-2003 to 2010-2011	Customs, Excise and Service Tax Appellate Tribunal	Amount of Deposit Rs. 21.07 lakhs

Except for the above, there are no dues in respect of Income-tax, Sales-tax, Service tax, Customs Duty, Goods and Service Tax, Value Added Tax and Cess, which have not been deposited with the appropriate authorities on account of any dispute.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions or banks. The Company has not raised any monies from Government or Financial Institutions and does not have any outstanding debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which it was obtained.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided 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 explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, and corresponding details have been disclosed in the standalone financial Statements, as required by the applicable Indian accounting standards.
- (xiv) In our opinion and 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. Accordingly, requirement under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable. Accordingly, requirement under clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- (xvi) To the best of our knowledge and belief, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For N.M.RAIJI AND CO.**

Chartered Accountants

Firm's Registration Number: 108296W

**VINAY D. BALSE**

Partner

Membership Number: 39434

Place: Mumbai

Dated: May 18, 2018

## BALANCE SHEET AS AT MARCH 31, 2018

Rs. In Lakhs

	Note		As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>ASSETS</b>					
<b>Non-current Assets</b>					
(a) Property, Plant and Equipment	3	35,430.88		21,888.25	18,584.36
(b) Capital Work-In-Progress	3	1,840.47		3,475.94	1,606.66
(c) Intangible Assets	3	85.78		120.39	128.94
(d) Intangible Assets under development	3	-		-	7.70
(e) Financial Assets					
i) Investments	4	144.11		144.11	226.02
ii) Loans	5A	40.35		32.00	43.86
iii) Other Financial Assets	5B	280.68		149.85	64.32
(f) Non-Current Tax Asset (Net)	6C	342.55		399.25	363.79
(g) Other Non-Current Assets	6A	1,703.27		2,509.47	1,271.45
			<b>39,868.09</b>	<b>28,719.26</b>	<b>22,297.10</b>
<b>Current Assets</b>					
(a) Inventories	7	8,518.11		11,140.99	6,315.65
(b) Financial Assets					
i) Trade Receivables	8	12,377.56		9,733.85	9,029.55
ii) Cash and Cash Equivalents	9	223.42		219.49	303.79
iii) Other Bank Balances	9A	99.18		76.18	123.33
iv) Loans	5C	14.04		20.56	16.40
v) Other Financial Assets	5D	25.98		247.28	751.88
(c) Other Current Assets	6B	2,578.49		1,062.70	1,804.39
			<b>23,836.78</b>	<b>22,501.05</b>	<b>18,344.99</b>
<b>TOTAL ASSETS</b>			<b>63,704.87</b>	<b>51,220.31</b>	<b>40,642.09</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
(a) Equity Share Capital	10	1,020.60		1,020.60	1,020.60
(b) Other Equity	11	28,694.75		23,535.95	18,739.30
			<b>29,715.35</b>	<b>24,556.55</b>	<b>19,759.90</b>
<b>LIABILITIES</b>					
<b>Non-current Liabilities</b>					
(a) Financial Liabilities					
(i) Long Term Borrowings					
- Secured Borrowings	12A	10,579.75		6,245.30	3,200.15
- Unsecured Borrowings	12B	240.72		377.27	1,276.43
(ii) Other Financial Liabilities	12E	653.65		382.53	-
(b) Deferred Tax Liabilities (Net)	13	4,048.40		3,272.43	2,864.11
(c) Provisions	16A	171.49		321.48	266.19
(d) Liabilities for Tax (Net)	18	341.38		8.51	8.33
			<b>16,035.39</b>	<b>10,607.52</b>	<b>7,615.21</b>
<b>Current Liabilities</b>					
(a) Financial Liabilities					
(i) Short Term Borrowings					
- Secured Borrowings	12C	4,209.41		588.72	3,904.71
- Unsecured Borrowings	12D	66.50		2,820.89	1,421.50
(ii) Trade Payables	14	6,717.94		8,093.22	4,375.78
(iii) Other Financial Liabilities	15	6,402.92		4,294.19	3,348.93
(b) Provisions	16B	329.35		75.12	55.00
(c) Other Current Liabilities	17	228.01		184.10	161.06
			<b>17,954.13</b>	<b>16,056.24</b>	<b>13,266.98</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>63,704.87</b>	<b>51,220.31</b>	<b>40,642.09</b>
<b>Notes (Including Significant Accounting Policies and Critical Judgements, Estimates and Assumptions) forming part of the Financial Statements</b>					

As per our Report of even date attached

For and on behalf of the Board of Directors

For **N. M. RAIJI & CO.**  
Chartered Accountants  
Firm Registration No. 108296W

**VINAY D. BALSE**  
Partner  
Membership No. 39434  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**  
General Manager-  
Finance and Accounts  
(Chief Financial Officer)

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**KIRAT PATEL**  
Executive Director

**Place : MUMBAI**  
**Dated : MAY 18, 2018**

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

Rs. In Lakhs

	Note		For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>I</b>	Revenue from Operations	19	<b>62,482.67</b>	54,178.54
<b>II</b>	Other Income	20	<b>315.70</b>	113.37
<b>III</b>	<b>Total Income (I + II)</b>		<b>62,798.37</b>	54,291.91
<b>IV</b>	<b>EXPENSES</b>			
(a)	Cost of Materials Consumed	21	<b>32,382.90</b>	26,228.56
(b)	Changes in Inventories of Finished Goods and Work-In-Progress	22	<b>1,041.27</b>	100.67
(c)	Excise duty on sales		<b>865.32</b>	4,114.67
(d)	Employee Benefits Expense	23	<b>4,198.97</b>	3,724.47
(e)	Finance Costs	24	<b>814.99</b>	805.61
(f)	Depreciation and Amortisation Expense	03	<b>1,567.10</b>	1,428.57
(g)	Impairments of Property, Plant and Equipment	03	<b>116.78</b>	-
(h)	Other Expenses	25	<b>12,233.68</b>	10,496.17
	<b>Total Expenses (IV)</b>		<b>53,221.01</b>	46,898.72
<b>V</b>	<b>Profit Before Tax (III - IV)</b>		<b>9,577.36</b>	7,393.19
<b>VI</b>	<b>Tax Expense</b>			
(a)	Current Tax		<b>2,345.77</b>	1,863.09
(b)	Deferred Tax		<b>775.97</b>	422.16
(c)	Current Tax Adjustments of Earlier Years		<b>26.72</b>	72.14
	<b>Total Tax Expense</b>		<b>3,148.46</b>	2,357.39
<b>VII</b>	<b>Profit After Tax (V - VI)</b>		<b>6,428.90</b>	5,035.80
<b>VIII</b>	<b>Other Comprehensive Income / (Expense)</b>	26		
(a)	Items that will not be recycled to profit or loss:		<b>(50.22)</b>	(97.54)
(i)	Remeasurment gain/(losses) on defined benefit plans			
(ii)	Income tax relating to items that will not be reclassified to profit or loss		<b>17.38</b>	33.76
(b)	Items that may be reclassified to profit or loss		<b>(20.84)</b>	(3.05)
(i)	Deferred gains/(losses) on cash flow hedges			
(ii)	Income tax relating to items that may be reclassified to profit or loss		<b>7.21</b>	1.07
			<b>(46.47)</b>	(65.76)
<b>IX</b>	<b>Total Comprehensive Income for the period (VII+VIII)</b>		<b>6,382.43</b>	4,970.04
<b>X</b>	<b>Earnings Per Equity Share</b>			
	Basic / Diluted (Rs)		<b>31.52</b>	24.69
<b>Notes (Including Significant Accounting Policies and Critical Judgements, Estimates and Assumptions) forming part of the Financial Statements</b>		1-45		

As per our Report of even date attached

For and on behalf of the Board of Directors

For **N. M. RAIJI & CO.**  
Chartered Accountants  
Firm Registration No. 108296W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**VINAY D. BALSE**  
Partner  
Membership No. 39434  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**  
General Manager-  
Finance and Accounts  
(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	For the Year ended March 31, 2018 ₹ In Lakhs	For the Year ended March 31, 2017 ₹ In Lakhs
<b>Cash flow from operating activities</b>		
Profit before tax from continuing operations	9,577.36	7,393.19
<b>Adjustments for :</b>		
Depreciation and amortization	1,544.96	1,285.70
Provision for impairment	116.78	-
(Gain)/Loss on disposal of assets	(32.07)	6.60
(Gain)/Loss on sales of Mutual funds	-	(2.61)
Unrealised Loss/(Gain) on Foreign Exchange	20.34	119.92
Interest expense (gross)	814.99	805.61
Allowance for bad and doubtful debts written back	-	-
Interest on fixed deposits	(68.71)	(67.26)
Stocks Written off	25.34	-
Dividend from investments in Associates-DACL	(44.67)	-
Increase in Cash Flow Hedge Reserve	3.84	(283.50)
Other Comprehensive Income (OCI)	(46.47)	(65.76)
Provision no longer required, written back	(81.42)	(34.66)
Bad Debts written off	25.53	0.55
Advances/Deposits written off	2.00	0.06
Provision for Doubtful Advances	21.41	103.39
Increase in reserves due to merger of Subsidiary Company	-	110.10
	<b>11,879.21</b>	<b>9,371.33</b>
<b>Operating profit before working capital changes</b>		
<b>Adjustments for:</b>		
(Increase) / Decrease in Other Current & Non-Current Financial Assets	79.71	448.18
(Increase) / Decrease in Other Current & Non-current assets	(651.57)	(565.11)
(Increase) / Decrease in Inventories	2,597.54	(4,825.34)
(Increase) / Decrease in Trade Receivables	(2,689.59)	(824.77)
Increase / (Decrease) in Trade Payables	(1,375.28)	3,717.44
Increase / (Decrease) in Other current financial liabilities	2,135.13	936.76
Increase / (Decrease) in Other current liabilities	63.23	(1.97)
Increase / (Decrease) in Provisions	104.24	75.42
	<b>12,142.62</b>	<b>8,331.94</b>
Income taxes paid	(1,982.94)	(1,984.37)
<b>Net cash flow from operating activities</b>	<b>10,159.68</b>	<b>6,347.57</b>

	For the Year ended March 31, 2018 ₹ In Lakhs	For the Year ended March 31, 2017 ₹ In Lakhs
<b>Cash flow from Investing activities</b>		
Purchase of fixed assets	(13,564.25)	(6,598.79)
Disposal of fixed assets	62.06	149.57
Interest on fixed deposits	77.64	48.48
Investment in fixed deposits	161.99	(167.85)
Dividend from investments in Associates-DACL	44.67	-
Sale / purchase of Investments (net)	-	81.91
<b>Net cash from investing activities</b>	<b>(13,217.89)</b>	<b>(6,486.68)</b>
<b>Cash flow from Financing activities</b>		
Interest paid	(834.31)	(780.57)
Increase / (Decrease) in non-current borrowings	4,334.43	2,305.13
Increase / (Decrease) in current borrowings	866.31	(1,916.61)
Dividend and Dividend Tax Paid	(1,227.47)	-
Payment of Defferal Sales Tax	(162.95)	(150.67)
Currency swap on ECB loans	271.12	382.53
<b>Net cash from financing activities</b>	<b>3,247.13</b>	<b>(160.19)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>188.92</b>	<b>(299.30)</b>
Cash and cash equivalents at the beginning of the year	95.50	394.80
<b>Cash and cash equivalents at the end of the year</b>	<b>284.42</b>	<b>95.50</b>
<b>Components of Cash and Cash Equivalents :</b>		
Cash on hand	2.49	2.23
Other Bank Balances		
- On Current Accounts	220.93	35.11
- On Unpaid Dividend Accounts	61.00	58.16
	<b>284.42</b>	<b>95.50</b>

As per our Report of even date attached

For and on behalf of the Board of Directors

For **N. M. RAIJI & CO.**  
Chartered Accountants  
Firm Registration No. 108296W

**VINAY D. BALSE**  
Partner  
Membership No. 39434  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**  
General Manager-  
Finance and Accounts  
(Chief Financial Officer)

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**KIRAT PATEL**  
Executive Director

**Place : MUMBAI**  
**Dated : MAY 18, 2018**

## STATEMENT OF CHANGES IN EQUITY

Particulars	Rs In Lakhs
<b>a Equity Share Capital</b>	
As at April 1, 2016	1,020.60
Changes in equity share capital	-
As at March 31, 2017	1,020.60
Changes in equity share capital	-
As at March 31, 2018	1,020.60

### b. Other Equity

Particulars	Reserve and Surplus						Rs In Lakhs	
	Retained Earnings	Securities Premium	General Reserve	Capital Reserve	Capital Redemption Reserve	Other Comprehensive Income Cash Flow Hedge Reserve	Total Equity	
Opening Balance as at April 1, 2016	13,969.12	1,290.97	3,559.27	9.68	25.00	(114.74)	18,739.30	
Profits for the year	5,035.80	-	-	-	-	-	5,035.80	
Impact of Merger of Subsidiary Company	(22.91)	-	-	133.02	-	-	110.11	
Impact of adjustments in Derivatives Financial Instruments	9.08						9.08	
Recognition of Cash Flow Hedge Reserve	-	-	-	-	-	(292.58)	(292.58)	
Other Comprehensive Income (Net of tax)								
- Remeasurement of defined benefit obligations	(63.78)	-	-	-	-	-	(63.78)	
- Deferred gains/(losses) on cash flow hedges	(1.98)	-	-	-	-	-	(1.98)	
<b>Total Comprehensive income for the year</b>	<b>18,925.33</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(407.32)</b>	<b>23,535.95</b>	
Transaction with owners in their capacity as owners:								
Issue of equity shares	-	-	-	-	-	-	-	
<b>As at March 31, 2017</b>	<b>18,925.33</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(407.32)</b>	<b>23,535.95</b>	

Rs In Lakhs

Particulars	Reserve and Surplus					Other Comprehensive Income	
	Retained Earnings	Securities Premium	General Reserve	Capital Reserve	Capital Redemption Reserve	Cash Flow Hedge Reserve	Total Equity
<b>Opening Balance as at April 1, 2017</b>	<b>18,925.33</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(407.32)</b>	<b>23,535.95</b>
Profits for the year	6,428.90	-	-	-	-	-	6,428.90
Appropriations							-
- Dividend paid	(1,019.82)	-	-	-	-	-	(1,019.82)
- Tax on Dividend	(207.65)	-	-	-	-	-	(207.65)
Impact of adjustments in Derivatives Financial Instruments	63.08	-	-	-	-	-	63.08
Recognition of Cash Flow Hedge Reserve	-	-	-	-	-	(59.24)	(59.24)
Other Comprehensive Income (Net of tax)							-
- Remeasurement of defined benefit obligations	(32.84)	-	-	-	-	-	(32.84)
- Deferred gains/(losses) on cash flow hedges	(13.63)	-	-	-	-	-	(13.63)
<b>Total Comprehensive income for the year</b>	<b>24,143.37</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(466.56)</b>	<b>28,694.75</b>
Transaction with owners in their capacity as owners:							
Issue of equity shares	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>24,143.37</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(466.56)</b>	<b>28,694.75</b>

As per our Report of even date attached

For and on behalf of the Board of Directors

For **N. M. RAIJI & CO.**  
Chartered Accountants  
Firm Registration No. 108296W

**VINAY D. BALSE**  
Partner  
Membership No. 39434

**Place : MUMBAI**  
**Dated : MAY 18, 2018**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**  
General Manager-  
Finance and Accounts  
(Chief Financial Officer)

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**KIRAT PATEL**  
Executive Director

**Place : MUMBAI**  
**Dated : MAY 18, 2018**

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

### CORPORATE INFORMATION

Alkyl Amines Chemicals Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India, viz. the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is engaged in manufacturing and selling of specialty chemicals.

### 1. SIGNIFICANT ACCOUNTING POLICIES

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

#### a) 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] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer note 44 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and as per Ind AS-1.

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 ascertained its operating cycle as 12 months for the purpose of current/non-current classification of Assets and Liabilities.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis using accrual method of accounting, except for the following:

- Certain Financial Assets and Liabilities (including derivative instruments) that are measured at fair value;
- Defined Benefit Plans — Plan Assets measured at fair value;

#### b) Segment Reporting

Ind AS 108 Operating Segments requires Management to determine reportable segments for the purpose of disclosure in financial statements based on internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segments.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BOD), based on its internal reporting structure and functions of BOD. Operating Segment used to present segment information identified based on the internal reports used and reviewed by the BOD to assess performance and allocate resources. The Management has determined some of segments exhibit similar economic characteristics and meets other aggregation criteria and accordingly aggregated into reportable primary operating segment i.e. "Specialty Chemicals" and two reportable geographical segments based on location of its customers i.e. "Domestic" and "Exports".

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.

#### c) Foreign Currency Translation

- (i) Functional and presentation currency: Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Alkyl Amines Chemicals Limited's functional and presentation currency.
- (ii) Transactions and balances: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary Assets and Liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.
- (iii) Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, as part of finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis as part of other gains / (losses).

**d) Revenue Recognition**

- (i) Sales of Manufactured Goods: Revenue is measured at fair value of consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. 'Sales' include packing charges, excise duty and are net of returns, excluding amounts collected on behalf of third parties such as Value Added Tax and Goods and Services Tax.

Revenue from sales is recognized when the significant risks and rewards of ownership are transferred to the customers which is based upon the terms of contract and the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the determination of the amount of consideration or its associated costs, that will be derived from the sale of goods.

- (ii) Recognition of Export Benefits: Export Benefit Entitlements are recognized only to the extent there is a reasonable certainty of its ultimate collection in the year in which the Export Sales are accounted for.

**e) Income Tax**

Income Tax expense comprises of current tax expense and the net change in the Deferred Tax Asset or Liability during the year. Current and deferred tax are recognized in the Statement of Profit & Loss, except when they relate to items that are recognized in Other Comprehensive Income (OCI) or directly in equity, in which case, the current and deferred tax are also recognized in OCI or directly in equity, respectively.

Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions wherever appropriate on the basis of amounts expected to be paid to the tax authorities.

**f) Deferred Tax**

Deferred income tax Assets and Liabilities are recognized for deductible and taxable temporary differences arising between the tax base of Assets and Liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an Asset or Liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred Tax Assets are recognized only to the extent that it is probable that either future taxable profits or reversal of Deferred Tax Liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of a Deferred Tax Asset is reviewed at the end of 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 Income Tax Asset to be utilized.

Deferred Tax Assets and Liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when there lasted Deferred Tax Asset is realized or the Deferred Tax Liability is settled.

Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax Assets and Liabilities and when it relates to income taxes levied by the same taxation authority and the entity intends to settle its current tax Assets and Liabilities simultaneously.

**g) Leases**

Leases of Property, Plant and Equipment by the Company, where the Company as a lessee, wherein all the risks and rewards of ownership are transferred substantially to the Company, are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other Financial Liabilities, as appropriate. Each lease payment is allocated between the Liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the Liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss, on a straight-line basis (except sub contracting arrangements), over the period of the lease, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**h) Impairment of Assets**

If internal/external indications suggest that an Asset of the Company may be impaired, the recoverable amount of Asset/Cash Generating Unit is determined on the date of Balance Sheet and if it is less than its carrying amount, the carrying amount of

Asset/Cash Generating Unit is reduced to the said recoverable amount. Subsequently, if there is a change in the indication, since the last impairment was recognized, so that recoverable amount of an Asset exceeds its carrying amount, an impairment recognized for an Asset in prior accounting period is reversed. The recoverable amount is measured as the higher of the net selling price and value in use of such Assets/Cash Generating Unit, which is determined by the present value of the estimated future cash flows.

An impairment of Intangible Assets is conducted annually or more often if there is an indication of any decrease in value. The impairment loss, if any, is charged to the Statement of Profit and Loss.

Non-financial Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**i) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown as a part of borrowings in Current Liabilities in the Balance Sheet.

**j) Trade Receivables**

Trade receivables are recognized and measured at amortized cost less provision for impairment, if any.

**k) Investments**

- (i) Investments are carried at cost less accumulated impairment, if any.
- (ii) Profit or loss on sale of investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.

**l) Inventories**

- (i) Raw materials, packing materials, stores and spares, furnace oil and fuel are valued at cost or net realizable value, whichever is lower. Cost comprises of basic cost (net of GST, CENVAT and VAT, if any) and other costs incurred in bringing them to their respective present location and condition. Cost is determined on a Weighted Average basis.
- (ii) Work-in-Progress and finished goods are valued at cost or net realizable value, whichever is lower. Cost includes all direct costs and a proportion of other fixed manufacturing overheads based on normal operating capacity. Cost is determined on a Weighted Average basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**m) Financial Assets**

- (i) Classification: The Company classifies its financial Assets in the following measurement categories:
  - Those measured at amortized cost.
  - - Those to be measured subsequently at fair value (through Statement of Profit and Loss), and
  - Those to be measured subsequently at fair value (through OCI).

The classification depends on the Company's business model for managing the Financial Assets and the contractual terms of the cash flows.

For Assets/Liabilities measured at fair value, gains and losses are recorded in Statement of Profit and Loss or Other Equity.

- (ii) Measurement: At initial recognition, the Company measures a Financial Asset at its fair value plus, in the case of a Financial Asset not at Fair value through Statement of Profit and Loss, transaction costs that are directly attributable to the acquisition of the Financial Asset. Transaction costs of Financial Assets carried at fair value through Statement of Profit and Loss are expensed in Statement of Profit and Loss.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the Asset and the cash flow characteristics of the Asset. There are three measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized as profit or loss, when the Asset is derecognized or impaired. Interest income from these Financial Assets is included in finance income.
- Fair value through OCI: Assets that are held for collection of contractual cash flows and for selling the Financial Assets, where the Assets' cash flows represent solely payments of principal and interest are measured at fair value through OCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in statement of profit or loss. When the Financial Asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit or loss and recognized in other gains / (losses). Interest income from these Financials Assets is included in other income.

- Fair value through statement of profit or loss: Assets that do not meet the criteria for amortized cost or Fair Value through Other Comprehensive Income (FVOCI), are measured at Fair value through statement of profit or loss. A gain or loss on a debt investment that is subsequently measured at Fair value through statement of profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these Financial Assets is included in Other income.

### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the Assets of the Company after deducting all of its liabilities. Equity Instruments are recorded at the proceeds received, net of direct issue costs.

- (iii) Impairment of Financial Assets: The Company assesses on a forward looking basis the expected credit losses associated with its Assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For Trade Receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

- (iv) De-recognition of Financial Assets : A Financial Asset is derecognized only when

- the Company has transferred the rights to receive cash flows from the Financial Asset or
- retains the contractual rights to receive the cash flows of the Financial Asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
- (v) Income recognition: Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the Financial Asset to the gross carrying amount of a Financial Asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### n) Financial Liabilities

Borrowings, Trade Payables and other Financial Liabilities are initially recognized at their respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial Liabilities are derecognized when the liability is extinguished that is, when the contractual obligation is discharged, cancelled on expiry.

### o) Derivative Financial Instruments and Hedge Accounting

In order to manage its exposure to foreign currency risks for highly probable forecast transactions for exports and imports, the Company enters into forward contracts. Further, to hedge interest rate and foreign currency risks from External Commercial Borrowings, the Company enters into Cross Currency Interest Rate Swap. The Company does not use derivatives for trading or speculation purposes.

The Company designates a hedge as a cash flow hedge if the hedge relationship between the hedging instrument and hedged item is established and is effective at the inception of the derivative contract.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

All derivative contracts are initially recognized at fair value on the date of the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognized in OCI in the Cash Flow Hedge Reserve under Other Equity. In such cases, gains or losses are reclassified to Statement of Profit and Loss when, the impact from hedged item is recognized in the Statement of Profit and Loss. The gain or loss on the ineffective portion is recognized immediately in Statement of Profit and Loss. Derivatives are carried as Financial Assets when the fair value is positive and Financial Liabilities when the fair value is negative.

### p) Property, Plant and Equipment and Others

- (i) The Company has adopted the cost model as its accounting policy for all its Property, Plant and Equipment and accordingly, the same are reflected as under:

Land (Freehold) is carried at cost;

Land (Leasehold) is carried at cost less amortization;

Other items of Assets are carried at cost less accumulated depreciation/amortization and impairment losses, if any.

- (ii) An item of Property, Plant and Equipment is recognized as an Asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items such as spare parts, stand-

by equipment and servicing equipment are recognized under property, plant and equipment, if those meet the definition thereof; else, such spare parts, etc. are classified as inventory.

- (iii) The cost comprises of - purchase price (net of CENVAT/ value added tax/goods and service tax), including import duties and non-refundable taxes, after deducting trade discounts and rebates, any cost incurred which is directly attributable to bring the Asset to the location and condition necessary for it to be capable of operating in the manner intended by management and interest on borrowings attributable to the acquisition of qualifying Assets up to the date on which the Asset is ready for its intended use, if any. It also includes exchange difference capitalized, if any, in terms of Ind AS 21 on "Effects of Changes in Foreign Exchange Rates".
- (iv) Items of Property, Plant and Equipment which are not yet ready to be capable of operating in the manner intended by management are carried at cost, comprising direct cost, related incidental expenses and attributable interest, and are disclosed as "Capital Work-in-progress".
- (v) Items of Property, Plant and Equipment which are retired from active use and held for disposal, and where the sale is highly probable, are classified as "Assets held for disposal" under "Other Current Assets". The same are carried at the lower of their carrying amount and net realizable value.
- (vi) Intangible Assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

**Depreciation methods, estimated useful lives and residual value:**

- (i) The charge of depreciation on Property, Plant and Equipment is commenced when the relevant asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.
  - (a) Where the cost of a part of the Asset which is significant to total cost of the Asset and useful life of the part is different from the useful life of the remaining Asset, the Company has determined the useful life of the significant part separately ("Component Accounting") and accordingly, provided depreciation on such parts.
  - (b) Depreciation on Plant and Machinery (including those identified under the Component Accounting) other than those not specifically covered under the classification 'Special Plant and Machinery used in manufacturing of Chemicals' is provided on the straight line method over the useful lives as determined by the internal technical evaluation as follows:
    - Spare parts, stand-by equipment and servicing equipment: 10 years.
    - Catalyst: 5 years.
    - Other Property, Plant and Equipment: 15 to 25 years.

The Management believes that the useful lives as determined best represent the period over which it expects to use these Assets which is the same as the useful life of the Special Plant and Machinery. Hence, the useful lives for such Plant and Machinery are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.
  - (c) Leasehold land and Leasehold improvements are being amortized on the straightline method over the period of lease.
- (ii) Intangible Assets are amortized on the straight line method over their estimated useful life as follows:
  - Development of R & D Products/Processes (Internally generated): 5 years.
  - Patents: 10 years.
  - REACH Registration: 5 years.
  - Computer Software: 10 years.
- (iii) Depreciation for Assets purchased/sold during the period is proportionately charged.

**q) Non-current Asset Held for Sale**

Non-current Assets are classified as held for sale if their carrying amount will be recovered, principally through a sale transaction rather than through continuing use and a sale, is considered highly probable. These Assets classified as held for sale are not depreciated or amortized from the date when they are classified as held for sale. They are presented separately from the other Assets and Liabilities in the Balance Sheet.

**r) Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as Current Liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**s) Borrowings**

Borrowings are initially valued at their contractual obligations, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized as profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as Current Liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan

arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender has not demanded payment, after the reporting period and before the approval of the financial statements for issue, as a consequence of the breach.

#### t) Borrowing Costs

General and specific 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.

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.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs comprise of interest and other cost incurred in connection with borrowing of funds.

#### u) Employee Benefits

(i) Short-term obligations: 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 employees' 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.

(ii) Other long-term employee benefit obligations: The liabilities for privileged leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as Current Liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations: The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity: In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ('Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the Statement of Profit and Loss as income or expense. The Company has an employee gratuity fund managed by Life Insurance Corporation of India ('LIC'), except for the Managing Director, for which also the necessary provision is made based on an actuarial valuation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost.

(b) Defined contribution plans such as provident fund: The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an Asset to the extent that a cash refund or a reduction in the future payments is available.

#### v) Research and Development Costs

(i) Revenue expenditure on research, if any, is charged in the Statement of Profit and Loss of the year in which it is incurred.

(ii) Development Expenditure:

a) Incurred on development of new processes for products which, as per the Management, are completed and are expected to generate future economic benefits, are shown as internally generated Intangible Assets and are amortized in accordance with policies stated for amortization under the head "Depreciation methods, estimated useful lives and residual value" (refer note no. 1.p.ii.)

b) Incurred on development of new processes for products which, as per the Management, are yet to be completed, are reflected as Intangibles Under Development;

c) Other development expenses are charged to the Statement of Profit and Loss in the year in which it is incurred.

## w) Contributed Equity

Equity shares are classified as Equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## x) Earnings Per Share

- i) Basic earnings per share: It is calculated by dividing
  - The profit attributable to owners of the Company
  - By the weighted average number of equity shares outstanding during the financial year
- ii) Diluted earnings per share: Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:
  - The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
  - The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## y) Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes a provision, when there is a present obligation as a result of past events, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent Liability is disclosed by way of a note to the financial statements after careful evaluation by the Company of the facts and legal aspects of the matters involved.

Contingent Assets are neither recognized nor disclosed.

## 2. CRITICAL JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the Company to make estimates, assumptions and judgments that affect the reported balances of Assets and Liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expenses for the period presented.

The estimates and the associated assumptions are based on historical experience and the other factors that are considered to be relevant. Actual results may differ from the estimates under different assumptions and conditions.

Estimates and the underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying value of Assets and Liabilities within the next financial year are discussed below.

### (i) Judgments:

In the process of applying the Company's accounting policies, Company has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

#### a. Arrangements in the nature of lease:

The Company has entered into sub-contracting arrangements with its service providers wherein the Company supplies all the raw materials required for the manufacture and/or processing along with specifications to manufacture the products to the service provider, thereby retaining the title to all products. The Company has also entered into a sub-contracting arrangement as a service provider wherein the Company processes the goods based on all the raw materials supplied to it for the manufacture and/or processing along with specifications to manufacture the products, the title to which remains with the customer.

The Company has determined, based on the evaluation of terms and conditions of the arrangement that it qualifies as an arrangement in the nature of operating lease.

#### b. Segment Reporting:

Ind AS 108 Operating Segments requires the Company to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the Board of Directors to assess the performance and allocate resources. The standard also requires the Company to make judgments with respect to aggregation of certain operating segments into one or more reportable segment. Operating segments used to present segment information are identified based on the internal reports used and reviewed to assess performance and allocate resources. The Company has determined that some of the segments exhibit similar economic characteristics and meet other aggregation criteria and are accordingly aggregated into one primary reportable segment i.e. 'Specialty Chemicals' and two geographical reportable segments i.e. domestic and exports.

#### c. Stores and Spares Inventories:

The Company's manufacturing process is continuous and highly technical with wide range of different types of plants and machineries. The Company keeps stores and spares as a standby to run the operations without any disruption. Considering the wide range of stores and spares and long lead times for their procurement, and based on criticality of spares, the Company believes that their net realizable value would be more than cost.

**d. Income Taxes:**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**e. Contingent Liability Judgment:**

Note-29 describes claims against the Company not acknowledged as debt. It includes certain penalties and charges payable to a Government agency although as per the contracts, the Company, based on past experience, believes that the penalties and charges are negotiable and not certain, and accordingly, are not considered as an obligation as at the Balance Sheet date and are disclosed as Contingent Liabilities.

**(ii) 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 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. Defined Benefit Plans (Gratuity Benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds. The mortality rate is based on Indian Assured Lives Mortality (2006-08). Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 31.

**b. Fair Value Measurement of Financial Instruments**

When the fair values of Financial Assets and Financial Liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. 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. (Refer Note 43) for further disclosures.

**c. Impairment of Non-Financial Assets**

The Company has assessed certain Assets that do not have a future economic benefit. Such assessment involves estimates of availability of future cash flows and other alternative uses of the respective Assets. The Company reviews its carrying value of Assets carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Based on the Management's assessment, these Assets have been fully impaired. The total carrying amount impaired is Rs.116.78 lakhs. (Refer note 3) for details.

**d. Useful Life of Property, Plant and Equipment and Others**

The Company reviews the estimated useful lives and residual values of Property, Plant and Equipment (PPE) and Intangible Assets as at the end of each reporting year. The factors such as changes in the expected level of usage, number of shifts of production, technological developments, units of production and product life cycle, could significantly impact the economic useful lives and the residual values of Assets. Consequently, the future depreciation and amortization charge could be revised and thereby could have impact on the profit of the future years.

**e. Litigations**

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

**f. Cash Flow Hedge Reserve**

The Cash Flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. It will be reclassified to the Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non-financial hedged item.

## NOTES FORMING PART OF BALANCE SHEET

## 3. PROPERTY, PLANT AND EQUIPMENT AND OTHERS

₹ In Lakhs

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK	
	As At April 1, 2017	During the year		As At March 31, 2018	As At April 1, 2017	For the year (Adjustments)	As At March 31, 2018	Deduction/ (Adjustments)	As At March 31, 2018	As At March 31, 2017	As At March 31, 2017
		Additions	Other Adjustments								
Current Year (2017-18)											
<b>A. Property, Plant and Equipment</b>											
Land											
Freehold Land	82.35	-	-	82.35	-	-	-	-	82.35	-	82.35
Leasehold Land (Note 3.2)	1,346.95	596.07	9.39	1,952.41	14.99	15.25	30.24	-	1,922.16	-	1,331.96
Leasehold Improvements	50.98	-	-	50.98	6.92	6.92	13.84	-	37.14	-	44.06
Buildings	2,713.54	1,472.95	54.67	4,241.16	139.98	144.19	284.17	-	3,956.99	-	2,573.56
Plant and Machinery (Note 3.3)											
Machinery	18,161.19	11,495.75	496.89	30,151.79	964.09	1,241.72	2,204.01	1.80	27,831.00	116.78	17,197.10
Electrical Equipments	61.15	104.67		163.97	4.79	5.89	10.68	-	153.29	-	56.36
Furniture and Fixtures	107.14	102.21	0.84	210.19	10.41	11.55	21.96	-	188.23	-	96.73
Vehicles	121.37	43.97	-	139.24	16.23	21.73	17.60	20.36	121.65	-	105.14
Office Equipments	139.62	76.37	0.42	216.41	27.55	29.65	57.20	-	159.21	-	112.07
Others			-						-		
Electrical Installations	351.28	728.82	16.72	1,096.82	62.36	55.59	117.95	-	978.87	-	286.92
<b>Total</b>	<b>23,135.57</b>	<b>14,620.81</b>	<b>578.93</b>	<b>38,305.32</b>	<b>1,247.32</b>	<b>1,532.49</b>	<b>2,757.65</b>	<b>22.16</b>	<b>35,430.88</b>	<b>116.78</b>	<b>21,888.25</b>
<b>B. Capital Work-in-Progress</b>											
	3,475.94	12,985.34	429.69	1,840.47	-	-	-	-	1,840.47	-	3,475.94
<b>Total</b>	<b>3,475.94</b>	<b>12,985.34</b>	<b>429.69</b>	<b>1,840.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,840.47</b>	<b>-</b>	<b>3,475.94</b>
<b>C. Intangible Assets</b>											
Internally Generated											
Development of R&D Products	-	-	-	-	-	-	-	-	-	-	-
Others											
Patents	40.55	-	-	40.55	4.47	4.67	9.14	-	31.41	-	36.08
REACH Registration	70.81	-	-	70.81	32.13	25.31	57.44	-	13.37	-	38.68
Others	47.42	-	-	47.42	1.79	4.63	6.42	-	41.00	-	45.63
<b>Total</b>	<b>158.78</b>	<b>-</b>	<b>-</b>	<b>158.78</b>	<b>38.39</b>	<b>34.61</b>	<b>73.00</b>	<b>-</b>	<b>85.78</b>	<b>-</b>	<b>120.39</b>

### 3.1 Above Assets include Research and Development Assets as mentioned below:

DESCRIPTION	GROSS BLOCK						DEPRECIATION AND AMORTISATION		IMPAIRMENT		NET BLOCK		
	As At April 1, 2017	During the year		As At March 31, 2018	As At April 1, 2017	For the year (Adjustments)	As At March 31, 2018	Deduction/ (Adjustments)	As At April 1, 2017	For the year (Adjustments)	As At March 31, 2018	As At March 31, 2017	
		Additions	Other Adjustments										
<b>A. Property, Plant and Equipment</b>													
Leasehold Improvements	51.00	-	-	51.00	6.92	6.92	13.84	-	-	-	37.16	44.08	
Plant and Machinery													
Machinery	215.91	5.67	-	221.58	134.18	6.83	141.01	-	-	-	80.57	81.73	
Electrical Equipments	9.03	5.07	-	14.10	5.77	0.60	6.37	-	-	-	7.73	3.26	
Furniture and Fixtures	62.65	-	-	62.65	51.59	1.04	52.63	-	-	-	10.02	11.06	
Vehicles	17.10	9.40	-	26.50	3.75	2.03	5.78	-	-	-	20.72	13.35	
Office Equipments	16.06	-	-	16.06	9.37	2.41	11.78	-	-	-	4.28	6.69	
Others													
Electrical Installations	1.26	-	-	1.26	0.45	0.08	0.53	-	-	-	0.73	0.81	
<b>Current year</b>	<b>373.01</b>	<b>20.14</b>	<b>-</b>	<b>393.15</b>	<b>212.03</b>	<b>19.91</b>	<b>231.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161.21</b>	<b>160.98</b>	
Previous year	351.70	24.87	-	373.01	191.78	22.87	212.05	2.60	-	-	160.98		
<b>B. Intangible Assets</b>													
Internally Generated													
Development of R&D Products/ Processes	33.62	-	-	33.62	33.62	-	33.62	-	-	-	-	-	
Others													
Patents	47.09	-	-	47.09	11.01	4.67	15.68	-	-	-	31.41	36.08	
<b>Current year</b>	<b>80.71</b>	<b>-</b>	<b>-</b>	<b>80.71</b>	<b>44.63</b>	<b>4.67</b>	<b>49.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31.41</b>	<b>36.08</b>	
Previous year	73.01	7.70	-	80.71	40.16	4.47	44.63	-	-	-	36.08		
<b>C. Capital Work-in-Progress</b>													
	4.40	-	-	4.40	-	-	-	-	-	-	4.40	4.40	
<b>Current year</b>	<b>4.40</b>	<b>-</b>	<b>-</b>	<b>4.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.40</b>	<b>4.40</b>	
Previous year	-	29.27	-	4.40	-	-	-	-	-	-	4.40		

3.2 Lease period of land at Kurkumbh is 95 years and land at Dahej is 99 years.

3.3 Plant, Machinery and Equipment include Rs 17.16 lakhs (Previous Year Rs 242.66 lakh) being value of machinery installed at third party premises of Job Contractor (including that of the Associate Company), duly confirmed by them.

3.4 Transfer from Capital Work-in-Progress and Intangible Assets Under Development represents capitalisation to Property, Plant and Equipment or Intangible Assets, as the case may be. It also includes write off of Capital Work-in-Progress of Rs 10.38 lakh (Previous Year Rs NIL lakh).

3.5 Other Adjustments under the Gross Block represent Borrowings Costs of Rs 578.93 lakhs capitalised (Previous year March 31, 2017 Rs 300.15 lakhs).

3.6 Freehold land at Kalol (WDV Rs. 1.15 lakhs) had been held for disposal as on March 31, 2017 and was shown as current assets held for sale, sold in current year 2017-18.

3.7 Plant, machinery and Equipment lying at the premises of our Associate Company, has been impaired due to technological obsolescence and declining market demands.

3.8 On all the above items of Property, Plant and Equipment first charge is created except on Freehold Land, Leasehold Improvements, Buildings at Vashi, Worli and Residential Quarters and Vehicles

Rs. In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
US\$ 7.5 millions ECB Loan from Citibank secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	<b>5,175.00</b>	5,175.00	-
US\$ 7.5 millions ECB Loan from Standard Chartered Bank secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	<b>5,175.00</b>	5,175.00	-
US\$ 6.00 millions ECB Loan from State Bank of India secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	<b>3,990.00</b>	3,990.00	3,990.00
US\$ 3.20 millions ECB Loan from Standard Chartered Bank secured against first charge on Immovable Properties located and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	<b>2,048.00</b>	2,048.00	2,048.00
US\$ 3.00 millions ECB Loan from State Bank of India secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	-	1,650.00	1,650.00
US\$ 3.30 millions ECB Loan from State Bank of India secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	-	-	1,485.00
Working Capital Facilities from Consortium Bank consisting of State Bank of India, Standard Chartered Bank and Axis Bank secured by hypothecation of Stocks of raw materials, semi finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as well as by way second mortgage of specific immovable properties.	<b>11,771.00</b>	11,771.00	11,771.00

DESCRIPTION	GROSS BLOCK					DEPRECIATION AND AMORTISATION				IMPAIRMENT		NET BLOCK	
	Deemed cost As At April 1, 2016	Additions	During the year	Other Adjustments	Deduction/Transfer	As At March 31, 2017	Upto March 31, 2016	For the year (Adjustments)	As At March 31, 2017	For the year (Adjustments)	As At March 31, 2018	As At March 31, 2017	As At March 31, 2016
<b>Previous Year (2016-17)</b>													
<b>A. Property, Plant and Equipment</b>													
Land													
Freehold Land	83.50	-	-	-	1.15	82.35	-	-	-	-	-	82.35	83.50
Leasehold Land (Note 12.2)	1,346.95	-	-	-	-	1,346.95	-	14.99	14.99	-	-	1,331.96	1,346.95
Leasehold Improvements	50.98	-	-	-	-	50.98	-	6.92	6.92	-	-	44.06	50.98
Buildings	2,591.37	122.17	-	-	-	2,713.54	-	139.98	139.98	-	-	2,573.56	2,591.37
Plant and Equipment (Note 12.3)													
Machinery	13,915.54	4,237.70	152.41	-	144.46	18,161.19	-	1,097.71	964.09	-	-	17,197.10	13,915.54
Electrical Equipments	56.00	8.71	-	-	3.56	61.15	-	7.39	4.79	-	-	56.36	56.00
Furniture and Fixtures	67.55	39.59	-	-	-	107.14	-	10.41	10.41	-	-	96.73	67.55
Vehicles	111.88	16.49	-	-	7.00	121.37	-	22.88	16.23	-	-	105.14	111.88
Office Equipments	90.22	49.40	-	-	-	139.62	-	27.55	27.55	-	-	112.07	90.22
Others													
Electrical Installations	270.37	80.91	-	-	-	351.28	-	62.36	62.36	-	-	288.92	270.37
<b>Total</b>	<b>18,584.36</b>	<b>4,554.97</b>	<b>152.41</b>	<b>152.41</b>	<b>156.17</b>	<b>23,135.57</b>	<b>-</b>	<b>1,390.19</b>	<b>1,247.32</b>	<b>142.87</b>	<b>-</b>	<b>21,886.25</b>	<b>18,584.36</b>
<b>B. Intangible Assets Internally Generated</b>													
Development of R&D Products	-	-	-	-	-	-	-	-	-	-	-	-	-
Others													
Patents	32.85	7.70	-	-	-	40.55	-	4.47	4.47	-	-	36.08	32.85
REACH Registration	88.59	-	-	-	17.78	70.81	-	32.13	32.13	-	-	38.68	88.59
Others	7.50	39.92	-	-	-	47.42	-	1.79	1.79	-	-	45.63	7.50
<b>Total</b>	<b>128.94</b>	<b>47.62</b>	<b>-</b>	<b>-</b>	<b>17.78</b>	<b>156.78</b>	<b>-</b>	<b>38.39</b>	<b>38.39</b>	<b>-</b>	<b>-</b>	<b>120.39</b>	<b>128.94</b>
<b>C. Capital Work-in-Progress</b>													
	1,606.66	6,427.42	149.24	4,707.38	3,475.94		-	-	-	-	-	3,475.94	1,606.66
<b>Total</b>	<b>1,606.66</b>	<b>6,427.42</b>	<b>149.24</b>	<b>4,707.38</b>	<b>3,475.94</b>							<b>3,475.94</b>	<b>1,606.66</b>
<b>D. Intangible Assets Under Development Internally Generated</b>													
Development of R&D Products	-	-	-	-	-	-	-	-	-	-	-	-	-
Others													
Patents	7.70	-	-	-	7.70	-	-	-	-	-	-	-	7.70
REACH Registration	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	39.92	-	-	39.92	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7.70</b>	<b>39.92</b>	<b>-</b>	<b>-</b>	<b>47.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.70</b>

**4. Non Current Financial Assets - Investments**

Rs In Lakhs

Particulars	No. of equity shares	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>Investment in equity instruments</b>				
a) Investment in Subsidiary Company				
Unquoted, fully paid Equity shares of Rs 10 each				
Alkyl Speciality Chemicals Limited	16,38,272	-	-	81.91
b) Investment in Associate Company				
Quoted, fully paid Equity shares of Rs 10 each				
Diamines and Chemicals Limited	29,77,997	144.11	144.11	144.11
<b>TOTAL</b>		<b>144.11</b>	<b>144.11</b>	<b>226.02</b>

Rs In Lakhs

Particulars	As at March 31, 2018		As at March 31, 2017		As at Apr 01, 2016	
	Cost	Market Value	Cost	Market Value	Cost	Market Value
Aggregate amount of Quoted Investments	<b>144.11</b>	<b>2,561.08</b>	144.11	1,648.32	144.11	1,002.10
Aggregate amount of UnQuoted Investments	-	-	-	-	81.91	N.A.
<b>TOTAL</b>	<b>144.11</b>	<b>2,561.08</b>	144.11	1,648.32	226.02	1,002.10

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>5A. Non Current Financial Assets - Loans</b>			
a) Loans to employees	-	40.35	32.00
<b>TOTAL</b>	-	<b>40.35</b>	32.00
<b>5B. Non Current Financial Assets - Other Financial Assets</b>			
a) Derivatives	19.30	-	-
b) Other Financial Assets			
(i) Security deposits	257.02	136.08	51.50
(ii) Margin Money against the Bank Guarantees	4.36	13.77	12.82
Gross Non Current financial assets-Other Financial Assets	280.68	149.85	64.32
Less: Provision for bad & doubtful other financial assets	-	-	-
<b>TOTAL</b>	-	<b>280.68</b>	64.32
<b>5C. Current Financial Assets - Loans</b>			
a) Loans to employees	14.04	20.56	16.40
<b>TOTAL</b>	14.04	20.56	16.40

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>5D. Current Financial Assets - Other Financial Assets</b>			
a) Derivatives	2.62	218.49	725.96
b) Other Financial Assets			
(i) Security deposits	3.76	0.26	18.77
(ii) Interest on Bank deposits	19.60	28.53	7.15
Gross Current financial assets - Other Financial Assets	25.98	247.28	751.88
Less: Provision for bad & doubtful other financial assets	-	-	-
<b>TOTAL</b>	<b>25.98</b>	<b>247.28</b>	<b>751.88</b>
<b>6A. Other Non Current assets</b>			
a) Capital advances	990.72	1,634.34	294.25
b) Advance recoverable in cash or kind	22.65	5.62	4.40
c) Advance to Suppliers	-	-	-
d) VAT receivable	668.83	848.44	857.73
e) Duty paid under protest	21.07	21.07	21.07
f) Others	-	-	94.00
<b>TOTAL</b>	<b>1,703.27</b>	<b>2,509.47</b>	<b>1,271.45</b>
<b>6B. Other Current assets</b>			
a) Advance recoverable in cash or kind	344.52	290.15	138.83
b) Advance to suppliers	277.88	194.61	1,635.92
c) GST and other receivables	1,956.09	576.79	29.64
d) Assets classified as held for sale	-	1.15	-
<b>TOTAL</b>	<b>2,578.49</b>	<b>1,062.70</b>	<b>1,804.39</b>
<b>6C. Non Current Tax Asset (Net)</b>			
Taxes Paid	5,914.24	5,966.68	4,045.29
Less : Provision for Taxes	5,571.69	5,567.43	3,681.50
<b>TOTAL</b>	<b>342.55</b>	<b>399.25</b>	<b>363.79</b>
<b>7. Inventories</b>			
a) Raw materials	3,795.13	5,931.05	871.59
b) Packing materials	141.60	116.90	119.05
c) Work-in-progress	800.66	490.60	690.49
d) Finished goods	2,145.63	3,496.95	3,384.40
e) Stores and spares	706.21	526.75	526.64
f) Fuel	928.88	578.74	723.48
<b>TOTAL</b>	<b>8,518.11</b>	<b>11,140.99</b>	<b>6,315.65</b>

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>7A. Goods in Transit included in above Inventories</b>			
a) Raw Material	274.54	2,928.37	-
b) Packing materials	-	0.81	-
c) Work in progress	-	-	-
d) Finished goods	222.33	315.63	175.09
e) Stores and Spares	-	0.21	-
f) Others	-	42.74	-
<b>TOTAL</b>	<b>496.87</b>	3,287.76	175.09
<b>7B. Details of Inventories</b>			
Work-in-Progress			
Amines and Amines Derivatives	518.82	359.48	449.89
Other Speciality Chemicals	281.84	131.12	240.60
<b>TOTAL</b>	<b>800.66</b>	490.60	690.49
Finished Goods			
Amines and Amines Derivatives	1,649.94	3,250.49	3,136.82
Other Speciality Chemicals	495.18	245.61	247.23
Industrial Gases	0.51	0.85	0.35
<b>TOTAL</b>	<b>2,145.63</b>	3,496.95	3,384.40
<b>8. Trade Receivables</b>			
Trade receivables (at amortised cost):			
Unsecured considered good	12,377.56	9,733.85	9,029.55
Gross Trade Receivables	12,377.56	9,733.85	9,029.55
Less: Allowances for expected credit losses	-	-	-
<b>TOTAL</b>	<b>12,377.56</b>	9,733.85	9,029.55

- (i) The Company has called for balance confirmations from Trade Receivables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.
- (ii) Trade Receivables are non interest bearing and are generally on terms of average 60 days.

**9. Cash and Cash Equivalents**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
a) Balances with banks			
(i) Current Accounts	165.57	35.11	204.49
(ii) EEFC Accounts	55.36	-	95.91
(iii) Fixed Deposit Accounts	-	182.15	-
b) Cash on hand	2.49	2.23	3.39
<b>TOTAL</b>	<b>223.42</b>	219.49	303.79

**9A. Other Bank Balances**

a) Unpaid Dividend Accounts	61.00	58.16	91.01
b) Margin Money against the Bank Guarantees	37.68	18.02	32.32
c) Fixed deposits with Banks	0.50	-	-
<b>TOTAL</b>	<b>99.18</b>	76.18	123.33

- (i) During the year, the Company has transferred Rs. 3.48 Lakhs to Investor Education & Protection Fund (for the year ended March 31, 2017 Rs 2.42 lakhs and for the year ended March 31, 2016 Rs 2.82 lakhs).
- (ii) Fixed Deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from Balance Sheet date are disclosed above.

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>10. Equity Share Capital</b>			
Authorised:			
3,00,00,000 (Previous Year 3,00,00,000) Equity Shares of Rs. 5 each par value	1,500.00	1,500.00	1,500.00
15,00,000 (Previous Year 15,00,000) Cumulative Redeemable Preference Shares of Rs. 100 each par value	1,500.00	1,500.00	1,500.00
	<b>3,000.00</b>	3,000.00	3,000.00
Issued, Suscribed and Paid Up:			
2,03,96,392 (Previous Year 2,03,96,392 ) Equity Shares of Rs. 5 each par value, fully paid	1,019.82	1,019.82	1,019.82
Shares forfeited	0.78	0.78	0.78
<b>TOTAL</b>	<b>1,020.60</b>	1,020.60	1,020.60

**10.1 Reconciliation of the number of shares outstanding and amount of share capital**

Rs In Lakhs

Particulars	As at March 31, 2018		As at March 31, 2017		As at Apr 01, 2016	
	No. of shares	Rs In Lakhs	No. of shares	Rs In Lakhs	No. of shares	Rs In Lakhs
Equity Shares of Rs 5 par value						
At the beginning of the year	<b>20,396,392</b>	<b>1,019.82</b>	20,396,392	1,019.82	20,396,392	1,019.82
Changes during the year	<b>NIL</b>	<b>NIL</b>	NIL	NIL	NIL	NIL
At the end of the year	<b>20,396,392</b>	<b>1,019.82</b>	20,396,392	1,019.82	20,396,392	1,019.82

**10.2 Rights, preferences and restrictions**

- The Company has only one class of shares, referred to as equity shares, having par value of Rs 5. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. Final dividend of Rs. 7 per share for face value of Rs. 5 each, proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.  
During the year ended March 31, 2018, the amount per share of final dividend pertaining to year ended 31 March 2017, distributed to equity shareholders Rs 5 for face value of Rs 5 each. The dividend appropriation for the year ended March 31, 2018 amounted to Rs 1,227.47 lakhs, including corporate dividend tax of Rs 207.65 lakhs.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**10.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Rs In Lakhs

Particulars	As at March 31, 2018		As at March 31, 2017		As at Apr 01, 2016	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Name of the Shareholder						
Yogesh M. Kothari	<b>12,206,622</b>	<b>59.85</b>	12,206,622	59.85	12,206,622	59.85

## 11. Other Equity

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>a) Retained Earnings</b>			
<b>(i) Statement of Profit and Loss :</b>			
Balance brought forward from last year	18,925.33	13,969.12	11,510.73
Profit for the year	6,428.90	5,035.80	5,031.23
Impact of Merger of Subsidiary Company	-	(22.91)	-
Impact of adjustments in Derivatives Financial Instruments	63.08	9.08	(72.16)
Other Comprehensive Income (Net of tax):			
Remeasurement of defined benefit obligations	(32.84)	(63.78)	(45.75)
Deferred gains/(losses) on cash flow hedges	(13.63)	(1.98)	-
<b>Appropriations</b>	<b>25,370.84</b>	<b>18,925.33</b>	<b>16,424.05</b>
1) Interim/Final Dividend paid	1,019.82	-	2,039.64
2) Tax on interim/Final Dividend	207.65	-	415.29
3) Transfer to General Reserve	-	-	-
	<b>1,227.47</b>	<b>-</b>	<b>2,454.93</b>
	<b>24,143.37</b>	<b>18,925.33</b>	<b>13,969.12</b>
<b>(ii) General Reserve</b>			
Balance as per last account	3,559.27	3,559.27	3,624.24
Less: Depreciation on assets with NIL useful life as per Component Accounting (Net of Deferred Tax)	-	-	64.97
	<b>3,559.27</b>	<b>3,559.27</b>	<b>3,559.27</b>
<b>Total Retained Earnings (i+ii)</b>	<b>27,702.64</b>	<b>22,484.60</b>	<b>17,528.39</b>
<b>b) Securities Premium Reserve</b>	<b>1,290.97</b>	<b>1,290.97</b>	<b>1,290.97</b>
<b>c) Capital Reserve</b>	<b>142.70</b>	<b>142.70</b>	<b>9.68</b>
<b>d) Capital Redemption Reserve</b>	<b>25.00</b>	<b>25.00</b>	<b>25.00</b>
<b>e) Cash Flow Hedge Reserve (OCI)</b>	<b>(466.56)</b>	<b>(407.32)</b>	<b>(114.74)</b>
<b>Total Other Components of Equity (b+c+d+e)</b>	<b>992.11</b>	<b>1,051.35</b>	<b>1,210.91</b>
<b>Total Other Equity</b>	<b>28,694.75</b>	<b>23,535.95</b>	<b>18,739.30</b>
<b>12A. Non Current Financial Liability - Secured Borrowings at amortised cost</b>			
Long term secured Borrowings			
Term Loans			
From Banks	10,579.75	6,245.30	3,200.15
<b>TOTAL</b>	<b>10,579.75</b>	<b>6,245.30</b>	<b>3,200.15</b>

## Nature of Security and Terms of Repayment of Long-term Borrowings:

### Term Loan from Banks:

- (i) Foreign Currency Term Loans to part finance Company's normal capital expenditure which are secured by creation of pari passu charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga and Plot no. D-6/1 at Kurkumbh, Maharashtra and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc. of :

Rs In Lakhs

Particulars	Rate of Interest	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
USD 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012	3.40% p.a.	NIL	NIL	138.67
USD 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 (covered by Interest rate and Currency rate Swap)	3.66% p.a.	NIL	493.05	1,008.45
USD 3.2 million repayable in 16 quarterly instalments beginning from February 11, 2015 (covered by Interest and Currency rate Swap) Creation of mortgage for Dahej is in progress.	3 month LIBOR plus 3.05% p.a.	462.56	986.10	1,546.29
USD 6.00 million repayable in 16 quarterly instalments beginning from April, 2017 (covered by Interest and Currency rate swap). Creation of mortgage for Dahej is in progress.	3 month LIBOR plus 1.65% p.a.	3,171.84	3,944.40	1,680.75
(ii) Foreign Currency Term Loans to part finance Company's Dahej Project are secured by creation of pari passu charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga, Maharashtra, Plot no. D-6/1 at Kurkumbh, Maharashtra and Plot No. D-2/CH/149/2 at Dahej, Gujarat and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, both present and future of :				
USD 7.5 million repayable in 18 quarterly installments beginning from October 2018 (covered by Interest and Currency rate swap). Availed full draw down of US\$ 7.5 million. Hypothecation is completed, creation of mortgage is under progress.	3 month LIBOR plus 1.40% p.a.	4,956.00	1,314.80	NIL
USD 7.5 million repayable in 18 quarterly installments beginning from August 2018 (covered by Interest and Currency rate swap). Availed full draw down of US\$ 7.5 million. Hypothecation is completed, creation of mortgage is under progress.	1 month LIBOR plus 0.80% p.a.	4,956.00	1,314.80	NIL
(iii) Other loans				
Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months	Ranging from 10.30% p.a. to 10.50% p.a.	NIL	6.72	16.81
		13,546.40	8,059.87	4,390.97
Less : Other finance charges deferred over the period of loan (Ind AS Adjustments)		70.14	-	-
		13,476.26	8,059.87	4,390.97
Less : Current Maturities of Long-term Debt (Refer Note 15 (a) (i))		2,896.51	1,814.57	1,190.82
		10,579.75	6,245.30	3,200.15

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>12B. Non Current Financial Liability - Unsecured Borrowings</b>			
<b>Long term Unsecured Nature and Terms of Repayment Borrowings</b>			
a) Loans and Advances from Related parties: Repayable after 12 months from the date of Balance sheet and carries interest rate ranging from 7.25% p.a. to 8.25% p.a.	-	-	740.00
b) Other Loans:			
Deferred Payment Liabilities			
Sales Tax Deferral under the Package Scheme of Incentives, 1993.			
Interest free deferral period repayable after 10 years from the respective year in which actual tax was collected, commencing from April 26, 2012.	373.49	536.44	687.10
	<b>373.49</b>	536.44	1,427.10
Less: Current Maturities of Deferred payment liabilities (Refer Note 15 (a) (ii))	<b>132.77</b>	159.17	150.67
<b>TOTAL</b>	<b>240.72</b>	377.27	1,276.43
<b>12C. Current Financial Liability - Short term secured Borrowings</b>			
Repayable on Demand			
From Banks	<b>4,209.41</b>	588.72	3,904.71
<b>TOTAL</b>	<b>4,209.41</b>	588.72	3,904.71

(i) The above balances comprises of Cash Credits and Bank overdrafts

(ii) Cash Credits are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as mentioned in the joint deed of hypothecation dated December 29, 1989 as amended from time to time, as well as by the second mortgage of the specified immovable properties of the Company.

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>12D. Current Financial Liability - Short term Unsecured Borrowings</b>			
a) Loans and Advances from Related parties: Repayable within 12 months from the date of Balance sheet and carries interest rate ranging from 7.25% p.a. to 8.25% p.a.	<b>66.50</b>	52.50	1,349.50
b) Inter Corporate deposits	-	-	72.00
c) Other Loans			
Buyer's credit	-	2,768.39	-
<b>TOTAL</b>	<b>66.50</b>	2,820.89	1,421.50
<b>12E. Other Non Current Financial Liabilities</b>			
a) Derivatives	<b>653.65</b>	382.53	-
<b>TOTAL</b>	<b>653.65</b>	382.53	-

### 13. Non Current - Deferred Tax Liability (Net)

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Deferred Tax Liability	4,048.40	3,272.43	2,864.11
	4,048.40	3,272.43	2,864.11
<b>Deferred Tax Liabilities</b>			
Items of Timing Difference			
Deferred Tax Liabilities			
Related to Plant, Property and Equipment and Others	4,319.53	3,478.42	2,973.97
(A)	4,319.53	3,478.42	2,973.97
<b>Deferred Tax Assets</b>			
Provision for doubtful debts and advances	7.41	36.40	0.97
Provision for Gratuity	83.46	58.76	37.28
Provision for Leave Encashment	89.87	78.49	62.24
Disallowance under section 43B	88.36	33.81	4.16
Others	2.03	(1.47)	5.21
(B)	271.13	205.99	109.86
<b>Net Deferred Tax Liabilities (A-B)</b>	4,048.40	3,272.43	2,864.11
<b>14. Trade payables</b>			
Trade payables	6,717.94	8,093.22	4,375.78
<b>TOTAL</b>	6,717.94	8,093.22	4,375.78
(i) The Company has called for balance confirmations from Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.			
(ii) Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:			
- Principal Amount	65.47	27.73	30.76
- Interest	NIL	0.01	NIL
Interest paid in terms of Section 16	NIL	NIL	NIL
Interest due and payable for the period of delay in payment	NIL	0.01	NIL
Interest accrued and remaining unpaid	NIL	NIL	NIL
Interest due and payable even in succeeding years	NIL	NIL	NIL
This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.			

**15. Current Financial Liability - Other Financial Liabilities**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
a) Current maturities of long-term debts			
(i) Secured debts			
Term loans from Banks	2,896.51	1,814.57	1,190.82
(ii) Unsecured debts			
Deferred Payment Liabilities	132.77	159.17	150.67
b) Interest accrued but not due on borrowings	190.91	210.23	185.20
c) Unpaid dividends	61.00	57.16	91.01
d) Other Payables			
(i) Capital expenses	1,757.64	761.70	308.43
(ii) Commission payable to Directors	620.34	474.50	490.91
(iii) Others	737.88	587.20	473.15
e) Derivatives	5.87	229.66	458.74
<b>TOTAL</b>	<b>6,402.92</b>	<b>4,294.19</b>	<b>3,348.93</b>
<b>16A.Non Current Financial Liability - Long term Provisions</b>			
Provision for employee benefits			
(i) Gratuity	-	166.15	141.35
(ii) Leave Encashment	171.49	155.33	124.84
<b>TOTAL</b>	<b>171.49</b>	<b>321.48</b>	<b>266.19</b>
<b>16B.Current Financial Liability - Short term Provisions</b>			
Provision for employee benefits			
(i) Gratuity	241.15	3.64	-
(ii) Leave Encashment	88.20	71.48	55.00
<b>TOTAL</b>	<b>329.35</b>	<b>75.12</b>	<b>55.00</b>
<b>17. Other Current Liabilities</b>			
(i) Statutory Dues	86.51	118.98	81.85
(ii) Advances received from customers	94.70	23.77	41.99
(iii) Deposits from customers	1.50	-	-
(iv) Employee recoveries and employer contributions	45.30	41.35	37.22
<b>TOTAL</b>	<b>228.01</b>	<b>184.10</b>	<b>161.06</b>
<b>18. Non Current Financial Liability- Liabilities for Tax (Net)</b>			
(i) Provision for tax	2,337.66	16.49	16.31
(ii) Less taxes paid	(1,996.28)	(7.98)	(7.98)
<b>TOTAL</b>	<b>341.38</b>	<b>8.51</b>	<b>8.33</b>

## 19. Revenue from Operations

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Sale of Products - Manufactured Goods	61,365.46	52,977.12
(b) Other Operating income		
Toll and Other Processing Income	600.80	567.25
Scrap and Raw Material Sales	117.20	89.53
Export Incentives	394.15	530.45
Miscellaneous Income	5.06	14.19
<b>TOTAL</b>	<b>62,482.67</b>	<b>54,178.54</b>
<b>19A.Details of Sale of Products</b>		
Amines and Amines Derivatives	49,347.47	43,975.08
Other Speciality Chemicals	11,690.53	8,614.93
Industrial Gases	327.46	387.11
<b>TOTAL</b>	<b>61,365.46</b>	<b>52,977.12</b>
<b>20. Other Income</b>		
(a) Interest Income		
(i) on Fixed deposits with banks	74.95	33.63
(ii) on Margin Money	0.43	0.35
(iii) on Income Taxes	17.46	33.28
(iv) on Others	5.34	
Less: Adjusted with Borrowing costs capitalised	-29.47	-
Net Interest Income	68.71	67.26
(b) Profit on sale of capital assets	32.07	-
(c) Profit on Sale of Units of Mutual Fund	-	2.61
(d) Insurance claims received	64.33	5.83
(e) Dividend income	44.67	-
(f) Provision for Doubtful Debts/Advances no longer required, written back	81.42	34.66
(g) Miscellaneous Income	24.50	3.01
<b>TOTAL</b>	<b>315.70</b>	<b>113.37</b>
<b>21. Cost of Material Consumed</b>		
(a) Raw Material consumed (Refer note 21A)		
Opening Stock	5,931.05	871.60
Add: Purchases	28,347.43	29,658.40
	34,278.48	30,530.00
Less: Closing Stock	3,795.13	5,931.05
	30,483.35	24,598.95

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(b) Packing Material consumed		
Opening Stock	116.10	119.05
Add: Purchases	1,925.06	1,626.66
	2,041.16	1,745.71
Less: Closing Stock	141.61	116.10
	1,899.55	1,629.61
<b>TOTAL</b>	<b>32,382.90</b>	26,228.56
<b>21A.Details of Raw Materials Consumed</b>		
Denatured Ethyl Alcohol, Methanol and other Alcohols	16,206.43	14,343.16
Industrial Gases	5,906.98	3,522.90
Others	8,369.94	6,732.89
<b>TOTAL</b>	<b>30,483.35</b>	24,598.95
<b>22. Changes in Inventories of Finished Goods and Work-in-Progress</b>		
(a) Finished Goods		
Closing Stock	2,145.63	3,496.95
Less: Opening Stock	3,496.95	3,384.40
	1,351.32	(112.55)
Excise Duty Provision on Finished Goods		
Closing Stock	-	389.25
Less : Opening Stock	-	375.92
	-	13.33
(b) Work-In-Progress		
Closing Stock	800.65	490.60
Less: Opening Stock	490.60	690.49
	(310.05)	199.89
<b>TOTAL</b>	<b>1,041.27</b>	100.67
<b>23. Employee Benefits Expense</b>		
(a) Salaries and wages		
(i) Directors' Remuneration	370.21	319.39
(ii) Salaries, Wages and Benefits	2,652.41	2,389.64
(b) Commission to Directors	513.49	393.90
(c) Contribution to provident and other funds	291.95	267.32
(d) Staff welfare expenses	370.91	354.22
<b>TOTAL</b>	<b>4,198.97</b>	3,724.47

## 24. Finance Costs

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest Expense		
(i) Interest on Cash Credit Facilities/Buyers' Credit	136.71	73.99
(ii) Interest on Term Loans	997.71	474.46
(iii) Interest on Others	74.80	189.10
(b) Other Finance Charges	85.56	142.58
<b>Sub total</b>	<b>1,294.78</b>	<b>880.13</b>
Less: Interest capitalised	479.79	74.52
<b>TOTAL</b>	<b>814.99</b>	<b>805.61</b>

## 25. Other Expenses

(a) Power, Fuel and Water Charges	6,385.01	5,126.88
(b) Stores and spares consumed	788.21	959.02
(c) Processing Charges	729.00	734.30
(d) Rent	19.28	19.82
(e) Rates and taxes	35.18	34.18
(f) Repairs and Maintenance		
(i) Building	108.91	72.36
(ii) Plant and Machinery	491.31	480.71
(iii) Others	205.84	168.93
	<b>806.06</b>	
(g) Insurance	57.39	46.81
(h) Auditor's Remuneration		
(i) Audit Fees	12.50	8.79
(ii) Tax Audit Fees	3.50	3.00
(iii) Taxation Matters	-	3.22
(iv) Other Services (certification fees)	3.43	3.68
(v) Reimbursement of Expenses	0.69	0.90
	<b>20.12</b>	
(i) Net loss on foreign currency transactions	-	-
(i) Export Expenses	653.99	558.59
(j) Freight Outward	1,266.18	973.60
(k) Bad Debts written off	25.53	0.55
(l) Advances/Deposits written off	2.00	0.06
(m) Provision for Doubtful Advances/Deposits	21.41	103.39
(n) Corporate Social Responsibility (CSR) expenses (Refer Note 27)	155.10	125.88
(o) Assets written off	10.38	-
(p) Inventories written off	25.34	-
(q) Loss on sale of capital assets	-	6.60
(r) Miscellaneous expenses	1,233.50	1,064.90
<b>TOTAL</b>	<b>12,233.68</b>	<b>10,496.17</b>

## 26. Other Comprehensive Income

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Items that will not be reclassified to profit or loss		
(i) Remeasurment gain/(losses) on defined benefit plans	50.22	97.54
(b) Items that may be reclassified to profit or loss		
(i) Deferred gains/(losses) on cash flow hedges	20.84	3.05
	71.06	100.59
(i) Income tax relating to items that will not be reclassified to profit or loss	(17.38)	(33.76)
(ii) Income tax relating to items that may be reclassified to profit or loss	(7.21)	(1.07)
	(24.59)	(34.83)
<b>TOTAL</b>	<b>46.47</b>	<b>65.76</b>

## 27. Expenditure towards Corporate Social Responsibility (CSR) activities:

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a. Gross amount required to be spent by the Company during the year :	156.96	150.42
b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
<b>Nature of Expenses</b>		
Other Expenses (Other than for Construction/Acquisition of any asset)		
Environment sustainability and Rural development	79.32	22.99
Education/Sports	27.89	75.78
Health/Woman Empowerment	42.99	24.51
Others	4.90	2.60
<b>TOTAL</b>	<b>155.10</b>	<b>125.88</b>

**28. Expenses incurred on Research and Development during the year are included in the Statement of Profit and Loss**

Rs In Lakhs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cost of Material Consumed (In Note 24)		
Raw Material	7.44	2.66
Packing Material	0.30	0.49
Changes of inventories of FG and WIP		
Finished goods	0.12	0.28
Work in Progress	0.09	0.10
Employee Benefits Expense (In Note 26)		
Salaries and Wages	294.98	312.99
Contribution to Provident and Other Funds	26.37	27.73
Staff Welfare Expenses	14.27	13.76
	335.62	354.48
Depreciation	24.59	27.33
Other Expenses (In Note 25)		
Stores and Spares Consumed	15.81	18.98
Power and Fuel	0.06	0.17
Rent	13.80	13.50
Repairs and Maintenance:		
Plant and Machinery	1.58	3.08
Others	5.22	5.45
Insurance	0.64	0.69
Rates and Taxes	2.77	2.43
Miscellaneous Expenses	64.09	86.76
	103.97	131.06
<b>TOTAL</b>	<b>472.13</b>	<b>516.02</b>

Rs In Lakhs

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>28A. Expenses incurred on Research and Development during the year are included in the Fixed Assets and Capital work in progress</b>		
P & M and Equipments	5.67	17.83
Furniture & Fixtures	-	0.85
Office Equipments	-	6.19
Intangible Assets	-	7.70
Electrical Installations	-	-
Vehicles	9.40	-
Electrical equipments	5.07	-
Capital work in progress	-	4.40
	20.14	36.97
<b>TOTAL</b>	<b>20.14</b>	<b>36.97</b>

## 29. Contingent Liabilities and Commitments

Rs In Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Contingent Liabilities : (to the extent not provided for)			
i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts	67.73	60.72	89.06
ii. Income Tax (Amount of deposit Rs 330.97 lakhs -current year , Rs 330.97 in 2016-17 and Rs. 352.71 in 2015-16)	353.52	353.52	317.03
iii. Sales Tax (Amount of deposit Rs NIL- Current year, Rs NIL in 2016-17 and Rs 1.00 lakh in 2015-16)	NIL	NIL	24.71
iv. Central Excise/Service Tax (Amount of deposit Rs 21.07 lakhs -current year, Rs 21.07 lakhs in 2016-17 and Rs 21.07 lakhs in 2015-16)	820.84	795.03	748.37
v. Amount paid to GIDC (Amount deposit under protest Rs 72.62 lakhs - current year, Rs 42.63 lakhs in 2016-17 and Rs NIL in 2015-16)	72.62	42.63	NIL

Rs In Lakhs

Particulars	Rs In Lakhs	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>29A. Commitments</b>				
Estimated amount of contracts remaining to be executed on capital account	1,856.35		6,068.96	1,410.93
Less : Capital Advances	990.72		1,634.34	294.25
Net Estimated Amount		866.96	4,434.62	1,116.68

30. The Scheme of Amalgamation of Alkyl Speciality Chemicals Limited (ASCL), the Company's wholly owned Subsidiary, with effect from the Appointed Day, i.e. April 1, 2016, has been approved by the National Company Law Tribunal vide its order dated September 28, 2017, and the Company has filed the said Order of the Tribunal with the Registrar of Companies on November 3, 2017. The Company has considered ASCL as its Subsidiary on transition date i.e. April 1, 2016 and merged in subsequent years. As per the terms of the Scheme, with effect from the appointed date, the following effects have been given:

- The Company has recorded all assets and liabilities, as appearing in the books of ASCL, at their carrying amounts.
- The balance lying in the Profit & Loss Account and Capital Reserve appearing in ASCL has been given effect by the Company under Other Equity.
- Intercompany balances and transactions have been cancelled.

## Employee Benefits

Rs In Lakhs

Particulars	Gratuity	
	As At March 31, 2018	As At March 31, 2017
<b>As per Actuarial Valuation</b>		
<b>I. Expense recognised in the Statement of Profit and Loss for the year ended</b>		
a. Current service cost	46.02	38.66
b. Net Interest on net Defined Liability/ Asset	12.23	8.70
<b>c. Total Expenses</b>	<b>58.25</b>	<b>47.36</b>
<b>II. Amount recognised in Other Comprehensive Income</b>		
a. Actuarial (Gains)/Losses on Liability	50.09	93.78
b. Return on Plan Assets excluding amount included in Net interest on Defined Liability / (Asset) above	0.13	3.76
<b>c. Total</b>	<b>50.22</b>	<b>97.54</b>
<b>III. Net Assets / (Liability) recognised in the Balance Sheet</b>		
a. Present Value of Defined Benefit Obligation	1,080.32	941.88
b. Fair Value of Plan Assets	839.17	772.08
c. Funded Status [ Surplus / (Deficit) ]	241.15	169.80
<b>Net (Asset) / Liability</b>	<b>241.15</b>	<b>169.80</b>
<b>IV. Change in Present value of Obligation</b>		
a. Present Value of Defined Benefit Obligation at the beginning of the year	941.87	776.24
b. Current Service Cost	46.02	38.66
c. Interest Cost	67.82	62.72
d. Past Service Cost (Non Vested Benefit)	-	-
e. Past Service Cost (Vested Benefit)	-	-
f. Benefit paid	(25.48)	(29.53)
g. Actuarial (Gain) / Loss on obligation	50.09	93.78
<b>Present Value of Defined Benefit Obligation at the end of the year</b>	<b>1080.32</b>	<b>941.87</b>
<b>V. Actual Return on Plan Assets</b>		
Expected Return on Plan Assets	55.59	54.02
Actuarial Gain / (Loss) on Plan Assets	(0.13)	3.75
<b>Actual Return on Plan Assets</b>	<b>55.46</b>	<b>57.77</b>
<b>VI. Balance Sheet Reconciliation</b>		
Opening Net Liability	169.80	107.71
Expenses Recognised in Profit & Loss Account	58.23	47.36
Amount recognised in Other Comprehensive Income	50.22	97.54
Less: Employer's Contribution	37.10	82.81
<b>Amount Recognised in Balance Sheet (Asset) / Liability</b>	<b>241.15</b>	<b>169.80</b>

## Sensitivity Analysis:

Rs In Lakhs

Projected Benefit Obligation on Current Assumptions	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Increase	Decrease	Increase	Decrease
Delta Effect of +1% Change in Rate of Discounting	(40)	-	(40)	-
Delta Effect of -1% Change in Rate of Discounting	-	46	-	46
Delta Effect of +1% Change in Rate of Salary Increase	-	47	-	46
Delta Effect of -1% Change in Rate of Salary Increase	(42)	-	(41)	-
Delta Effect of +1% Change in Rate of Employee Turnover	-	10	-	8
Delta Effect of -1% Change in Rate of Employee Turnover	(12)	-	(9)	-

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.

## Maturity Analysis of the Benefit Payments from the Fund:

Rs In Lakhs

Projected Benefits Payable in Future years from the date of reporting	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1st Following Year	406	324	274
2nd Following Year	25	35	12
3rd Following Year	42	22	50
4th Following Year	44	36	19
5th Following Year	68	39	36
Sum of Years 6 To 10	239	196	173
Sum of Years 11 and above	745	714	682

Rs In Lakhs

Particulars	Leave Salary	
	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>I. Expense recognised in the Statement of Profit and Loss for the year ended</b>		
a. Current Service Cost	29.68	16.34
b. Net Interest on net Defined Liability/ Asset	16.33	14.53
c. Acturial (Gains)/Losses on Liability	4.45	24.04
<b>d. Total Expenses</b>	<b>50.46</b>	54.91
<b>II. Net Assets / (Liability) recognised in the Balance Sheet as on</b>		
a. Present Value of Unfunded Obligations	259.69	226.80
b. Unrecognised Past Service Cost	-	-
c. Fair Value of Plan Assets	-	-
d. Net Liability	259.69	226.80
<b>III. Change in Present value of Obligation during the year ended</b>		
a. Present Value of Unfunded Obligation at the beginning of the year	226.80	179.84
b. Current Service Cost	29.68	16.33
c. Interest Cost	16.33	14.53
d. Acturial Gain/Loss	4.45	24.04
e. Benefit paid	17.58	7.94
f. Present Value of Unfunded Obligation at the end of the year	259.69	226.80

**Experience adjustment:-**

Rs In Lakhs

Gratuity	2017-18	2016-17	2015-16	2014-15	2013-14
Present Value of Unfunded Obligations	1080.31	941.87	776.24	621.97	435.23
Fair Value of Plan Assets	839.16	772.07	0.00	431.49	305.45
Funded Status [(Surplus)/Deficit]	241.15	169.80	776.24	190.48	129.78
Experience adjustments on Plan Liabilities	78.58	58.71	59.52	99.32	1.00
Experience adjustments on Plan Assets	(0.13)	(3.76)	6.28	1.04	3.10
<b>TOTAL</b>	<b>78.45</b>	54.95	65.80	100.36	4.10

**The expected contributions for Defined Benefit Plan for the next Financial Year will be in line with 2017-18**

Rs In Lakhs

Leave Salary	2017-18	2016-17	2015-16	2014-15	2013-14
Present Value of Unfunded Obligations	259.69	226.80	-	165.01	119.68
Fair Value of Plan Assets	-	-	-	-	-
Funded Status [(Surplus)/Deficit]	259.69	226.80	-	165.01	119.68
Experience adjustments on Plan Liabilities	15.96	10.46	(17.20)	6.94	5.70
Experience adjustments on Plan Assets	-	-	-	-	-
<b>TOTAL</b>	<b>15.96</b>	10.46	(17.20)	6.94	5.70

Rs In Lakhs

Assumptions	March 31, 2018	March 31, 2017	April 1, 2016
1. Discount Rate	7.83%	7.20%	8.08%
2. Expected Return on Plan Assets	7.83%	7.20%	8.08%
3. Salary Growth Rate	5.00%	5.00%	5.00%
3. Withdrawal Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

## 32. Segment Reporting

### 32.1 Primary Segment:

The Company is exclusively engaged in the business of "Specialty Chemicals". This in the context of Ind AS 108 "Operating Segment".

### 32.2 Secondary Segment (by Geographical Segment):

Rs In Lakhs

Particulars	Within India		Outside India		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue	49,071.79	39,176.94	12,545.55	10,886.93	61,617.35	50,063.87
Carrying amount of Segment Assets	60,984.26	48,472.34	2,378.06	2,348.72	63,362.32	50,821.06
Capital Expenditure	37,343.75	25,412.81	13.37	71.77	37,357.12	25,484.58

### 32.3 The segment revenue in Geographical Segments considered for disclosure is as follows:

- Revenue within India includes sales to customers located within India and Other Operating Revenue earned in India.
- Revenue outside India includes sales to customers located outside India and Other Operating Revenue earned outside India.

## 33. List of Related Parties and their relationships

- Subsidiary Company:  
Alkyl Speciality Chemicals Limited (refer note 30)
- Associate Company:  
Diamines and Chemicals Limited
- Key Management Personnel:
  - Yogesh M. Kothari - Chairman & Managing Director
  - Kirat Patel - Executive Director
  - Suneet Y. Kothari - Executive Director
- Relative of Key Management Personnel:  
Hemendra M. Kothari
- Entities over which Key Management Personnel has Control:
  - Anjyko Investments Private Limited
  - Niyoko Trading & Consultancy LLP
  - YMK Trading & Consultancy LLP
  - SYK Trading & Consultancy LLP
- Entities over which relative of Key Management Personnel has control:
  - Kamiko Investment & Trading Private Limited
  - DSP HMK Holdings Private Limited
  - DSP ADIKO Holdings Private Limited

### 34. Related Party Disclosures

Following transactions were carried out in the ordinary course of business with the parties referred to in 8 above. There was no amount written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

Rs In Lakhs

Particulars	Subsidiary Company	Associate Company	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 33 (I) above]	[with 33 (II) above]	[with 33 (III) and (IV) above]	[with 33 (V) above]	[with 33 (VI) above]
Miscellaneous Expenses (Travelling and others)		0.22 (NIL)			
Purchases		NIL (12.09)			
<b>Loans and Advances - Unsecured :</b>					
Loan from Directors –Received					
Yogesh Kothari			750.00 (1,000.00)		
Others			107.00 (128.00)	145.00 (NIL)	
Loan from Directors – Repaid					
Yogesh Kothari			750.00 (3,070.00)		
Others			93.00 (95.00)		
Deposit - Inter Corporate – Repaid				145.00 (10.00)	NIL (62.00)
<b>Interest Expenses :</b>					
On Loans from Directors					
Yogesh Kothari			26.63 (141.20)		
Others			4.58 (7.02)		
On Deposit - Inter Corporate					
Anjyko Investments Private Limited				1.78 (0.35)	
Kamiko Investment & Trading Private Limited					NIL (1.53)
Niyoko Trading & Consultancy LLP				0.85 (NIL)	
YMK Trading & Consultancy LLP				0.85 (NIL)	
SYK Trading & Consultancy LLP				0.32 (NIL)	

Particulars	Subsidiary Company	Associate Company	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 33 (I) above]	[with 33 (II) above]	[with 33 (III) and (IV) above]	[with 33 (V) above]	[with 33 (VI) above]
<b>Directors' Remuneration:</b>					
Yogesh Kothari			495.75 (405.03)		
Kirat Patel			210.42 (169.53)		
Suneet Kothari			204.39 (162.01)		
Hemendra Kothari					
Sitting Fees			0.72 (0.60)		
Commission			15.04 (13.50)		
<b>Outstanding Balance As At March 31, 2018</b>					
Loans From Directors					
Yogesh Kothari			NIL (NIL)		
Others			66.50 (52.50)		
Deposit - Inter Corporate					
Others				NIL (NIL)	
Kamiko Investment & Trading Private Limited					NIL (NIL)
Non-Current Investments	NIL (NIL)*	144.11 (144.11)			

\* In view of the Order giving effect of National Company Law Tribunal for amalgamation of wholly owned subsidiary, Alkyl Speciality Chemicals Limited (ASCL), the investment of previous year is considered as NIL.

### 35. Leases

#### 35.1 Where the Company is a Lessee:

The Company has taken residential, office and godown premises under operating lease on leave and licence agreement. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.

Lease/Rent payments are recognised in the Statement of Profit and Loss as 'Rent' under 'Other Expenses' in Note 25.

Particulars	Rs In Lakhs	
	As at March 31, 2018	As at March 31, 2017
<b>Future minimum lease rental payable is as under:</b>		
Within 1 year	27.57	13.80
After 1 year but before 5 years	78.00	4.60
After 5 years	-	-

Land taken on lease has been amortised over the respective lease period and Rs 15.26 lakhs (Previous Years Rs 14.99 lakh in 2016-17) has been amortised during the year.

### 36. Earnings per Share

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below.

Particulars	Rs In Lakhs	
	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>Numerator for Basic and diluted earnings per Share</b>		
Net Profit after tax for the year before Preference Dividend	6,428.90	5,035.80
Net Profit after tax for the year (a)	6,428.90	5,035.80
<b>Denominator for Basic and Diluted Earnings per Share</b>		
Weighted average number of Shares (b)	20,396,392	20,396,392
<b>Basic and Diluted Earnings per Share [(a) / (b)] (In Rs)</b>	31.52	24.69
Face value per Share (In Rs)	5.00	5.00

### 37. Proposed Dividend

Particulars	Rs In Lakhs	
	As at March 31, 2018	As at March 31, 2017
Proposed Dividend	1,427.75	1,019.82
Tax on Proposed Dividend	290.66	207.65

### 38. Consumption of Imported/Indigenous Materials

Particulars	Rs In Lakhs			
	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	Percentage	Value	Percentage	Value
Raw Materials				
Imported	29.95%	9,134.00	33.01%	8,119.41
Indigenous	70.05%	21,364.34	66.99%	16,479.54
<b>TOTAL</b>	<b>100.00%</b>	<b>30,498.34</b>	<b>100.00%</b>	<b>24,598.95</b>
Stores and Spares				
Imported	1.40%	13.11	0.44%	4.20
Indigenous	98.60%	925.15	99.56%	954.82
<b>TOTAL</b>	<b>100.00%</b>	<b>938.26</b>	<b>100.00%</b>	<b>959.02</b>

**39. Value of Imports calculated on C.I.F. basis**

Rs In Lakhs

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Raw Materials	6,215.47	11,649.21
Stores and Spares	12.31	2.75
Capital Goods	498.50	14.49
<b>TOTAL</b>	<b>6,726.28</b>	<b>11,666.45</b>
<b>40 Expenditure in Foreign Currency</b>		
<b>i. Interest</b>		
Term Loan	374.96	230.81
Less : Capitalised	146.27	64.15
	<b>228.69</b>	<b>166.66</b>
Buyer's Credit	27.46	18.06
Others	42.95	22.01
<b>ii. Other Finance Charges</b>	<b>7.38</b>	<b>8.68</b>
Less : Capitalised	-	-
	<b>7.38</b>	<b>8.68</b>
<b>iii. Other Expenses</b>		
Commission on Sales	48.24	48.28
Professional Charges	46.90	22.90
Miscellaneous Expenses	-	0.19
<b>TOTAL</b>	<b>401.62</b>	<b>286.78</b>
<b>41 Earnings in Foreign Currency</b>		
Export of Goods at F.O.B. value	10,908.73	9,004.04
Other Income	-	6.88
<b>TOTAL</b>	<b>10,908.73</b>	<b>9,010.92</b>

## 42 Income Taxes

- a. A reconciliation of the tax expense to the amount computed by applying the statutory income tax rate to the profit before taxes is summarized below:

Rs In Lakhs		
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Accounting Profit Before Tax	9,577.36	7,393.19
Tax rate - Corporate Tax	34.61%	34.61%
- Capital Gain Tax	-	-
Expected income tax expense	3,314.53	2,558.64
Tax effect of non-taxable income (Capital Gain On Fair Valuation Of Land)	5.86	-
Tax Effect of Items Disallowed/Allowed	227.05	154.85
Effect of ICDS	5.88	1.04
Tax Effect on Depreciation	(937.86)	(490.74)
Tax Effect on Investment Allowance	-	(148.33)
Research & Development expenses allowable u/s 35 (2AB) of The Income Tax Act, 1961	(267.56)	(162.86)
MAT Credit	-	(12.20)
Total Income Tax Expense	2,347.90	1,900.40

- b. Significant component of deferred tax assets and liabilities for the year ended March 31, 2018

Rs In Lakhs				
Particulars	As At April 1, 2017	Deferred tax expense/ (income recognized in profit and loss)	Deferred tax expense/ (income recognized in OCI)	As At March 31, 2018
<b>Deferred Tax Assets</b>				
Provision for Doubtful Advances	36.40	(28.99)	-	7.41
Provision for Gratuity	58.77	24.69	-	83.46
Provision for Leave Encashment	78.49	11.38	-	89.87
Provision for Bonus	33.81	(30.27)	-	3.54
Others	(1.47)	88.32	-	86.85
<b>Sub total</b>	206.00	65.13	-	271.13
<b>Deferred Tax Liabilities</b>				
Tangible and intangible assets	3,478.43	841.11	-	4,319.54
<b>Sub total</b>	3,478.43	841.11	-	4,319.54
<b>Net Deferred Tax Liability</b>	3,272.43	775.98	-	4,048.40

c. Significant component of deferred tax assets and liabilities for the year ended March 31, 2017 is as follows:

Rs In Lakhs

Particulars	As At April 1, 2017	Deferred tax expense/ (income recognized in profit and loss)	Deferred tax expense/ (income recognized in OCI)	As At March 31, 2018
<b>Deferred Tax Assets</b>				
Provision for Doubtful Debt	0.30	(0.30)	-	0.00
Provision for Doubtful Advances	0.67	35.73		36.40
Provision for Gratuity	37.28	21.49	-	58.77
Provision for Leave Encashment	62.24	16.25	-	78.49
Provision for Bonus	4.16	29.65	-	33.81
Others	5.21	(6.68)	-	(1.47)
<b>Sub total</b>	<b>109.86</b>	<b>96.14</b>	<b>-</b>	<b>206.00</b>
<b>Deferred Tax Liabilities</b>				
Tangible and intangible assets	2,973.97	504.45	-	3,478.42
<b>Sub total</b>	<b>2,973.97</b>	<b>504.45</b>	<b>-</b>	<b>3,478.42</b>
<b>Net Deferred Tax Liability</b>	<b>2,864.11</b>	<b>408.32</b>	<b>-</b>	<b>3,272.43</b>

#### 43. Financial and Other Derivative Instruments

Refer Note 1 (m), (n) and (o) for accounting policies on Financial Instruments.

##### 43.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a Going Concern while maximising the return to stakeholders through optimisation of the Debt and Equity Balance.

The gearing ratio at the end of the reporting period

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
A. Debt	<b>19,120.69</b>	12,396.96	11,152.61
B. Cash and Bank Balance	<b>322.60</b>	295.67	427.12
C. Net Debt (A-B)	<b>18,798.69</b>	12,101.29	10,725.49
D. Total Equity	<b>29,715.35</b>	24556.55	19,759.90
E. Net Debt to equity ratio (C/D)	<b>0.63 times</b>	0.49 times	0.52 times

The Company is subject to externally imposed capital requirements as part of its debt covenants such as maintaining a Total Debt to EBITDA ratio of 1.60 times, a Debt Service Coverage ratio of 4.55 times and a Total Debt to Tangible Net Worth ratio of 0.64 times.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital by computing the above ratios on an annual basis and ensuring that the same is in Compliance with the requirements of the Financial Covenants.

**Total Debt to EBIDTA ratio at the end of the reporting period**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
A. Total Debt	19,120.69	12,396.96	11,152.61
B. EBIDTA	11,959.45	9,627.37	9,611.60
<b>Total Debts to EBIDTA (A/B)</b>	<b>1.60 times</b>	<b>1.29 times</b>	<b>1.12 times</b>

**Total Debt service coverage ratio at the end of the reporting period**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
A. EBIDTA	11,959.45	9,627.37	9,611.60
B. Interest	814.99	805.61	1,004.46
C. Loan Repayment	1,814.57	1,190.82	1,597.04
D. Total Interest and Loan Repayment (B+C)	2,629.56	1,996.42	2,601.50
E. Debts Service Coverage Ratio (A/D)	<b>4.55 times</b>	<b>4.82 times</b>	<b>3.69 times</b>

**Total Debt to Tangible Net worth ratio at the end of the reporting period**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
A. Total Debt	19,120.69	12,396.96	11,152.61
B. Tangible Networth	29,715.25	24,556.55	19,759.90
<b>C. Total Debt to Tangible Net Worth (A/B)</b>	<b>0.64 times</b>	<b>0.50 times</b>	<b>0.55 times</b>

**43.2 Financial instruments by category**

Rs In Lakhs

Particulars	As At March 31, 2018				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
<b>Financial assets</b>					
Investment	-	-	144.11	144.11	-
Trade receivables	-	-	12,377.56	12,377.56	-
Cash and cash equivalents	-	-	322.60	322.60	-
Deposits	-	-	260.78	260.78	-
Loans	-	-	58.74	58.74	-
Derivative Asset	-	21.91	-	-	21.91
Other Financial Assets	-	-	19.60	19.60	-
<b>TOTAL</b>	<b>-</b>	<b>21.91</b>	<b>13,183.39</b>	<b>13,183.39</b>	<b>21.91</b>
<b>Financial liabilities</b>					
Borrowings	-	-	15,096.38	15,096.38	-
Trade payables	-	-	6,717.94	6,717.94	-
Derivative Liability	5.87	653.65	-	-	659.52
Other Financial Liabilities	-	-	6,397.04	6,397.04	-
<b>TOTAL</b>	<b>5.87</b>	<b>653.65</b>	<b>28,211.36</b>	<b>28,211.36</b>	<b>659.52</b>

### 43.2 Financial instruments by category

Rs In Lakhs

Particulars	As At March 31, 2017				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
<b>Financial assets</b>					
Investment	-	-	144.11	144.11	-
Trade receivables	-	-	9,733.85	9,733.85	-
Cash and cash equivalents	-	-	295.67	295.67	-
Deposits	-	-	136.33	136.33	-
Loans	-	-	66.32	66.32	-
Derivative Asset	115.53	102.96	-	-	218.49
Other Financial Assets	-	-	28.53	28.53	-
<b>TOTAL</b>	<b>115.53</b>	<b>102.96</b>	<b>10,404.81</b>	<b>10,404.81</b>	<b>218.49</b>
<b>Financial liabilities</b>					
Borrowings	-	-	10,032.18	10,032.18	-
Trade payables	-	-	8,093.22	8,093.22	-
Derivative Liability	208.81	403.38	-	-	612.19
Other Financial Liabilities	-	-	4,064.52	4,064.52	-
<b>TOTAL</b>	<b>208.81</b>	<b>403.38</b>	<b>22,189.92</b>	<b>22,189.92</b>	<b>612.19</b>

Rs In Lakhs

Particulars	As At March 31, 2016				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
<b>Financial assets</b>					
Investment	-	-	226.02	226.02	-
Trade receivables	-	-	9,029.55	9,029.55	-
Cash and cash equivalents	-	-	427.12	427.12	-
Deposits	-	-	70.27	70.27	-
Loans	-	-	73.08	73.08	-
Derivative Asset	-	267.22	458.74	458.74	267.22
Other Financial Assets	-	-	7.15	7.15	-
<b>TOTAL</b>	<b>-</b>	<b>267.22</b>	<b>10,291.93</b>	<b>10,291.93</b>	<b>267.22</b>
<b>Financial liabilities</b>					
Borrowings	-	-	9,802.79	9,802.79	-
Trade payables	-	-	4,375.78	4,375.78	-
Derivative Liability	-	-	458.74	458.74	-
Other Financial Liabilities	-	-	2,890.18	2,890.18	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>17,527.49</b>	<b>17,527.49</b>	<b>-</b>

## i) Fair value hierarchy

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. An explanation of each level follows underneath the table.

Rs In Lakhs

Financial assets and liabilities measured at fair value -recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
Derivatives designated as hedges:					
Derivative Assets:					
March 31, 2018	(ii)	-	-	21.91	<b>21.91</b>
March 31, 2017	(ii)	-	-	218.49	<b>218.49</b>
April 1, 2016	(iii)	-	-	725.96	<b>725.96</b>
Financial assets and liabilities measured at fair value -recurring fair value measurements					
Derivatives designated as hedges:					
Derivative Liability:					
March 31, 2018	(ii)	-	-	659.52	<b>659.52</b>
March 31, 2017	(ii)	-	-	612.19	<b>612.19</b>
April 1, 2016	(iii)	-	-	458.74	<b>458.74</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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 determine fair value of 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.

## ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the Balance Sheet date
- The fair value of receivables is considered to be the same as its carrying value due to short term nature.

## iii) Valuation process

The finance department of the Company includes a team that performs the valuations of assets and liabilities required for financial reporting purposes, including level 3 fair values.

## iv) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, security deposits, cash and cash equivalents, interest accrued on fixed deposits, trade payables and borrowings are considered to be the same as their fair values, due to their short-term nature. The non-current borrowings are at market interest rate and are assumed to be equivalent to its fair value.

## 43.3 Financial Risk Management Policies and Objectives:

The Company, in the course of its business, is exposed to a variety of financial risks, viz. market risk, credit risk and liquidity risk which can adversely impact the financial performance. The Company's endeavour is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company has a risk management policy that which not only covers the foreign exchange risk but also other risks such as interest rate risk and credit risk which

are associated with financial assets and liabilities. The risk management policy of the Company is approved by its board of directors. The risk management framework focuses on actively securing the Company's short to medium terms cash flows by minimising the exposure to financial markets.

Presented below is a description of our risks (market risk, credit risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period."

#### **Market risk**

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### **Foreign currency exchange rate risk:**

The fluctuation in foreign currency exchange rates may have a potential impact on the standalone Statement of Profit and Loss and equity. This arises from transactions entered into in foreign currency and assets/liabilities which are denominated in a currency other than the functional currency of the Company.

A majority of the Company's foreign currency transactions are denominated in US Dollars. Other foreign currency transactions entered into by the Company is in EURO and GBP. However, the size of these transactions is relatively small in comparison to the US dollar transactions. Thus, the foreign currency sensitivity analysis has only been performed in relation to the US Dollar (USD).

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Further, in accordance with its risk management policy, Company hedges its risks by using derivative financial instruments. The use of these instruments facilitates the management of transactional exposures to exchange rate fluctuations because the gains or losses incurred on the derivative instruments will offset, in whole or in part, losses or gains on the underlying foreign currency exposure.

#### **Details of foreign currency exposure at the end of the reporting period are as follows:**

- a. **Derivative Contracts entered into by the Company are for hedging foreign currency risks. The following contracts have remained outstanding:**

							Amount In Lakhs
Particulars	Foreign Currency	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Amount In Foreign currency	Amount in Indian Rupees	Amount In Foreign currency	Amount in Indian Rupees	Amount In Foreign currency	Amount in Indian Rupees
Forward Contracts for							
Forward Contracts for firm commitment for Export Trade	USD	20.63	1,356.04	28.79	1,891.83	6.63	458.74
	EURO	2.47	200.59	4.84	343.74	-	-
Forward Contracts for firm commitment for Import Trade	USD	2.75	180.60	46.32	3,038.37	1.68	113.08
	EURO	-	-	2.20	153.81	-	-
Cross currency and Interest Rate Swap for							
ECB Loans	USD	205.00	13,546.40	122.50	8,053.15	63.00	4,235.49
Interest on ECB payable	USD	1.10	73.46	0.62	40.58	0.29	18.18

As required by the Guidance Note on Derivatives, the amounts reflected herein above are disclosed based on : For March 31, 2018 at fair value, For March 31, 2017 at fair value, For March, 31, 2016 - Marked to market.

**b. Exposures in Foreign Currency:**

Amount in Lakhs

Particulars	Foreign Currency	As at March 31, 2018			As at March 31, 2017			As at March 31, 2016		
		Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees	Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees	Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees
I. Assets										
Trade Receivables	USD	64.26	29.15	1,870.88	63.92	28.57	1,825.40	65.39	23.39	1,529.52
	EURO	79.04	5.06	400.08	67.90	1.96	133.11	73.74	3.49	257.36
	GBP	-	-	-	-	-	-	94.56	0.16	15.13
Hedged by Derivative	USD	64.26	20.63	1,325.68	63.92	15.92	1,017.28	65.39	-	-
Contracts	EURO	79.04	2.47	195.23	67.90	0.20	13.85	-	-	-
	GBP	-	-	-	-	-	-	-	-	-
Unhedged Receivables	USD	64.26	8.52	545.20	63.92	12.65	808.12	65.39	23.39	1,529.52
	EURO	79.04	2.59	204.85	67.90	1.76	119.26	73.74	3.49	257.36
	GBP	-	-	-	-	-	-	94.56	0.16	15.13
II. Liabilities										
Trade Payables	USD	66.08	0.13	8.94	65.74	34.94	2,296.68	67.23	0.20	13.51
	EURO	-	-	-	-	-	-	76.34	0.03	2.23
Buyers' Credit	USD	-	-	-	65.74	42.11	2,768.39	-	-	-
Borrowings (ECB and Others)	USD	66.08	205.00	13,546.40	65.74	123.13	8,094.58	67.23	65.38	4,394.10
Packing Credit in Foreign	USD	66.08	36.39	2,404.92	65.74	7.51	493.66	67.23	14.00	940.97
Currency	EURO	81.66	3.32	270.84	70.52	2.34	165.26	76.34	2.41	183.71
Balance with Bank	USD	64.26	0.86	55.36	-	-	-	65.41	1.47	95.92
Export Commission	USD	66.08	0.20	13.06	65.74	0.26	17.15	67.23	0.25	16.75
Payable	EURO	81.66	0.02	1.57	70.52	0.01	0.72	76.34	0.01	0.22
Total Payables	USD	66.08	242.58	16,028.69	65.74	207.95	13,670.46	67.18	81.32	5,463.47
	EURO	81.66	3.34	272.42	70.52	2.35	165.99	76.12	2.42	183.93
Hedged by Derivative	USD	66.08	205.25	13,562.92	65.74	165.79	10,898.66	69.14	63.47	4,388.48
Contracts	EURO	-	-	-	-	-	-	-	-	-
Unhedged Payables	USD	66.08	37.33	2,465.77	65.74	42.16	2,771.80	60.22	17.85	1,074.99
	EURO	81.66	3.34	272.42	70.52	2.35	165.99	76.12	2.42	183.93

- c. The Company also designate certain hedges, usually for large transactions, as a cash flow hedge under hedge accounting, with the objective of shielding the exposure from variability in cash flows. The currency, amount and tenure of such hedges are generally matched to the underlying transaction(s). Changes in the fair value of the effective portion of cash flow hedges are recognised as cash flow hedging reserve in Other Comprehensive Income. While the probability of such hedges becoming ineffective is very low, the ineffective portion, if any, is immediately recognised in the Statement of Profit and Loss. The movement in the cash flow hedging reserve in respect of designated cash flow hedges is summarised below :

Rs In Lakhs

Particulars	As At	As At	As At
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Balance at the Beginning of the year</b>	<b>407.32</b>	114.74	-
Gain/loss arising on changes in the fair value of designated portion of hedging instruments entered into for cash flow hedge:			
- Forward foreign exchange contract	(274.71)	(251.28)	382.09
- Currency Swap	354.79	546.92	(267.35)
Gain/loss arising on changes in the fair value of designated portion of hedging instruments reclassified to Profit & loss:			
- Forward foreign exchange contract	(20.84)	(3.05)	-
- Currency Swap	-	-	-
<b>Balance at the End of the year</b>	<b>466.56</b>	407.32	114.74

#### Foreign Currency sensitivity analysis

An appreciation / (depreciation) of 5% in USD rates with respect to INR would result in increase/(decrease) in the Company's net profit before tax for the year ended March 31, 2018 and comparison for the year ended March 31, 2017 is explained below:

Rs In Lakhs

Particulars	For the year ended		For the year ended	
	March 31, 2018		March 31, 2017	
	5%	(-5%)	5%	(-5%)
Trade receivables	113.65	(113.65)	97.95	(97.95)
Trade payable	(27.51)	27.51	(114.83)	114.83
Buyer's credit	-	-	(138.42)	138.42
Forward Cover exports	77.83	(77.83)	111.78	(111.78)
Forward Cover Imports	(0.82)	0.82	(152.00)	152.00
Others liabilities	(0.77)	0.77	(0.89)	0.89
	<b>162.38</b>	<b>(162.38)</b>	(196.41)	196.41

#### Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company has borrowed through a number of financial instruments such as ECBs and working capital demand loans. The Company is subject to variable interest rates on some of these interest bearing liabilities.

The risk estimates provided assume a parallel shift of 50 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

#### Interest rate sensitivity

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. Based on the composition of net debt, a 50 basis points increase / decrease in interest rates over the 12 month period would increase / decrease the Company's net finance expense explained as below:

Rs In Lakhs

Particulars	For the year ended		For the year ended	
	March 31, 2018		March 31, 2017	
	0.5%	(-0.5%)	0.5%	(-0.5%)
Cash credit	(5.08)	5.08	(2.39)	2.39
PCFC	(9.75)	9.75	(5.10)	5.10
	<b>(14.83)</b>	<b>14.83</b>	(7.49)	7.49

### Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk principally consist of Trade Receivables and Loans.

The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties. The Company management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

In respect of receivables other than Trade Receivables, the Company's exposure to any significant credit risk exposure to any single counterparty or any groups of counterparties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognized at the Balance Sheet date

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

Rs In Lakhs

Particulars	Carrying amount		
	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
With in India	10,012.87	7,456.90	7,154.38
Other regions	2,364.69	2,276.95	1,875.17
<b>TOTAL</b>	<b>12,377.56</b>	<b>9,733.85</b>	<b>9,029.55</b>

### Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through various debt instruments. The Company invests its surplus funds in bank fixed deposits which carry no mark to market risk.

The Company maintains the following lines of credit.

Rs 4209.41 lakhs Working capital loans that is secured. Interest would be payable at the rate ranging from 2.20% of 10.15%.

The following tables detail the remaining contractual maturities at the end of the reporting period of the Company, which are based on contractual and undiscounted cash flows and the earliest date the Company can be required to pay. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

### Contractual cash flows

Rs In Lakhs

As At March 31, 2018	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
ICD's from Related Parties (Unsecured)					
From Directors	-	66.50	66.50	-	-
<b>Secured/Unsecured from Bank and FI</b>					
ECB	-	13,546.40	2,896.50	10,649.89	-
Working Capital	-	4,209.41	4,209.41	-	-
Deffered Payment Liabilities	-	373.49	132.77	240.72	-
Trade payables	-	6,717.94	6,717.94	-	-
Interest accrued	-	190.91	190.91	-	-
Statutory dues (withholding taxes etc.)	-	427.89	427.89	-	-
Others	-	3,176.86	3,176.86	-	-
<b>TOTAL</b>		<b>28,709.41</b>	<b>17,818.80</b>	<b>10,890.61</b>	<b>-</b>

**Contractual cash flows**

Rs In Lakhs

As At March 31, 2017	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
ICD's from Related Parties (Unsecured)	-	52.50	52.50	-	-
From Directors					
<b>Secured/Unsecured from Bank and FI</b>					-
ECB	-	8,059.87	1,814.57	6,245.30	
Working Capital	-	588.72	588.72	-	-
Buyers Credit	-	2,768.39	2,768.39	-	-
Deferred Payment Liabilities	-	536.44	159.17	377.27	
Trade and other payables	-	8,093.22	8,093.22	-	
Interest accrued	-	210.23	210.23	-	
Statutory dues (withholding taxes etc.)	-	127.49	127.49	-	
Others	-	1,880.55	1,880.55	-	-
<b>TOTAL</b>		<b>22,317.41</b>	<b>15,694.84</b>	<b>6,622.57</b>	-

**Contractual cash flows**

Rs In Lakhs

As At April 1, 2016	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
ICD's from Related Parties (Unsecured)					
From Directors	-	2,089.50	2,089.50	-	-
<b>Inter Corporate Deposit- Others</b>	-	72.00	72.00	-	-
<b>Secured/Unsecured from Bank and FI</b>					
ECB	-	4,390.97	1,190.82	3,200.15	-
Working Capital	-	3,904.71	3,904.71	-	-
Deferred Payment Liabilities	-	687.10	150.66	536.44	-
Trade and other payables	-	4,375.78	4,375.78	-	-
Interest accrued	-	185.20	185.20	-	-
Statutory dues (withholding taxes etc.)	-	90.18	90.37	(0.19)	-
Others	-	1,363.50	1,363.50	-	-
<b>TOTAL</b>		<b>17,158.94</b>	<b>13,422.54</b>	<b>3,736.40</b>	-

The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables

This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

#### 44. Explanation of Transition to IND AS

##### I. Exemptions Availed by the Company

Ind AS 101 "First time adoption of Indian accounting standards" permits companies adopting Ind AS for the first time to avail of certain exemptions from the full retrospective application of Ind AS in the transition period". The Company, on transition to Ind AS, has availed the following key exemptions:

##### a. Property, Plant and Equipment, Intangible Assets and Others

Property, plant and equipment and Intangible Assets were carried in the Balance Sheet prepared in accordance with previous GAAP on 31st March 2016. Under Ind AS, the Company has elected to regard such carrying values as the deemed cost for all the items of its Property, Plant and Equipment and Intangible Assets at the date of transition i.e. as on April 1, 2016.

##### b. Investment in Associates

The Company has elected to take the carrying amount of all its investments in its associate / subsidiary as at April 1, 2016, as its deemed cost under Ind AS.

##### c. Leases

The Company has elected to carry out the assessment of leases based on conditions prevailing as at the date of transition.

##### d. Long Term Foreign Currency Loan

The Company has adjusted the exchange difference to the cost of Depreciable Asset upto the period ending immediately before the beginning of the first Ind AS Financial Reporting period.

##### II. Exceptions Applicable to Company

Ind AS 101 "First time adoption of Indian accounting standards" contains certain exceptions that prohibit full retrospective application of Ind AS in the transition period. From amongst these exceptions, the one applicable to the Company are as follows:

##### a. De-recognition of Financial Assets and Liabilities

The Company has elected to apply the de-recognition provisions of Ind AS 109 (Financial Instruments) prospectively from the date of transition to Ind AS.

##### b. Classification and Measurement of Financial Assets

The Company has classified the financial assets in accordance with Ind AS 109 (Financial Instruments) on the basis of facts and circumstances that existed as at the date of transition to Ind AS.

##### c. Interest Free Deferment Loan

Under Ind AS, the Company elected to take the Government Grants in the form of Interest free Sales Tax deferral loan to be carried at previous Indian GAAP amount on transition date.

##### III. Reconciliation between previous IGAAP and Ind AS - Standalone

##### a. Equity Reconciliation

Particulars	Rs In Lakhs	
	As At March 31, 2017	As At March 31, 2016
Equity as per Previous IGAAP (after Merger of ASCL)	24,629.55	19,946.80
Add / (Less) : Adjustments on transition to Ind AS		
a) Impact of adjustments in Derivatives Financial Instruments	(63.09)	(72.16)
b) Recognition of Cash Flow Hedge Reserve	(9.91)	(114.74)
<b>Equity as per Ind AS</b>	<b>24,556.55</b>	<b>19,759.90</b>

Rs In Lakhs

Particulars	For the Year ended March 31, 2017
<b>Net Profit as per Previous IGAAP (after Merger of ASCL)</b>	4,970.04
<b>Add / (Less) : Adjustments on transition to Ind AS</b>	
a) Remeasurment gain/(losses) on defined benefit plans	(97.54)
b) Deferred gains/(losses) on cash flow hedges	(3.05)
c) Tax impact on above adjustments	34.83
<b>Adjustments (Total)</b>	(65.76)
<b>Net profit as per Ind AS</b>	5,035.80
Other Comprehensive Income as per Ind AS	(65.76)
<b>Total Comprehensive Income as per Ind AS</b>	4,970.04

**Notes:**

- The Company has recognized actuarial losses of Rs 97.54 Lakhs before tax on re-measurement of post-employment defined benefits in Other Comprehensive Income.
  - The Company has recognized loss of Rs 3.05 Lakhs arising due to deferred losses on cash flow hedge in Other Comprehensive Income.
  - The Company has recognized Tax of Rs 34.83 lakhs impact on above Other Comprehensive Income.
45. Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation. Figures in brackets, unless specified, represent previous year's figures.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **N. M. RAIJI & CO.**  
Chartered Accountants  
Firm Registration No. 108296W

**VINAY D. BALSE**  
Partner  
Membership No. 39434

**Place : MUMBAI**  
**Dated : MAY 18, 2018**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**KIRAT PATEL**  
Executive Director

**Place : MUMBAI**  
**Dated : MAY 18, 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

### PART "A": SUBSIDIARIES

NOT APPLICABLE

### PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Rs in Lakhs

Name of the Associate	Diamines and Chemicals Limited
1 Latest Audited Balance Sheet Date	March 31, 2018
2 Shares of Associate held by the Company on the year end	
Number of shares	2,977,997 equity shares of Rs. 10/- each
Amount of Investment in Associate	144.11
Extent of Holding %	30.44%
3 There is significant influence in the associate due to shareholding	
4 Reason why the associate is not consolidated	NA
5 Net-worth attributable to Shareholding as per latest audited Balance Sheet	1297.03
6 Profit/Loss for the year	
i. Considered in Consolidation	215.79
ii. Not Considered in Consolidation	493.12
Names of associates or joint ventures which are yet to commence operations	NA
Name of associates or joint ventures which have been liquidated or sold during the year	NA

For and on behalf of the Board of Directors

**YOGESH M. KOTHARI**

Chairman and Managing Director

**KIRAT PATEL**

Executive Director

**K. P. RAJAGOPALAN**

General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**

General Manager  
Finance and Accounts  
(Chief Financial Officer)

**Place :** Mumbai

**Dated :** May 18, 2018

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALKYL AMINES CHEMICALS LIMITED

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **Alkyl Amines Chemicals Limited** (hereinafter referred to as "the Company") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement for the year then ended, the Statement of Change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder and the Order under section 143 (11) of the Act.
5. 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 financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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:
  - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
  - (b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date;
  - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date; and
  - (d) in the case of the Consolidated Statement of Change in Equity, the change in equity for the year ended on that date.

**Other Matter**

9. We did not audit the financial statements of the associate, whose financial statements reflect total profit after tax of Rs. 708.91 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by the other auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosure included in respect of this associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the reports of the other auditors.
10. Our Opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

**Report on Other Legal and Regulatory Requirements**

11. 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 purpose of our audit of the aforesaid Consolidated Financial Statements.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from the examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, and the Consolidated Cash Flow Statement and Consolidated Statement of Change in Equity dealt with by this report are in agreement with the relevant financial statements adopted and related working statements maintained for the purpose of preparation of the Consolidated Financial Statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable.
  - (e) On the basis of the written representations received from the directors of the Company as on March 31, 2018, taken on record by the Board of Directors of the Company, and reports of the auditor of its associate, none of the directors in the Company is disqualified as on March 31, 2018, from being appointed as a director, in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditors' 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 and based on reports of the auditor of its associate:
    - i. the Consolidated Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Company – Refer Note 29 to the Consolidated Financial Statements;
    - ii. The Company did not have any material foreseeable losses 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 N.M.Raiji and Co.**

Chartered Accountants

Firm's Registration Number: 108296W

**Vinay D. Balse**

Partner

Membership Number: 39434

Place: Mumbai

Dated: May 18, 2018

## ANNEXURE A

### TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ALKYL AMINES CHEMICALS LIMITED

(Referred to in Paragraph 1 point (f) under the heading of  
"Report on Other Legal and Regulatory Requirements" of our report of even date)

#### **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 Alkyl Amines Chemicals Limited (hereinafter referred to as "the Company") and its associate, as of March 31, 2018, in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective management of the Company and its associate companies are 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting 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 of material misstatement of the financial statements, whether due to fraud or error.

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

#### **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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of 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 and its associate company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 N.M.Raiji and Co.**

Chartered Accountants

Firm's Registration Number: 108296W

**Vinay D. Balse**

Partner

Membership Number: 39434

Place: Mumbai

Dated: May 18, 2018

# CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

Rs. in Lakhs

Particulars	Note		As At March 31, 2018	As At March 31, 2017	As At March 31, 2016
<b>ASSETS</b>					
<b>Non-current Assets</b>					
(a) Property, Plant and Equipment	3	35,430.88		21,888.25	18,584.36
(b) Capital Work-In-Progress	3	1,840.47		3,475.94	1,606.66
(c) Intangible Assets	3	85.78		120.39	128.94
(d) Intangible Assets under development	3	-		-	7.70
(e) Financial Assets					
i) Investments	4	1,330.92		1,168.60	1,015.93
ii) Loans	5A	40.35		32.00	43.86
iii) Other Financial Assets	5B	280.68		149.85	64.32
(g) Non-Current Tax Asset (Net)	6C	342.55		399.25	365.34
(h) Other Non-Current Assets	6A	1,703.27		2,509.47	1,271.45
			<b>41,054.90</b>	<b>29,743.75</b>	<b>23,088.56</b>
<b>Current Assets</b>					
(a) Inventories	7	8,518.11		11,140.99	6,315.65
(b) Financial assets					
i) Trade Receivables	8	12,377.56		9,733.85	9,029.55
ii) Cash and Cash Equivalents	9	223.42		219.49	303.79
iii) Other Bank Balances	9A	99.18		76.18	293.02
iv) Loans	5C	14.04		20.56	16.40
v) Other Financial Assets	5D	25.98		247.28	760.82
(c) Other Current Assets	6B	2,578.49		1,062.70	1,816.59
			<b>23,836.78</b>	<b>22,501.05</b>	<b>18,535.82</b>
<b>TOTAL ASSETS</b>			<b>64,891.68</b>	<b>52,244.80</b>	<b>41,624.38</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
(a) Equity Share Capital	10	1,020.60		1,020.60	1,020.60
(b) Other Equity	11	29,881.56		24,560.44	19,721.24
			<b>30,902.16</b>	<b>25,581.05</b>	<b>20,741.84</b>
<b>LIABILITIES</b>					
<b>Non-current Liabilities</b>					
(a) Financial Liabilities					
(i) Long Term Borrowings					
- Secured Borrowings	12A	10,579.75		6,245.30	3,200.15
- Unsecured Borrowings	12B	240.72		377.27	1,276.43
(ii) Other Financial Liabilities	12E	653.65		382.53	0.00
(b) Deferred Tax Liabilities (Net)	13	4,048.40		3,272.43	2,864.11
(c) Provisions	16A	171.49		321.48	266.19
(d) Liabilities for Tax (Net)	18	341.38		8.51	8.33
			<b>16,035.39</b>	<b>10,607.52</b>	<b>7,615.21</b>
<b>Current Liabilities</b>					
(a) Financial Liabilities					
(i) Short Term Borrowings					
- Secured Borrowings	12C	4,209.41		588.72	3,904.71
- Unsecured Borrowings	12D	66.50		2,820.89	1,421.50
(ii) Trade Payables	14	6,717.94		8,093.22	4,375.78
(iii) Other Financial Liabilities	15	6,402.92		4,294.19	3,349.28
(b) Provisions	16B	329.35		75.12	55.00
(c) Other Current Liabilities	17	228.01		184.10	161.06
			<b>17,954.13</b>	<b>16,056.24</b>	<b>13,267.33</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>64,891.68</b>	<b>52,244.80</b>	<b>41,624.39</b>

Notes (Including Significant Accounting Policies and Critical Judgements, Estimates and Assumptions) forming part of the Financial Statements

As per our Report of even date attached

For and on behalf of the Board of Directors

For N. M. RAIJI & CO.  
Chartered Accountants  
Firm Registration No. 108296W

VINAY D. BALSE  
Partner  
Membership No. 39434

Place : MUMBAI  
Dated : MAY 18, 2018

K. P. RAJAGOPALAN  
General Manager  
Secretarial and Legal  
(Company Secretary)

RAHUL MEHTA  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

YOGESH M. KOTHARI  
Chairman and Managing Director

KIRAT PATEL  
Executive Director

Place : MUMBAI  
Dated : MAY 18, 2018

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

Rs. in Lakhs

				For the Year ended March 31, 2018	For the Year ended March 31, 2017
		Note			
I	Revenue from Operations	19	62,482.67		54,178.54
II	Other Income	20	271.03		113.37
III	Total Income (I + II)			62,753.70	54,291.91
IV	EXPENSES				
	(a) Cost of Materials Consumed	21	32,382.90		26,228.56
	(b) Changes in Inventories of Finished Goods and Work-In-Progress	22	1,041.27		100.67
	(c) Excise duty on sales		865.32		4,114.67
	(d) Employee Benefits Expense	23	4,198.97		3,724.47
	(e) Finance Costs	24	814.99		805.61
	(f) Depreciation and Amortisation Expense	3	1,567.10		1,428.57
	(g) Impairments of Property, Plant and Equipment	3	116.78		-
	(h) Other Expenses	25	12,233.68		10,496.17
	Total Expenses (IV)			53,221.01	46,898.72
V	Share in profit of Associate company			215.79	146.05
VI	Profit Before Tax (III - IV + V)			9,748.48	7,539.24
VII	Tax Expense				
	(a) Current Tax		2,345.77		1,863.09
	(b) Deferred Tax		775.97		422.16
	(c) Current Tax Adjustments of Earlier Years		26.72		72.14
	(d) MAT credit		-		-
	Total Tax Expense			3,148.46	2,357.39
VIII	Profit After Tax (V+VI -VI)			6,600.02	5,181.85
IX	Other Comprehensive Income / (Expense)	26			
	(a) Items that will not be recycled to profit or loss:				
	i) Remeasurment gain/(losses) on defined benefit plans		(50.22)		(97.54)
	ii) Income tax relating to items that will not be reclassified to profit or loss		17.38		33.76
	iii) Share of OCI in Associate Company		(8.80)		6.61
	(b) Items that may be reclassified to profit or loss:				
	i) Deferred gains/(losses) on cash flow hedges		(20.84)		(3.05)
	ii) Income tax relating to items that may be reclassified to profit or loss		7.21		1.07
				(55.27)	(59.15)
X	Total Comprehensive Income (VIII+IX)			6,544.75	5,122.70
XI	Earnings per equity share				
	Basic / Diluted (Rs)			32.36	25.41
Notes (Including Significant Accounting Policies and Critical Judgements, Estimates and Assumptions) forming part of the Financial Statements		1-46			

As per our Report of even date attached

For and on behalf of the Board of Directors

For **N. M. RAIJI & CO.**  
Chartered Accountants  
Firm Registration No. 108296W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**VINAY D. BALSE**  
Partner  
Membership No. 39434  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Rs. in Lakhs

	For the Year ended March 31, 2018	For the Year ended March 31, 2017
<b>Cash flow from operating activities</b>		
Profit before tax from continuing operations	9,748.48	7,539.24
<b>Add: Adjustments for :</b>		
Depreciation and amortization	1,544.96	1,285.70
Provision for impairment	116.78	-
(Gain)/Loss on disposal of assets	(32.07)	6.60
(Gain)/Loss on sales of Mutual funds	-	(2.61)
Unrealised Loss/(Gain) on Foreign Exchange	20.34	119.92
Interest expense (gross)	814.99	805.61
Interest on fixed deposits	(68.71)	(67.26)
Stocks Written off	25.34	-
Share of profit in Associate Company	(215.79)	(146.05)
Increase in Cash Flow Hedge Reserve	3.84	(283.50)
Other Comprehensive Income (OCI)	(46.47)	(65.76)
Provision no longer required, written back	(81.42)	(34.66)
Bad Debts written off	25.53	0.55
Advances/Deposits written off	2.00	0.06
Provision for Doubtful Advances	21.41	103.39
Increase in reserves due to merger of Subsidiary Company	-	110.10
	<b>11,879.21</b>	<b>9,371.33</b>
<b>Operating profit before working capital changes</b>		
<b>Adjustments for:</b>		
(Increase) / Decrease in Other Current & Non-Current Financial Assets	79.71	448.17
(Increase) / Decrease in Other Current & Non-current assets	(651.57)	(565.11)
(Increase) / Decrease in Inventories	2,597.54	(4,825.34)
(Increase) / Decrease in Trade Receivables	(2,689.59)	(824.77)
Increase / (Decrease) in Trade Payables	(1,375.28)	3,717.44
Increase / (Decrease) in Other current financial liabilities	2,135.13	936.76
Increase / (Decrease) in Other current liabilities	63.23	(1.97)
Increase / (Decrease) in Provisions	104.24	75.42
	<b>12,142.62</b>	<b>8,331.94</b>
Income taxes paid	(1,982.94)	(1,984.37)
<b>Net cash flow from operating activities</b>	<b>10,159.68</b>	<b>6,347.57</b>

# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Rs. in Lakhs

	For the Year ended March 31, 2018 ₹ In Lakhs	For the Year ended March 31, 2017 ₹ In Lakhs
<b>Cash flow from Investing activities</b>		
Purchase of fixed assets	(13,564.25)	(6,598.79)
Disposal of fixed assets	62.06	149.57
Interest on fixed deposits	77.64	48.49
Investment in fixed deposits	161.99	(167.85)
Dividend from investments in Associate - DACL	44.67	-
Sale / purchase of Investments (net)	-	81.91
<b>Net cash from investing activities</b>	<b>(13,217.89)</b>	<b>(6,486.68)</b>
<b>Cash flow from Financing activities</b>		
Interest paid	(834.31)	(780.57)
Increase / (Decrease) in non-current borrowings	4,334.43	2,305.13
Increase / (Decrease) in current borrowings	866.31	(1,916.61)
Dividend and Dividend Tax Paid	(1,227.47)	-
Payment of Defferal Sales Tax	(162.95)	(150.67)
Currency swap on ECB loans	271.12	382.53
<b>Net cash from financing activities</b>	<b>3,247.13</b>	<b>(160.19)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>188.92</b>	<b>(299.30)</b>
Cash and cash equivalents at the beginning of the year	95.50	394.80
<b>Cash and cash equivalents at the end of the year ( Refer Note )</b>	<b>284.42</b>	<b>95.50</b>
<b>Components of Cash and Cash Equivalents :</b>		
Cash on hand	2.49	2.23
Other Bank Balances		
- On Current Accounts	220.93	35.11
- On Unpaid Dividend Accounts	61.00	58.16
<b>Total</b>	<b>284.42</b>	<b>95.50</b>

As per our Report of even date attached

For and on behalf of the Board of Directors

For N. M. RAIJI & CO.  
Chartered Accountants  
Firm Registration No. 108296W

YOGESH M. KOTHARI  
Chairman and Managing Director

VINAY D. BALSE  
Partner  
Membership No. 39434

K. P. RAJAGOPALAN  
General Manager  
Secretarial and Legal  
(Company Secretary)

RAHUL MEHTA  
General Manager  
Finance and Accounts

KIRAT PATEL  
Executive Director

Place : MUMBAI  
Dated : MAY 18, 2018

Place : MUMBAI  
Dated : MAY 18, 2018

## STATEMENT OF CHANGES IN EQUITY

### a. Equity Share Capital

Particulars	Rs In Lakhs
As at April 1, 2016	1,020.60
Changes in equity share capital	-
As at March 31, 2017	1,020.60
Changes in equity share capital	-
As at March 31, 2018	1,020.60

### b. Other Equity

Particulars	Reserve and Surplus						Rs In Lakhs	
	Retained Earnings	Securities Premium	General Reserve	Capital Reserve	Capital Redemption Reserve	Other Comprehensive Income Cash Flow Hedge Reserve	Total Equity	
Opening Balance as at April 1, 2016	14,818.04	1,290.97	3,559.27	142.70	25.00	(114.74)	19,721.24	
Profits, for the year	5,181.85	-	-	-	-	-	5,181.85	
Impact of adjustments in Derivatives Financial Instruments	9.08	-	-	-	-	-	9.08	
Recognition of Cash Flow Hedge Reserve	-	-	-	-	-	(292.58)	(292.58)	
Other Comprehensive Income (Net of tax)								
- Remeasurement of defined benefit obligations	(63.78)	-	-	-	-	-	(63.78)	
- Deferred gains/(losses) on cash flow hedges	(1.98)	-	-	-	-	-	(1.98)	
- Share of OCI in Associate Company	6.61						6.61	
<b>Total Comprehensive Income for the year</b>	<b>19,949.82</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(407.32)</b>	<b>24,560.44</b>	
Transaction with owners in their capacity as owners:								
Issue of equity shares	-	-	-	-	-	-	-	
<b>As at March 31, 2017</b>	<b>19,949.82</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(407.32)</b>	<b>24,560.44</b>	

Rs In Lakhs

Particulars	Reserve and Surplus					Other Comprehensive Income	Total Equity
	Retained Earnings	Securities Premium	General Reserve	Capital Reserve	Capital Redemption Reserve	Cash Flow Hedge Reserve	
<b>Opening Balance as at April 1, 2017</b>	19,949.82	1,290.97	3,559.27	142.70	25.00	(407.32)	<b>24,560.44</b>
Profits, for the year	6,600.02	-	-	-	-	-	<b>6,600.02</b>
Appropriations							-
- Dividend paid	(1,019.82)	-	-	-	-	-	<b>(1,019.82)</b>
- Tax on Dividend	(207.65)	-	-	-	-	-	<b>(207.65)</b>
Impact of adjustments in Derivatives Financial Instruments	63.08	-	-	-	-	-	<b>63.08</b>
Recognition of Cash Flow Hedge Reserve	-	-	-	-	-	(59.24)	<b>(59.24)</b>
Other Comprehensive Income (Net of tax)							
- Remeasurement of defined benefit obligations	(32.84)	-	-	-	-	-	<b>(32.84)</b>
- Deferred gains/(losses) on cash flow hedges	(13.63)	-	-	-	-	-	<b>(13.63)</b>
- Share of OCI in Associate Company	(8.80)						<b>(8.80)</b>
<b>Total Comprehensive income for the year</b>	<b>25,330.18</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(466.56)</b>	<b>29,881.56</b>
Transaction with owners in their capacity as owners:							
Issue of equity shares	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>25,330.18</b>	<b>1,290.97</b>	<b>3,559.27</b>	<b>142.70</b>	<b>25.00</b>	<b>(466.56)</b>	<b>29,881.56</b>

As per our Report of even date attached

For and on behalf of the Board of Directors

For **N. M. RAIJI & CO.**  
Chartered Accountants  
Firm Registration No. 108296W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**VINAY D. BALSE**  
Partner  
Membership No. 39434  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

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

### Corporate Information

Alkyl Amines Chemicals Limited (the 'Company') is a public limited company, domiciled in India. Its shares are listed on two stock exchanges in India, viz. the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged in manufacturing and selling of specialty chemicals.

The Company has its Associate (Diamines & Chemicals Limited) which is public limited company domiciled in India. Together it is called as (the "Company").

### 1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated Financial Statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

#### a. Basis of Preparation

##### (i) Compliance with Ind AS

The Consolidated Financial Statements (CFS) comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The CFS up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These CFS are the first financial statements of the Company under Ind AS. Refer note 44 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and as per Ind AS-1.

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 ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of Assets and Liabilities.

##### (ii) Historical cost convention

The CFS have been prepared on a historical cost basis using accrual method of accounting, except for the following:

- Certain Financial Assets and Liabilities (including derivative instruments) that are measured at fair value;
- Defined Benefit Plans - Plan Assets measured at fair value;

##### (iii) Principles of Consolidation

- The CFS relates to Alkyl Amines Chemicals Limited and its associate Diamines and Chemicals Limited ("the Company"). The financial statements of the Subsidiary Company (at transition date i.e. April 1, 2016; details given below) and Associate used in consolidation are prepared for consolidation upto the same reporting date as the Company.

The consolidated statements are prepared on the following basis:

- (a) With regard to the preparation of consolidated statements as at the transition date, the financial statements of the Subsidiary Company have been combined on line to line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions and the unrealised profits/losses as per Ind AS 110 at transition date i.e April 1, 2016.

Pursuant to a scheme of Amalgamation approved by the National Company Law Tribunal, vide its order dated September 28, 2017, Alkyl Speciality Chemicals Limited (ASCL), the Company's wholly owned Subsidiary, has been merged with the Company with effect from the appointed day, i.e. April 1, 2016. The Company filed the said order of the Tribunal with the Registrar of Companies on November 3, 2017. Consequently ASCL has ceased to exist with effect from April 1, 2016.

- (b) The difference between the cost of investments in subsidiary over the net assets at the time of acquisition of shares in the subsidiary is recognised in the CFS as Goodwill or Capital Reserve, as the case may be up to transition date i.e. April 1, 2016.
- (c) The investments in the Associate Company is accounted for using the Equity Method of accounting as laid down under Ind AS 28 "Investments in Associates and Joint Ventures" in Consolidated Financial Statements. The investment is initially recognised at cost, and the subsequently carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The Company's investment in the Associate Company includes goodwill identified on acquisition. The unrealised profits/losses on transactions with the Associate Company are eliminated by reducing the carrying amount of investments.

- (d) The CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the 'Company's standalone financial statements.

## b. Segment Reporting

IndAS 108 Operating Segments requires Management to determine reportable segments for the purpose of disclosure in financial statements based on internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segments.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BOD), based on its internal reporting structure and functions of BOD. Operating Segment used to present segment information is identified based on the internal reports used and reviewed by the BOD to assess performance and allocate resources. The Management has determined that some of the segment exhibit similar economic characteristics and meet other aggregation criteria and accordingly aggregated into reportable primary operating segment i.e. "Specialty Chemicals" and two reportable geographical segments based on location of its customers i.e. "Domestic" and "Exports".

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.

## c. Foreign Currency Translation

- (i) Functional and presentation currency: Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is Company's functional and presentation currency.
- (ii) Transactions and balances: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary Assets and Liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the Company's net investment in that foreign operation.
- (iii) Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss as part of finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis as part of other gains/ (losses).

## d. Revenue Recognition

- (i) Sales of Manufactured Goods: Revenue is measured at fair value of consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. 'Sales' include packing charges, excise duty and are net of returns, excluding amounts collected on behalf of third parties such as Value Added Tax and Goods and Services Tax.

Revenue from sales is recognized when the significant risks and rewards of ownership are transferred to the customers which is based upon the terms of contract and the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the determination of the amount of consideration or its associated costs, that will be derived from the sale of goods.

- (ii) Recognition of Export Benefits: Export Benefit Entitlements are recognized only to the extent there is a reasonable certainty of its ultimate collection in the year in which the Export Sales are accounted for.

## e. Income Tax

Income Tax expense comprises of current tax expense and the net change in the Deferred Tax Asset or Liability during the year. Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income (OCI) or directly in equity, in which case, the current and deferred tax are also recognized in OCI or directly in equity, respectively.

Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions wherever appropriate on the basis of amounts expected to be paid to the tax authorities.

## f. Deferred Tax

Deferred income tax Assets and Liabilities are recognized for deductible and taxable temporary differences arising between the tax base of Assets and Liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an Asset or Liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred Tax Assets are recognized only to the extent that it is probable that either future taxable profits or reversal of Deferred Tax Liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of a Deferred Tax Asset is reviewed at the end of 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 Income Tax Asset to be utilized.

Deferred Tax Assets and Liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when there lasted Deferred Tax Asset is realized or the Deferred Tax Liability is settled.

Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax Assets and Liabilities and when it relates to income taxes levied by the same taxation authority and the entity intends to settle its current tax Assets and Liabilities simultaneously.

**g. Leases**

Leases of Property, Plant and Equipment by the Company, where the Company as a lessee, where in all the risks and rewards of ownership are transferred substantially to the Company, are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other Financial Liabilities, as appropriate. Each lease payment is allocated between the Liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the Liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of Profit and Loss, on a straight-line basis (except sub contracting arrangements), over the period of the lease, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**h. Impairment of Assets**

If internal/external indications suggest that an Asset of the Company may be impaired, the recoverable amount of Asset/Cash Generating Unit is determined on the date of Balance Sheet and if it is less than its carrying amount, the carrying amount of Asset/Cash Generating Unit is reduced to the said recoverable amount. Subsequently, if there is a change in the indication, since the last impairment was recognized, so that recoverable amount of an Asset exceeds its carrying amount, an impairment recognized for an Asset in prior accounting period is reversed. The recoverable amount is measured as the higher of the net selling price and value in use of such Assets/Cash Generating Unit, which is determined by the present value of the estimated future cash flows.

An impairment of Intangible Assets is conducted annually or more often if there is an indication of any decrease in value. The impairment loss, if any, is charged to the Statement of Profit and Loss.

Non-financial Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**i. Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments, with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown as a part of borrowings in Current Liabilities in the Balance Sheet.

**j. Trade Receivables**

Trade receivables are recognized and measured at amortized cost less provision for impairment, if any.

**k. Investments**

- (i) Investments are carried at cost less accumulated impairment, if any.
- (ii) Profit or loss on sale of investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.

**l. Inventories**

- (i) Raw materials, packing materials, stores and spares, furnace oil and fuel are valued at cost or net realizable value, whichever is lower. Cost comprises of basic cost (net of GST, CENVAT and VAT, if any) and other costs incurred in bringing them to their respective present location and condition. Cost is determined on a Weighted Average basis.
- (ii) Work-in-Progress and finished goods are valued at cost or net realizable value, whichever is lower. Cost includes all direct costs and a proportion of other fixed manufacturing overheads based on normal operating capacity. Cost is determined on a Weighted Average basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**m. Financial Assets**

- (i) Classification: The Company classifies its financial Assets under the following measurement categories:
- Those measured at amortized cost.
  - Those to be measured subsequently at fair value (through Statement of Profit and Loss), and
  - Those to be measured subsequently at fair value (through OCI).

The classification depends on the Company's business model for managing the Financial Assets and the contractual terms of the cash flows.

For Assets/Liabilities measured at fair value, gains and losses are recorded in Statement of Profit and Loss or Other Equity.

- (ii) Measurement: At initial recognition, the Company measures a Financial Asset at its fair value plus, in the case of a Financial Asset not at Fair value through Statement of Profit and Loss, transaction costs that are directly attributable to the acquisition of the Financial Asset. Transaction costs of Financial Assets carried at fair value through Statement of Profit and Loss are expensed in Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the Asset and the cash flow characteristics of the Asset. There are three measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows, represent solely payments of principal and interest, are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized as profit or loss, when the Asset is derecognized or impaired. Interest income from these Financial Assets is included in finance income.
- Fair value through OCI: Assets that are held for collection of contractual cash flows and for selling the Financial Assets, where the Assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the Financial Asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit or Loss and recognized in other gains / (losses). Interest income from these Financials Assets is included in Other Income.

Fair value through Statement of Profit and Loss: Assets that do not meet the criteria for amortized cost or Fair Value through Other Comprehensive Income (FVOCI), are measured at Fair value through Statement of Profit and Loss. A gain or loss on a debt investment that is subsequently measured at Fair value through Statement of Profit and Loss and is not part of a hedging relationship is recognized as profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these Financial Assets is included in Other Income.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the Assets of the Company, after deducting all of its liabilities. Equity Instruments are recorded at the proceeds received, net of direct issue costs.

- (iii) Impairment of Financial Assets: The Company assesses, on a forward looking basis, the expected credit losses associated with its Assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

For Trade Receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

- (iv) De-recognition of Financial Assets : A Financial Asset is derecognized only when
- the Company has transferred the rights to receive cash flows from the Financial Asset, or
  - retains the contractual rights to receive the cash flows of the Financial Asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
- (v) Income recognition: Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the Financial Asset to the gross carrying amount of a Financial Asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**n. Financial Liabilities**

Borrowings, Trade Payables and other Financial Liabilities are initially recognized at their respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability, using the effective interest method, is adjusted to the liability figure disclosed in the Balance Sheet.

Financial Liabilities are derecognized when the liability is extinguished i.e. when the contractual obligation is discharged, cancelled on expiry.

**o. Derivative Financial Instruments and Hedge Accounting**

In order to manage its exposure to foreign currency risks for highly probable forecast transactions for exports and imports, the Company enters into forward contracts. Further, to hedge interest rate and foreign currency risks from External Commercial Borrowings, the Company enters into Cross Currency Interest Rate Swap. The Company does not use derivatives for trading or speculation purposes.

The Company designates a hedge as a cash flow hedge if the hedge relationship between the hedging instrument and hedged item is established and is effective at the inception of the derivative contract.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions.

All derivative contracts are initially recognized at fair value on the date of the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognized in OCI in the Cash Flow Hedge Reserve under Other Equity. In such cases, gains or losses are reclassified to Statement of Profit and Loss when, the impact from hedged item is recognized in the Statement of Profit and Loss. The gain or loss on the ineffective portion is recognized immediately in Statement of Profit and Loss. Derivatives are carried as Financial Assets when the fair value is positive and Financial Liabilities when the fair value is negative.

**p. Property, Plant and Equipment and Others**

- (i) The Company has adopted the cost model as its accounting policy for all its Property, Plant and Equipment and accordingly, the same are reflected as under:

Land (Freehold) is carried at cost;

Land (Leasehold) is carried at cost less amortization;

Other items of Assets are carried at cost less accumulated depreciation/amortization and impairment losses, if any.

- (ii) An item of Property, Plant and Equipment is recognized as an Asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items such as spare parts, stand-by equipment and servicing equipment are recognized under property, plant and equipment, if those meet the definition thereof; else, such spare parts, etc. are classified as inventory.
- (iii) The cost comprises of - purchase price (net of CENVAT/ value added tax/goods and service tax), including import duties and non-refundable taxes, after deducting trade discounts and rebates, any cost incurred which is directly attributable to bring the Asset to the location and condition necessary for it to be capable of operating in the manner intended by management and interest on borrowings attributable to the acquisition of qualifying Assets up to the date on which the Asset is ready for its intended use, if any. It also includes exchange difference capitalized, if any, in terms of Ind AS 21 on "Effects of Changes in Foreign Exchange Rates".
- (iv) Items of Property, Plant and Equipment which are not yet ready to be capable of operating in the manner intended by management are carried at cost, comprising direct cost, related incidental expenses and attributable interest, and are disclosed as "Capital Work-in-progress".
- (v) Items of Property, Plant and Equipment which are retired from active use and held for disposal, and where the sale is highly probable, are classified as "Assets held for disposal" under "Other Current Assets" the same are carried at the lower of their carrying amount and net realizable value.
- (vi) Intangible Assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

**Depreciation methods, estimated useful lives and residual value**

- (i) The charge of depreciation on Property, Plant and Equipment is commenced when the relevant asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.
- (a) Where the cost of a part of the Asset which is significant to the total cost of the Asset and useful life of the part is different from the useful life of the remaining Asset, the Company has determined the useful life of the significant part separately ("Component Accounting") and accordingly, provided depreciation on such parts.
- (b) Depreciation on Plant and Machinery (including those identified under the Component Accounting) other than those not specifically covered under the classification 'Special Plant and Machinery used in manufacturing of Chemicals' is provided on the straight line method over the useful lives as determined by the internal technical evaluation as follows:

Spare parts, stand-by equipment and servicing equipment: 10 years.

Catalyst: 5 years.

Other Property, Plant and Equipment: 15 to 25 years.

The Management believes that the useful lives, as determined, best represent the period over which it expects to use these Assets which is the same as the useful life of the Special Plant and Machinery. Hence, the useful lives for such Plant and Machinery are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.

- (c) Leasehold land and Leasehold improvements are being amortized on the straight line method over the period of lease.
- (ii) Intangible Assets are amortized on the straight line method over their estimated useful life as follows:
  - Development of R & D Products/Processes (Internally generated): 5 years.
  - Patents: 10 years.
  - REACH Registration: 5 years.
  - Computer Software: 10 years.
- (iii) Depreciation on Assets purchased/sold during the period is proportionately charged.

#### q. Non-current Asset Held for Sale

Non-current Assets are classified as held for sale if their carrying amount will be recovered, principally through a sale transaction rather than through continuing use and a sale, is considered highly probable. These Assets classified as held for sale are not depreciated or amortized from the date when they are classified as held for sale. They are presented separately from the other Assets and Liabilities in the Balance Sheet.

#### r. Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as Current Liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

#### s. Borrowings

Borrowings are initially valued at their contractual obligations, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized as profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as Current Liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender has not demanded payment, after the reporting period and before the approval of the financial statements for issue, as a consequence of the breach.

#### t. Borrowing Costs

General and specific 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.

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.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs comprise of interest and other cost incurred in connection with borrowing of funds.

#### u. Employee Benefits

- (i) Short-term obligations: 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 employees' 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.
- (ii) Other long-term employee benefit obligations: The liabilities for privilege leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized as profit or loss. The obligations are presented as Current Liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations: The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity: In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ('Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the Statement of Profit and Loss as income or expense. The Company has an employee gratuity fund managed by Life Insurance Corporation of India ('LIC'), except for the Managing Director, for which also the necessary provision is made based on an actuarial valuation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost.

- (b) Defined contribution plans such as provident fund: The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an Asset to the extent that a cash refund or a reduction in the future payments is available.

#### **v. Research and Development Costs**

(i) Revenue expenditure on research, if any, is charged in the Statement of Profit and Loss of the year in which it is incurred.

(ii) Development Expenditure:

- a) Incurred on development of new processes for products which, as per the Management, are completed and are expected to generate future economic benefits, are shown as internally generated Intangible Assets and are amortized in accordance with policies stated for amortization under the head "Depreciation methods, estimated useful lives and residual value" (refer note no. 1.p.ii.)
- b) Incurred on development of new processes for products which, as per the Management, are yet to be completed, are reflected as Intangibles Under Development;
- c) Other development expenses are charged to the Statement of Profit and Loss in the year in which they are incurred.

#### **w. Contributed Equity**

Equity shares are classified as Equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### **x. Earnings Per Share**

(i) Basic earnings per share: It is calculated by dividing

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share: Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **y. Provisions, Contingent Liabilities and Contingent Assets**

The Company recognizes a provision, when there is a present obligation as a result of past events, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent Liabilities are disclosed by way of a note to the financial statements after careful evaluation by the Company of the facts and legal aspects of the matters involved.

Contingent Assets are neither recognized nor disclosed.

## 1.1 Companies included in Consolidation

Name of Company	Subsidiary/ Associate	Country of incorporation	% of holding		
			As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Alkyl Speciality Chemicals Limited	Subsidiary	India	-	-	100.00
Diamines and Chemicals Limited	Associate	India	30.44	30.44	30.44

1.2 Significant Accounting Policies and Notes to these CFS are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company has disclosed only such Policies and Notes from the individual financial statements, which fairly present the needed disclosures.

## 2. CRITICAL JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of Consolidated Financial Statements requires the Company to make estimates, assumptions and judgments that affect the reported balances of Assets and Liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expenses for the period presented.

The estimates and the associated assumptions are based on historical experience and the other factors that are considered to be relevant. Actual results may differ from the estimates under different assumptions and conditions.

Estimates and the underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying value of Assets and Liabilities within the next financial year are discussed below.

### (i) Judgments:

In the process of applying the Company's accounting policies, Company has made the following judgments, which have the most significant effect on the amounts recognized in the Consolidated Financial Statements :

#### a. Arrangements in the nature of lease

The Company has entered into sub-contracting arrangements with its service providers wherein the Company supplies all the raw materials required for the manufacture and/or processing along with specifications to manufacture the products to the service provider, thereby retaining the title to all products. The Company has also entered into a sub-contracting arrangement as a service provider wherein the Company processes the goods based on all the raw materials supplied to it for the manufacture and/or processing along with specifications to manufacture the products, the title to which remains with the customer.

The Company has determined, based on the evaluation of terms and conditions of the arrangement that it qualifies as an arrangement in the nature of operating lease.

#### b. Segment Reporting

Ind AS 108 Operating Segments requires the Company to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the Board of Directors to assess the performance and allocate resources. The standard also requires the Company to make judgments with respect to aggregation of certain operating segments into one or more reportable segment. Operating segments used to present segment information are identified based on the internal reports used and reviewed to assess performance and allocate resources. The Company has determined that some of the segments exhibit similar economic characteristics and meet other aggregation criteria and are accordingly aggregated into one primary reportable segment i.e. 'Specialty Chemicals' and two geographical reportable segments i.e. domestic and exports.

#### c. Stores and Spares Inventories

The Company's manufacturing process is continuous and highly technical with wide range of different types of plants and machineries. The Company keeps stores and spares as a standby to run the operations without any disruption. Considering the wide range of stores and spares and long lead times for their procurement, and based on criticality of spares, the Company believes that their net realizable value would be more than cost.

#### d. Income Taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

#### e. Contingent Liability Judgment

Note-29 describes claims against the Company not acknowledged as debt. It includes certain penalties and charges payable to a Government agency although as per the contracts, the Company, based on past experience, believes that the penalties and charges are negotiable and not certain, and accordingly, are not considered as an obligation as at the Balance Sheet date and are disclosed as Contingent Liabilities.

**(ii) 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 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. Defined Benefit Plans (Gratuity Benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds. The mortality rate is based on Indian Assured Lives Mortality (2006-08). Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 31.

**b. Fair Value Measurement of Financial Instruments**

When the fair values of Financial Assets and Financial Liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the Discounted Cash Flow model. 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. Refer Note 43 for further disclosures.

**c. Impairment of Non-Financial Assets**

The Company has assessed certain Assets that do not have a future economic benefit. Such assessment involves estimates of availability of future cash flows and other alternative uses of the respective Assets. The Company reviews its carrying value of Assets carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Based on the Management's assessment, these Assets have been fully impaired. The total carrying amount impaired is Rs.116.78 lakhs (Refer note 3).

**d. Useful Life of Property, Plant and Equipment and Others**

The Company reviews the estimated useful lives and residual values of Property, Plant and Equipment (PPE) and Intangible Assets as at the end of each reporting year. The factors, such as changes in the expected level of usage, number of shifts of production, technological developments, units of production and product life cycle, could significantly impact the economic useful lives and the residual values of Assets. Consequently, the future depreciation and amortization charge could be revised and thereby could have impact on the profit of the future years.

**e. Litigations**

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

**f. Cash Flow Hedge Reserve**

The Cash Flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. It will be reclassified to the Statement of Profit and Loss only when the hedged transaction affects the profit or loss or included as a basis adjustment to the non-financial hedged item.

**NOTES FORMING PART OF BALANCE SHEET**

**3. PROPERTY, PLANT AND EQUIPMENT AND OTHERS**

₹ In Lakhs

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION		IMPAIRMENT		NET BLOCK	
	As At April 1, 2017	During the year		As At April 1, 2017	Deduction/ (Adjustments) For the year	As At April 1, 2017	Deduction/ (Adjustments) For the year	As at March 31, 2018	As At March 31, 2017
		Additions	Other Adjustments						
<b>Current Year (2017-18)</b>									
<b>A. Property, Plant and Equipment</b>									
Land									
Freehold Land	82.35	-	-	-	-	-	-	82.35	82.35
Leasehold Land (Note 3.2)	1,346.95	596.07	9.39	14.99	15.25	-	-	1,922.16	1,331.96
Leasehold Improvements	50.98	-	-	6.92	6.92	-	-	37.14	44.06
Buildings	2,713.54	1,472.95	54.67	139.98	144.19	-	-	3,956.99	2,573.56
Plant and Machinery (Note 3.3)									
Machinery	18,161.19	11,495.75	496.89	964.09	1,241.72	1.80	116.78	27,831.00	17,197.10
Electrical Equipments	61.15	104.67		4.79	5.89	-	-	153.29	56.36
Furniture and Fixtures	107.14	102.21	0.84	10.41	11.55	-	-	188.23	96.73
Vehicles	121.37	43.97	-	16.23	21.73	20.36	-	121.65	105.14
Office Equipments	139.62	76.37	0.42	27.55	29.65	-	-	159.21	112.07
Others									
Electrical Installations	351.28	728.82	16.72	62.36	55.59	-	-	978.87	288.92
<b>Total</b>	<b>23,135.57</b>	<b>14,620.81</b>	<b>578.93</b>	<b>1,247.32</b>	<b>1,532.49</b>	<b>22.16</b>	<b>116.78</b>	<b>35,430.88</b>	<b>21,888.25</b>
<b>B. Capital Work-in-Progress</b>									
	3,475.94	12,985.34	429.69	-	-	-	-	1,840.47	3,475.94
<b>Total</b>	<b>3,475.94</b>	<b>12,985.34</b>	<b>429.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,840.47</b>	<b>3,475.94</b>
<b>C. Intangible Assets</b>									
<b>Internally Generated</b>									
Development of R&D Products	-	-	-	-	-	-	-	-	-
<b>Others</b>									
Patents	40.55	-	-	4.47	4.67	-	-	31.41	36.08
REACH Registration	70.81	-	-	32.13	25.31	-	-	13.37	38.68
Others	47.42	-	-	1.79	4.63	-	-	41.00	45.63
<b>Total</b>	<b>158.78</b>	<b>-</b>	<b>-</b>	<b>38.39</b>	<b>34.61</b>	<b>-</b>	<b>-</b>	<b>85.78</b>	<b>120.39</b>

### 3.1 Above Assets include Research and Development Assets as mentioned below:

DESCRIPTION	GROSS BLOCK						DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK	
	As At April 1, 2017	During the year		As at March 31, 2018	As At April 1, 2017	For the year (Adjustments)	As At March 31, 2018	Deduction/ (Adjustments)	As at March 31, 2018	For the year (Adjustments)	As At April 1, 2017	As at March 31, 2018	As at March 31, 2017	As At March 31, 2017
		Additions	Other Adjustments											
<b>A. Property, Plant and Equipment</b>														
Leasehold Improvements	51.00	-	-	51.00	6.92	6.92	13.84	-	-	-	-	37.16	44.08	
Plant and Machinery														
Machinery	215.91	5.67	-	221.58	134.18	6.83	141.01	-	-	-	-	80.57	81.73	
Electrical Equipments	9.03	5.07	-	14.10	5.77	0.60	6.37	-	-	-	-	7.73	3.26	
Furniture and Fixtures	62.65	-	-	62.65	51.59	1.04	52.63	-	-	-	-	10.02	11.06	
Vehicles	17.10	9.40	-	26.50	3.75	2.03	5.78	-	-	-	-	20.72	13.35	
Office Equipments	16.06	-	-	16.06	9.37	2.41	11.78	-	-	-	-	4.28	6.69	
Others														
Electrical Installations	1.26	-	-	1.26	0.45	0.08	0.53	-	-	-	-	0.73	0.81	
<b>Current year</b>	<b>373.01</b>	<b>20.14</b>	<b>-</b>	<b>393.15</b>	<b>212.03</b>	<b>19.91</b>	<b>231.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161.21</b>	<b>160.98</b>	
Previous year	351.70	24.87	-	373.01	191.78	22.87	212.05	2.60	-	-	-	160.96		
<b>B. Intangible Assets</b>														
Internally Generated														
Development of R&D Products/ Processes	33.62	-	-	33.62	33.62	-	33.62	-	-	-	-	-	-	
Others														
Patents	47.09	-	-	47.09	11.01	4.67	15.68	-	-	-	-	31.41	36.08	
<b>Current year</b>	<b>80.71</b>	<b>-</b>	<b>-</b>	<b>80.71</b>	<b>44.63</b>	<b>4.67</b>	<b>49.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31.41</b>	<b>36.08</b>	
Previous year	73.01	7.70	-	80.71	40.16	4.47	44.63	-	-	-	-	36.08		
<b>C. Capital Work-in-Progress</b>														
	4.40	-	-	4.40	-	-	-	-	-	-	-	4.40	4.40	
<b>Current year</b>	<b>4.40</b>	<b>-</b>	<b>-</b>	<b>4.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.40</b>	<b>4.40</b>	
Previous year	-	29.27	-	4.40	-	-	-	-	-	-	-	4.40		

3.2 Lease period of land at Kurkumbh is 95 years and land at Dahej is 99 years.

3.3 Plant, Machinery and Equipment include Rs 17.16 lakhs (Previous Year Rs 242.66 lakh) being value of machinery installed at third party premises of Job Contractor (including that of the Associate Company), duly confirmed by them.

3.4 Transfer from Capital Work-in-Progress and Intangible Assets Under Development represents capitalisation to Property, Plant and Equipment or Intangible Assets, as the case may be. It also includes write off of Capital Work-in-Progress of Rs 10.38 lakh (Previous Year Rs NIL lakh).

3.5 Other Adjustments under the Gross Block represent Borrowings Costs of Rs 578.93 lakhs capitalised (Previous year March 31, 2017 Rs 300.15 lakhs).

3.6 Freehold land at Kalol (WDV Rs. 1.15 lakhs) had been held for disposal as on March 31, 2017 and was shown as current assets held for sale, sold in current year 2017-18.

3.7 Plant, machinery and Equipment lying at the premises of our Associate Company, has been impaired due to technological obsolescence and declining market demands.

3.8 On all the above items of Property, Plant and Equipment first charge is created except on Freehold Land, Leasehold Improvements, Buildings at Vashi, Worli and Residential Quarters and Vehicles

Rs. In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
US\$ 7.5 millions ECB Loan from Citibank secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	<b>5,175.00</b>	5,175.00	-
US\$ 7.5 millions ECB Loan from Standard Chartered Bank secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	<b>5,175.00</b>	5,175.00	-
US\$ 6.00 millions ECB Loan from State Bank of India secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	<b>3,990.00</b>	3,990.00	3,990.00
US\$ 3.20 millions ECB Loan from Standard Chartered Bank secured against first charge on Immovable Properties located and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	<b>2,048.00</b>	2,048.00	2,048.00
US\$ 3.00 millions ECB Loan from State Bank of India secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	-	1,650.00	1,650.00
US\$ 3.30 millions ECB Loan from State Bank of India secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	-	-	1,485.00
Working Capital Facilities from Consortium Bank consisting of State Bank of India, Standard Chartered Bank and Axis Bank secured by hypothecation of Stocks of raw materials, semi finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as well as by way second mortgage of specific immovable properties.	<b>11,771.00</b>	11,771.00	11,771.00

DESCRIPTION	GROSS BLOCK					DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK			
	Deemed cost As At April 1, 2016	Additions	During the year	Other Adjustments	Deduction/ Transfer	As at March 31, 2017	Upto March 31, 2016	For the year (Adjustments)	As At March 31, 2017	As At April 1, 2017	For the year (Adjustments)	As at March 31, 2018	As at March 31, 2017	As At March 31, 2016	
Previous Year (2016-17)	A. Property, Plant and Equipment														
	Land														
	Freehold Land	83.50	-	-	1.15	82.35	-	-	-	-	-	-	82.35	83.50	
	Leasehold Land (Note 12.2)	1,346.95	-	-	-	1,346.95	-	14.99	-	-	-	-	1,331.96	1,346.95	
	Leasehold Improvements	50.98	-	-	-	50.98	-	6.92	-	-	-	-	44.06	50.98	
	Buildings	2,591.37	122.17	-	-	2,713.54	-	139.98	-	-	-	-	2,573.56	2,591.37	
	Plant and Equipment (Note 12.3)														
	Machinery	13,915.54	4,237.70	152.41	-	144.46	18,161.19	-	1,097.71	-	-	-	-	17,197.10	13,915.54
	Electrical Equipments	56.00	8.71	-	-	3.56	61.15	-	7.39	-	-	-	-	56.36	56.00
	Furniture and Fixtures	67.55	39.59	-	-	-	107.14	-	10.41	-	-	-	-	96.73	67.55
	Vehicles	111.88	16.49	-	-	7.00	121.37	-	22.88	-	-	-	-	105.14	111.88
	Office Equipments	90.22	49.40	-	-	-	139.62	-	27.55	-	-	-	-	112.07	90.22
	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Electrical Installations	270.37	80.91	-	-	-	351.28	-	62.36	-	-	-	-	288.92	270.37
Total	18,584.36	4,554.97	152.41	156.17	156.17	23,135.57	-	1,390.19	1,247.32	1,247.32	-	-	21,888.25	18,584.36	
B. Intangible Assets															
Internally Generated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Development of R&D Products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Patents	32.85	7.70	-	-	-	40.55	-	4.47	-	-	-	-	36.08	32.85	
REACH Registration	88.59	-	-	-	17.78	70.81	-	32.13	-	-	-	-	38.68	88.59	
Others	7.50	39.92	-	-	-	47.42	-	1.79	-	-	-	-	45.63	7.50	
Total	128.94	47.62	-	-	17.78	158.78	-	38.39	38.39	-	-	-	120.39	128.94	
C. Capital Work-in-Progress															
	1,606.66	6,427.42	149.24	4,707.38	4,707.38	3,475.94	-	-	-	-	-	-	3,475.94	1,606.66	
Total	1,606.66	6,427.42	149.24	4,707.38	4,707.38	3,475.94	-	-	-	-	-	-	3,475.94	1,606.66	
D. Intangible Assets Under Development															
Internally Generated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Development of R&D Products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Patents	7.70	-	-	-	7.70	-	-	-	-	-	-	-	-	7.70	
REACH Registration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Others	-	39.92	-	-	39.92	-	-	-	-	-	-	-	-	-	
Total	7.70	39.92	-	-	47.62	-	-	-	-	-	-	-	-	7.70	

**4. Non Current Financial Assets - Investments**

Rs In Lakhs

Particulars	No. of equity shares	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Investment in Subsidiary Company				
Unquoted, fully paid Equity shares of Rs 10 each				
Alkyl Speciality Chemicals Limited	16,38,272	-	-	-
b) Investment in Associate Company				
Quoted, fully paid Equity shares of Rs 10 each				
Diamines and Chemicals Limited	29,77,997	1,330.92	1,168.60	1,015.93
<b>TOTAL</b>		<b>1,330.92</b>	<b>1,168.60</b>	<b>1,015.93</b>

Rs In Lakhs

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Cost	Market Value	Cost	Market Value	Cost	Market Value
Aggregate amount of Quoted Investments	144.11	2,561.08	144.11	1,648.32	144.11	1,002.10

**5A. Non Current Financial Assets - Loans**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
a) Loans to employees	40.35	32.00	43.86
<b>TOTAL</b>	<b>40.35</b>	<b>32.00</b>	<b>43.86</b>

**5B. Non Current Financial Assets - Other Financial Assets**

a) Derivatives	19.30	-	-
b) Other Financial Assets			
(i) Security deposits	257.02	-	136.08
(ii) Margin Money against the Bank Guarantees	4.36	-	13.77
Gross Non Current financial assets	280.68	149.85	64.32
Less: Provision for bad & doubtful other financial assets	-	-	-
<b>TOTAL</b>	<b>280.68</b>	<b>149.85</b>	<b>64.32</b>

**5C. Current Financial Assets - Loans**

a) Loans to employees	14.04	20.56	16.40
<b>TOTAL</b>	<b>14.04</b>	<b>20.56</b>	<b>16.40</b>

**5D. Current Financial Assets - Other Financial Assets**

Rs In Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Derivatives	2.62	218.49	725.96
b) Other Financial Assets			
(i) Security deposits	3.76	0.26	18.77
(ii) Interest on Bank deposits	19.60	28.53	16.09
Gross Current financial assets	25.98	247.28	760.82
Less: Provision for bad & doubtful other financial assets	-	-	-
<b>TOTAL</b>	<b>25.98</b>	<b>247.28</b>	<b>760.82</b>
<b>6A. Other Non Current assets</b>			
a) Capital advances	990.72	1,634.34	294.25
b) Advance recoverable in cash or kind	22.65	5.62	4.40
c) Advance to Suppliers	-	-	-
d) VAT receivable	668.83	848.44	857.73
e) Duty paid under protest	21.07	21.07	21.07
f) Others	-	-	94.00
<b>TOTAL</b>	<b>1,703.27</b>	<b>2,509.47</b>	<b>1,271.45</b>
<b>6B. Other Current assets</b>			
a) Advance recoverable in cash or kind	344.52	290.15	138.83
b) Advance to suppliers	277.88	194.61	1,635.92
c) GST and other receivables	1,956.09	576.79	41.84
d) Assets classified as held for sale	-	1.15	-
<b>TOTAL</b>	<b>2,578.49</b>	<b>1,062.70</b>	<b>1,816.59</b>
<b>6C. Non Current Tax Asset (Net)</b>			
Taxes Paid	5,914.24	5,966.68	4,058.72
Less : Provision for Taxes	5,571.69	5,567.43	3,693.38
<b>TOTAL</b>	<b>342.55</b>	<b>399.25</b>	<b>365.34</b>
<b>7. Inventories</b>			
a) Raw materials	3,795.13	5,931.05	871.59
b) Packing materials	141.60	116.90	119.05
c) Work-in-progress	800.66	490.60	690.49
d) Finished goods	2,145.63	3,496.95	3,384.40
e) Stores and spares	706.21	526.75	526.64
f) Fuel	928.88	578.74	723.48
<b>TOTAL</b>	<b>8,518.11</b>	<b>11,140.99</b>	<b>6,315.65</b>

**7A. Goods in Transit included in above Inventories**

Rs In Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Raw Material	274.54	2,928.37	-
b) Packing materials	-	0.81	-
c) Work in progress	-	-	-
d) Finished goods	222.33	315.63	175.09
e) Stores and Spares	-	0.21	-
f) Others	-	42.74	-
<b>TOTAL</b>	<b>496.87</b>	<b>3,287.76</b>	<b>175.09</b>

**7B. Details of Inventories**
**Work-in-Progress**

Amines and Amines Derivatives	518.82	359.48	449.89
Other Speciality Chemicals	281.84	131.12	240.60
<b>TOTAL</b>	<b>800.66</b>	<b>490.60</b>	<b>690.49</b>

**Finished Goods**

Amines and Amines Derivatives	1,649.94	3,250.49	3,136.82
Other Speciality Chemicals	495.18	245.61	247.23
Industrial Gases	0.51	0.85	0.35
<b>TOTAL</b>	<b>2,145.63</b>	<b>3,496.95</b>	<b>3,384.40</b>

**8. Trade Receivables**
**Trade receivables (at amortised cost)**

Unsecured considered good	12,377.56	9,733.85	9,029.55
Gross Trade Receivables	12,377.56	9,733.85	9,029.55
Less: Allowances for expected credit losses	-	-	-
<b>TOTAL</b>	<b>12,377.56</b>	<b>9,733.85</b>	<b>9,029.55</b>

- (i) The Company has called for balance confirmations from Trade Receivables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.
- (ii) Trade Receivables are non interest bearing and are generally on terms of average 60 days.

## 9. Cash and Cash Equivalents

Rs In Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) Balances with banks			
(i) Current Accounts	165.57	35.11	204.49
(ii) EEFC Accounts	55.36	-	95.91
(iii) Fixed Deposit Accounts	-	182.15	-
b) Cash on hand	2.49	2.23	3.39
<b>TOTAL</b>	<b>223.42</b>	219.49	303.79

### 9A. Other Bank Balances

a) Unpaid Dividend Accounts	61.00	-	58.16	93.02
b) Margin Money against the Bank Guarantees	37.68	-	18.02	32.32
c) Fixed deposits with Banks	0.50	-	-	167.68
<b>TOTAL</b>		<b>99.18</b>	76.18	293.02

- (i) During the year, the Company has transferred Rs. 3.48 Lakhs to Investor Education & protection Fund (for the year ended March 31, 2017 Rs 2.42 lakhs and for the year ended March 31, 2016 Rs 2.82 lakhs).
- (ii) Fixed Deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from Balance Sheet date are disclosed above.

## 10. Equity Share Capital

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>Authorised:</b>			
3,00,00,000 (Previous Year 3,00,00,000) Equity Shares of Rs. 5 each par value	1,500.00	1,500.00	1,500.00
15,00,000 (Previous Year 15,00,000) Cumulative Redeemable Preference Shares of Rs. 100 each par value	1,500.00	1,500.00	1,500.00
	<b>3,000.00</b>	3,000.00	3,000.00
<b>Issued, Suscribed and Paid Up:</b>			
2,03,96,392 (Previous Year 2,03,96,392 ) Equity Shares of Rs. 5 each par value, fully paid	1,019.82	1,019.82	1,019.82
Shares forfeited	0.78	0.78	0.78
<b>TOTAL</b>	<b>1,020.60</b>	1,020.60	1,020.60

**10.1 Reconciliation of the number of shares outstanding and amount of share capital**

Rs In Lakhs

Particulars	As at March 31, 2018		As at March 31, 2017		As at Apr 01, 2016	
	No. of shares	Rs In Lakhs	No. of shares	Rs In Lakhs	No. of shares	Rs In Lakhs
Equity Shares of Rs 5 par value						
At the beginning of the year	<b>20,396,392</b>	<b>1,019.82</b>	20,396,392	1,019.82	20,396,392	1,019.82
Changes during the year	<b>NIL</b>	<b>NIL</b>	NIL	NIL	NIL	NIL
At the end of the year	<b>20,396,392</b>	<b>1,019.82</b>	20,396,392	1,019.82	20,396,392	1,019.82

**10.2 Rights, preferences and restrictions**

- The Company has only one class of shares, referred to as equity shares, having par value of Rs 5. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. Final dividend of Rs. 7 per share for face value of Rs. 5 each, proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.  
During the year ended March 31, 2018, the amount per share of final dividend pertaining to year ended March 31, 2017, distributed to equity shareholders was Rs 5 for face value of Rs 5 each. The dividend appropriation for the year ended March 31, 2018 amounts to Rs 1,227.47 lakhs, including corporate dividend tax of Rs 207.65 lakhs.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**10.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Rs In Lakhs

Particulars	As at March 31, 2018		As at March 31, 2017		As at Apr 01, 2016	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Name of the Shareholder						
Yogesh M. Kothari	<b>12,206,622</b>	<b>59.85</b>	12,206,622	59.85	12,206,622	59.85

# 11. Other Equity

Rs In Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>a) Retained Earnings</b>			
<b>(i) Statement of Profit and Loss :</b>			
Balance brought forward from last year	19,949.82	14,818.04	12,341.37
Profit for the year	6,600.02	5,181.85	5,049.51
Impact of adjustments in Derivatives Financial Instruments	63.08	9.08	(72.16)
Other Comprehensive Income (Net of tax)			
Remeasurement of defined benefit obligations	(32.84)	(63.78)	(45.75)
Deferred gains/(losses) on cash flow hedges	(13.63)	(1.98)	-
Share of OCI in Associate Company	(8.80)	6.61	-
	26,557.65	19,949.82	17,272.97
<b>Appropriations</b>			
Interim/Final Dividend paid	1,019.82	-	2,039.64
Tax on interim/Final Dividend	207.65	-	415.29
	1,227.47	-	2,454.93
	25,330.18	19,949.82	14,818.05
<b>(ii) General Reserve</b>			
Balance as per last account	3,559.27	3,559.27	3,624.24
Less: Depreciation on assets with NIL useful life as per Component Accounting (Net of Deferred Tax)	-	-	64.97
	3,559.27	3,559.27	3,559.27
<b>Total Retained Earnings (i+ii)</b>	28,889.45	23,509.09	18,377.31
<b>b) Securities Premium Reserve</b>	1,290.97	1,290.97	1,290.97
<b>c) Capital Reserve</b>	142.70	142.70	142.70
<b>d) Capital Redemption Reserve</b>	25.00	25.00	25.00
<b>e) Cash Flow Hedge Reserve (OCI)</b>	(466.56)	(407.32)	(114.74)
<b>Total Other Components of Equity (b+c+d+e)</b>	992.11	1,051.35	1,343.93
<b>Total Other Equity</b>	29,881.56	24,560.44	19,721.24

**12A.Non Current Financial Liability - Secured Borrowings at amortised cost**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>Long term secured Borrowings</b>			
Term Loans			
From Banks	<b>10,579.75</b>	6,245.30	3,200.15
<b>TOTAL</b>	<b>10,579.75</b>	6,245.30	3,200.15

**Nature of Security and Terms of Repayment of Long-term Borrowings:**
**Term Loan from Banks:**

- (i) Foreign Currency Term Loans to part finance Company's normal capital expenditure which are secured by creation of a pari passu charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga and Plot no. D-6/1 at Kurkumbh, Maharashtra and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc. of :

Rs In Lakhs

Particulars	Rate of Interest	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
USD 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012	<b>3.40% p.a.</b>	<b>NIL</b>	NIL	138.67
USD 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 (covered by Interest rate and Currency rate Swap)	<b>3.66% p.a.</b>	<b>NIL</b>	493.05	1,008.45
USD 3.2 million repayable in 16 quarterly instalments beginning from February 11, 2015 (covered by Interest and Currency rate Swap) Creation of mortgage for Dahej is in progress.	<b>3 month LIBOR plus 3.05% p.a.</b>	<b>462.56</b>	986.10	1,546.29
USD 6.00 million repayable in 16 quarterly instalments beginning from April, 2017 (covered by Interest and Currency rate swap). Creation of mortgage for Dahej is in progress.	<b>3 month LIBOR plus 1.65% p.a.</b>	<b>3,171.84</b>	3,944.40	1,680.75
(ii) Foreign Currency Term Loans to part finance Company's Dahej Project are secured by creation of pari passu charge on the Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga, Maharashtra, Plot no. D-6/1 at Kurkumbh, Maharashtra and Plot No. D-2/CH/149/2 at Dahej, Gujarat and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, both present and future of :				
USD 7.5 million repayable in 18 quarterly installments beginning from October 2018 (covered by Interest and Currency rate swap). Availed full draw down of USD 7.5 million. Hypothecation is completed, creation of mortgage is under progress.	<b>3 month LIBOR plus 1.40% p.a.</b>	<b>4,956.00</b>	1,314.80	NIL
USD 7.5 million repayable in 18 quarterly installments beginning from August 2018 (covered by Interest and Currency rate swap). Availed full draw down of USD 7.5 million. Hypothecation is completed, creation of mortgage is under progress.	<b>1 month LIBOR plus 0.80% p.a.</b>	<b>4,956.00</b>	1,314.80	NIL
(iii) Other loans				
Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months	<b>Ranging from 10.30% p.a. to 10.50% p.a.</b>	<b>NIL</b>	6.72	16.81
		<b>13,546.40</b>	8,059.87	4,390.97
Less : Other finance charges deferred over the period of loan (Ind AS Adjustments)		<b>70.14</b>	-	-
		<b>13,476.26</b>	8,059.87	4,390.97
Less : Current Maturities of Long-term Debt (Refer Note 15 (a) (i))		<b>2,896.51</b>	1,814.57	1,190.82
		<b>10,579.75</b>	6,245.30	3,200.15

**12B. Non Current Financial Liability - Unsecured Borrowings**

Rs In Lakhs

Particulars		As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>Long term Unsecured Nature and Terms of Repayment Borrowings</b>				
a) Loans and Advances from Related parties	Repayable after 12 months from the date of Balance sheet and carries interest rate ranging from 7.25% p.a. to 8.25% p.a.	-	-	740.00
b) Other Loans				
Deferred Payment Liabilities	Sales Tax Deferral under the Package Scheme of Incentives, 1993. Interest free deferral period repayable after 10 years from the respective year in which actual tax was collected, commencing from April 26, 2012.	373.49	536.44	687.10
<b>TOTAL</b>		<b>373.49</b>	<b>536.44</b>	<b>1,427.10</b>
<b>Less : Current Maturities of Deferred payment liabilities (Refer Note 15 (a) (ii))</b>		<b>132.77</b>	<b>159.17</b>	<b>150.67</b>
<b>TOTAL</b>		<b>240.72</b>	<b>377.27</b>	<b>1,276.43</b>

**12C. Current Financial Liability - Short term secured Borrowings**

Rs In Lakhs

Particulars		As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Repayable on Demand				
From Banks		4,209.41	588.72	3,904.71
<b>TOTAL</b>		<b>4,209.41</b>	<b>588.72</b>	<b>3,904.71</b>

- (i) The above balances comprises of Cash Credits and Bank overdrafts
- (ii) Cash Credits are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as mentioned in the joint deed of hypothecation dated December 29, 1989 as amended from time to time, as well as by the second mortgage of the specified immovable properties of the Company.

**12D. Current Financial Liability - Short term Unsecured Borrowings**

Rs In Lakhs

Particulars		As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
a) Loans and Advances from Related parties	Repayable after 12 months from the date of Balance sheet and carries interest rate ranging from 7.25% p.a. to 8.25% p.a.	66.50	52.50	1,349.50
b) Inter Corporate deposits		-	-	72.00
c) Other Loans, Buyer's credit		-	2,768.39	-
<b>TOTAL</b>		<b>66.50</b>	<b>2,820.89</b>	<b>1,421.50</b>

**12E. Other Non Current Financial Liabilities**

a) Derivatives	653.65	382.53	-
<b>TOTAL</b>	<b>653.65</b>	<b>382.53</b>	<b>-</b>

**13. Non Current - Deferred Tax Liability (Net)**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Deferred Tax Liability	<b>4,048.40</b>	3,272.43	2,864.11
	<b>4,048.40</b>	3,272.43	2,864.11
<b>Deferred Tax Liabilities</b>			
Items of Timing Difference			
Deferred Tax Liabilities			
Related to Plant, Property and Equipment and Others	<b>4,319.53</b>	3,478.42	2,973.97
<b>(A)</b>	<b>4,319.53</b>	3,478.42	2,973.97
<b>Deferred Tax Assets</b>			
Provision for doubtful debts and advances	<b>7.41</b>	36.40	0.97
Provision for Gratuity	<b>83.46</b>	58.76	37.28
Provision for Leave Encashment	<b>89.87</b>	78.49	62.24
Disallowance under section 43B	<b>88.36</b>	33.81	4.16
Others	<b>2.03</b>	(1.47)	5.21
<b>(B)</b>	<b>271.13</b>	205.99	109.86
<b>Net Deferred Tax Liabilities (A-B)</b>	<b>4,048.40</b>	3,272.43	2,864.11
<b>14. Trade payables</b>			
a) Trade payables	<b>6,717.94</b>	8,093.22	4,375.78
<b>TOTAL</b>	<b>6,717.94</b>	8,093.22	4,375.78
(i) The Company has called for balance confirmations from Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.			
(ii) Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006: Principal amount remaining unpaid and interest due thereon			
- Principal Amount	<b>65.47</b>	27.73	30.76
- Interest	<b>NIL</b>	0.01	NIL
Interest paid in term of Section 16	<b>NIL</b>	NIL	NIL
Interest due and payable for the period of delay in payment	<b>NIL</b>	0.01	NIL
Interest accrued and remaining unpaid	<b>NIL</b>	NIL	NIL
Interest due and payable even in succeeding years	<b>NIL</b>	NIL	NIL
This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.			

**15. Other Financial Liabilities**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
a) Current maturities of long-term debts			
(i) Secured debts			
Term loans from Banks	2,896.51	-	1,814.57
(ii) Unsecured debts			
Deferred Payment Liabilities	132.77	-	159.17
b) Interest accrued but not due on borrowings	190.91	-	210.23
c) Unpaid dividends	61.00	-	57.16
d) Other Payables			
(i) Capital expenses	1,757.64	-	761.70
(ii) Commission payable to Directors	620.34	-	474.50
(iii) Others	737.88	-	587.20
e) Derivatives	5.87	-	229.66
<b>TOTAL</b>	<b>6,402.92</b>	<b>4,294.19</b>	<b>3,349.28</b>
<b>16A.Non Current Financial Liability - Long term Provisions</b>			
Provision for employee benefits			
(i) Gratuity	-	166.15	141.35
(ii) Leave Encashment	171.49	155.33	124.84
<b>TOTAL</b>	<b>171.49</b>	<b>321.48</b>	<b>266.19</b>
<b>16B.Current Financial Liability - Short term Provisions</b>			
Provision for employee benefits			
(i) Gratuity	241.15	3.64	-
(ii) Leave Encashment	88.20	71.48	55.00
<b>TOTAL</b>	<b>329.35</b>	<b>75.12</b>	<b>55.00</b>
<b>17. Other Current Liabilities</b>			
(i) Statutory Dues	86.51	118.98	81.85
(ii) Advances received from customers	94.70	23.77	41.99
(iii) Deposits from customers	1.50	-	-
(iv) Employee recoveries and employer contributions	45.30	41.35	37.22
<b>TOTAL</b>	<b>228.01</b>	<b>184.10</b>	<b>161.06</b>
<b>18. Non Current Financial Liability- Liabilities for Tax (Net)</b>			
Provision for tax	2,337.66	16.49	16.31
Less: taxes paid	(1,996.28)	(7.98)	(7.98)
<b>TOTAL</b>	<b>341.38</b>	<b>8.51</b>	<b>8.33</b>

## 19. Revenue from Operations

Rs In Lakhs

Particulars	Rs In Lakhs	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Sale of Products - Manufactured Goods	61,365.46	-	52,977.12
(b) Other Operating income			
Toll and Other Processing Income	600.80	-	567.25
Scrap and Raw Material Sales	117.20	-	89.53
Export Incentives	394.15	-	530.45
Miscellaneous Income	5.06	-	14.19
<b>TOTAL</b>		<b>62,482.67</b>	<b>54,178.54</b>

### 19A.Details of Sale of Products

Amines and Amines Derivatives	49,347.47	43,975.08
Other Speciality Chemicals	11,690.53	8,614.93
Industrial Gases	327.46	387.11
<b>TOTAL</b>	<b>61,365.46</b>	<b>52,977.12</b>

## 20. Other Income

(a) Interest Income		
(i) on Fixed deposits with banks	74.95	33.63
(ii) on Margin Money	0.43	0.35
(iii) on Income Taxes	17.46	33.28
(iv) on Others	5.34	-
Less: Adjusted with Borrowing costs capitalised	(29.47)	-
Net Interest Income	68.71	67.26
(b) Profit on sale of capital assets	32.07	-
(c) Profit on Sale of Units of Mutual Fund	-	2.61
(d) Insurance claims received	64.33	5.83
(e) Provision for Doubtful Debts/Advances no longer required, written back	81.42	34.66
(f) Miscellaneous Income	24.50	3.01
	202.32	
<b>TOTAL</b>	<b>271.03</b>	<b>113.37</b>

## 21. Cost of Material Consumed

(a) Raw Material consumed		
Opening Stock	5,931.05	871.60
Add: Purchases	28,347.43	29,658.40
	34,278.48	30,530.00
Less: Closing Stock	3,795.13	5,931.05
	30,483.35	24,598.95

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(b) Packing Material consumed		
Opening Stock	116.10	-
Add: Purchases	1,925.06	-
	2,041.16	-
Less: Closing Stock	141.61	-
	1,899.55	1,629.61
<b>TOTAL</b>	<b>32,382.90</b>	<b>26,228.56</b>
<b>21A.Details of Raw Materials Consumed</b>		
Denatured Ethyl Alcohol, Methanol and other Alcohols	16,206.43	14,343.16
Industrial Gases	5,906.98	3,522.90
Others	8,369.94	6,732.89
<b>TOTAL</b>	<b>30,483.35</b>	<b>24,598.95</b>
<b>22. Changes in Inventories of Finished Goods and Work-in-Progress</b>		
(a) Finished Goods		
Closing Stock	2,145.63	3,496.95
Less: Opening Stock	3,496.95	3,384.40
	1,351.32	(112.55)
Excise Duty Provision on Finished Goods		
Closing Stock	-	389.25
Less : Opening Stock	-	375.92
	-	13.33
(b) Work-In-Progress		
Closing Stock	800.65	-
Less: Opening Stock	490.60	-
	(310.05)	199.89
<b>TOTAL</b>	<b>1,041.27</b>	<b>100.67</b>
<b>23. Employee Benefits Expense</b>		
(a) Salaries and wages		
(i) Directors' Remuneration	370.21	-
(ii) Salaries, Wages and Benefits	2,652.41	-
(b) Commission to Directors	513.49	-
(c) Contribution to provident and other funds	291.95	-
(d) Staff welfare expenses	370.91	-
<b>TOTAL</b>	<b>4,198.97</b>	<b>3,724.47</b>

## 24. Finance Costs

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest Expense		
(i) Interest on Cash Credit Facilities/Buyers' Credit	136.71	73.99
(ii) Interest on Term Loans	997.71	474.46
(iii) Interest on Others	74.80	189.10
(b) Other Finance Charges	85.56	142.58
<b>Sub total</b>	<b>1,294.78</b>	<b>880.13</b>
Less: Interest capitalised	479.79	74.52
<b>TOTAL</b>	<b>814.99</b>	<b>805.61</b>

## 25. Other Expenses

(a) Power, Fuel and Water Charges	6,385.01	5,126.88
(b) Stores and spares consumed	788.21	959.02
(c) Processing Charges	729.00	734.30
(d) Rent	19.28	19.82
(e) Rates and taxes	35.18	34.18
(f) Repairs and Maintenance		
(i) Building	108.91	72.36
(ii) Plant and Machinery	491.31	480.71
(iii) Others	205.84	168.93
	<b>806.06</b>	-
(g) Insurance	57.39	46.81
(h) Auditor's Remuneration		
(i) Audit Fees	12.50	8.79
(ii) Tax Audit Fees	3.50	3.00
(iii) Taxation Matters	-	3.22
(iv) Other Services (certification fees)	3.43	3.68
(v) Reimbursement of Expenses	0.69	0.90
	<b>20.12</b>	-
(i) Export Expenses	653.99	558.59
(j) Freight Outward	1,266.18	973.60
(k) Bad Debts written off	25.53	0.55
(l) Advances/Deposits written off	2.00	0.06
(m) Provision for Doubtful Advances/Deposits	21.41	103.39
(n) Corporate Social Responsibility (CSR) expenses (Refer Note 27)	155.10	125.88
(o) Assets written off	10.38	-
(p) Inventories written off	25.34	-
(q) Loss on sale of capital assets	-	6.60
(r) Miscellaneous expenses	1,233.50	1,064.90
<b>TOTAL</b>	<b>12,233.68</b>	<b>10,496.17</b>

## 26. Other Comprehensive Income

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Items that will not be reclassified to profit or loss:		
(i) Remeasurment gain/(losses) on defined benefit plans	59.02	90.93
(b) Items that may be reclassified to profit or loss:		
(i) Deferred gains/(losses) on cash flow hedges	20.84	3.05
	79.86	93.98
(i) Income tax relating to items that will not be reclassified to profit or loss	(7.21)	(1.07)
(ii) Income tax relating to items that may be reclassified to profit or loss	(17.38)	(33.76)
	(24.59)	(34.83)
<b>TOTAL</b>	<b>55.27</b>	<b>59.15</b>

Rs In Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>27 Expenditure towards Corporate Social Responsibility (CSR) activities:</b>		
a. Gross amount required to be spent by the Company during the year :	156.96	150.42
b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
<b>Nature of Expenses</b>		
Other Expenses (Other than for Construction/Acquisition of any asset)		
Environment sustainability and Rural development	79.32	22.99
Education/Sports	27.89	75.78
Health/Woman Empowerment	42.99	24.51
Others	4.90	2.60
<b>TOTAL</b>	<b>155.10</b>	<b>125.88</b>

**28. Expenses incurred on Research and Development during the year are included in the Statement of Profit and Loss**

Rs In Lakhs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cost of Material Consumed (In Note 24)		
Raw Material	7.44	2.66
Packing Material	0.30	0.49
Changes of inventories of FG and WIP		
Finished goods	0.12	-
Work in Progress	0.09	-
Employee Benefits Expense (In Note 26)		
Salaries and Wages	294.98	312.99
Contribution to Provident and Other Funds	26.37	27.73
Staff Welfare Expenses	14.27	13.76
	335.62	354.48
Depreciation	24.59	27.33
Other Expenses (In Note 25)		
Stores and Spares Consumed	15.81	18.98
Power and Fuel	0.06	0.17
Rent	13.80	13.50
Repairs and Maintenance:		
Plant and Machinery	1.58	3.08
Others	5.22	5.45
Insurance	0.64	0.69
Rates and Taxes	2.77	2.43
Miscellaneous Expenses	64.09	86.76
	103.97	131.06
<b>TOTAL</b>	<b>472.13</b>	<b>516.02</b>

Rs In Lakhs

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>28A. Expenses incurred on Research and Development during the year are included in the Fixed Assets and Capital work in progress</b>		
P & M and Equipments	5.67	17.83
Furniture & Fixtures	-	0.85
Office Equipments	-	6.19
Intangible Assets	-	7.70
Electrical Installations	-	-
Vehicles	9.40	-
Electrical equipments	5.07	-
Capital work in progress	-	4.40
	20.14	36.97
<b>TOTAL</b>	<b>20.14</b>	<b>36.97</b>

**29. Contingent Liabilities and Commitments**

Rs In Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Contingent Liabilities : (to the extent not provided for)			
i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts	<b>67.73</b>	60.72	89.06
ii. Income Tax (Amount of deposit Rs 330.97 lakhs -current year , Rs 330.97 in 2016-17 and Rs. 352.71 in 2015-16)	<b>353.52</b>	353.52	317.03
iii. Sales Tax (Amount of deposit Rs NIL- Current year, Rs NIL in 2016-17 and Rs 1.00 lakh in 2015-16)	<b>NIL</b>	NIL	24.71
iv. Central Excise/Service Tax (Amount of deposit Rs 21.07 lakhs - current year, Rs 21.07 lakhs in 2016-17 and Rs 21.07 in 2015-16)	<b>820.84</b>	795.03	748.37
v. Amount paid to GIDC (Amount of deposit Rs 72.62 lakhs - current year, Rs 42.63 lakhs in 2016-17 and Rs NIL in 2015-16)	<b>72.62</b>	42.63	NIL

**29A. Commitments**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Estimated amount of contracts remaining to be executed on capital account	<b>1,856.35</b>	6,068.96	1,410.93
Less : Capital Advances	<b>990.72</b>	1,634.34	294.25
Net Estimated Amount	<b>865.63</b>	4,434.62	1,116.68

**30.** The Scheme of Amalgamation of Alkyl Speciality Chemicals Limited (ASCL), the Company's wholly owned Subsidiary, with effect from the Appointed Day, i.e. April 1, 2016, has been approved by the National Company Law Tribunal vide its order dated September 28, 2017, and the Company has filed the said Order of the Tribunal with the Registrar of Companies on November 3, 2017. The Company has considered ASCL as its Subsidiary on transition date i.e. April 1, 2016 and merged in subsequent years. As per the terms of the Scheme, with effect from the appointed date, the following effects have been given:

- The Company has recorded all assets and liabilities, as appearing in the books of ASCL, at their carrying amounts.
- The balance lying in the Profit & Loss Account and Capital Reserve appearing in ASCL has been given effect by the Company under Other Equity.
- Intercompany balances and transactions have been cancelled.

**30.1.** The shares of the associate were acquired on March 14, 2001. The value of investment in the associate is valued at Rs 1330.92 lakh (Rs 1168.60 lakhs) as per Ind AS 28.

**30.2.** Capital Reserves include grant received by the subsidiary company from the erstwhile Co-promoter as per agreement dated June 17, 2003 to meet its obligations. The same has been carried in the books of the company post amalgamation.

### 31 Employee Benefits

Rs In Lakhs

Particulars	Gratuity	
	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>As per Actuarial Valuation</b>		
<b>I. Expense recognised in the Statement of Profit and Loss for the year ended</b>		
a. Current service cost	46.02	38.66
b. Net Interest on net Defined Liability/ Asset	12.23	8.70
<b>c. Total Expenses</b>	<b>58.25</b>	<b>47.36</b>
<b>II. Amount recognised in Other Comprehensive Income</b>		
a. Actuarial (Gains)/Losses on Liability	50.09	93.78
b. Return on Plan Assets excluding amount included in Net interest on Defined Liability / (Asset) above	0.13	3.76
<b>c. Total</b>	<b>50.22</b>	<b>97.54</b>
<b>III. Net Assets / (Liability) recognised in the Balance Sheet</b>		
a. Present Value of Defined Benefit Obligation	1,080.32	941.88
b. Fair Value of Plan Assets	839.17	772.08
c. Funded Status [ Surplus / (Deficit) ]	241.15	169.80
<b>Net (Asset) / Liability</b>	<b>241.15</b>	<b>169.80</b>
<b>IV. Change in Present value of Obligation</b>		
a. Present Value of Defined Benefit Obligation at the beginning of the year	941.87	776.24
b. Current Service Cost	46.02	38.66
c. Interest Cost	67.82	62.72
d. Past Service Cost (Non Vested Benefit)	-	-
e. Past Service Cost (Vested Benefit)	-	-
f. Benefit paid	(25.48)	(29.53)
g. Actuarial (Gain) / Loss on obligation	50.09	93.78
<b>Present Value of Defined Benefit Obligation at the end of the year</b>	<b>1,080.32</b>	<b>941.87</b>
<b>V. Actual Return on Plan Assets</b>		
Expected Return on Plan Assets	55.59	54.02
Actuarial Gain / (Loss) on Plan Assets	(0.13)	3.75
<b>Actual Return on Plan Assets</b>	<b>55.46</b>	<b>57.77</b>
<b>VI. Balance Sheet Reconciliation</b>		
Opening Net Liability	169.80	107.71
Expenses Recognised in Profit & Loss Account	58.23	47.36
Amount recognised in Other Comprehensive Income	50.22	97.54
Less: Employer's Contribution	37.10	82.81
<b>Amount Recognised in Balance Sheet (Asset) / Liability</b>	<b>241.15</b>	<b>169.80</b>

## Sensitivity Analysis

Rs In Lakhs

Projected Benefit Obligation on Current Assumptions	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Increase	Decrease	Increase	Decrease
Delta Effect of +1% Change in Rate of Discounting	(40)	-	(40)	-
Delta Effect of -1% Change in Rate of Discounting	-	46	-	46
Delta Effect of +1% Change in Rate of Salary Increase	-	47	-	46
Delta Effect of -1% Change in Rate of Salary Increase	(42)	-	(41)	-
Delta Effect of +1% Change in Rate of Employee Turnover	-	10	-	8
Delta Effect of -1% Change in Rate of Employee Turnover	(12)	-	(9)	-

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.

## Maturity Analysis of the Benefit Payments from the Fund

Rs In Lakhs

Projected Benefits Payable in Future years from the date of reporting	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1st Following Year	406	324	274
2nd Following Year	25	35	12
3rd Following Year	42	22	50
4th Following Year	44	36	19
5th Following Year	68	39	36
Sum of Years 6 To 10	239	196	173
Sum of Years 11 and above	745	714	682

Rs In Lakhs

Particulars	Leave Salary	
	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>I. Expense recognised in the Statement of Profit and Loss for the year ended</b>		
a. Current Service Cost	29.68	16.34
b. Net Interest on net Defined Liability/ Asset	16.33	14.53
c. Acturial (Gains)/Losses on Liability	4.45	24.04
<b>d. Total Expenses</b>	<b>50.46</b>	54.91
<b>II. Net Assets / (Liability) recognised in the Balance Sheet as on</b>		
a. Present Value of Unfunded Obligations	259.69	226.80
b. Unrecognised Past Service Cost	-	-
c. Fair Value of Plan Assets	-	-
<b>d. Net Liability</b>	<b>259.69</b>	226.80
<b>III. Change in Present value of Obligation during the year ended</b>		
a. Present Value of Unfunded Obligation at the beginning of the year	226.80	179.84
b. Current Service Cost	29.68	16.33
c. Interest Cost	16.33	14.53
d. Acturial Gain/Loss	4.45	24.04
e. Benefit paid	17.57	7.94
<b>f. Present Value of Unfunded Obligation at the end of the year</b>	<b>259.69</b>	226.80

**Experience adjustment:-**

Rs In Lakhs

Gratuity	2017-18	2016-17	2015-16	2014-15	2013-14
Present Value of Unfunded Obligations	1,080.32	941.87	776.24	621.97	435.23
Fair Value of Plan Assets	839.17	772.07	0.00	431.49	305.45
Funded Status [(Surplus)/Deficit]	241.15	169.80	776.24	190.48	129.78
Experience adjustments on Plan Liabilities	78.58	58.71	59.52	99.32	1.00
Experience adjustments on Plan Assets	(0.13)	(3.76)	6.28	1.04	3.10
<b>TOTAL</b>	<b>78.45</b>	54.95	65.80	100.36	4.10

**The expected contributions for Defined Benefit Plan for the next Financial Year will be in line with 2017-18**

Rs In Lakhs

Leave Salary	2017-18	2016-17	2015-16	2014-15	2013-14
Present Value of Unfunded Obligations	259.69	226.80	-	165.01	119.68
Fair Value of Plan Assets	-	-	-	-	-
Funded Status [(Surplus)/Deficit]	259.69	226.80	-	165.01	119.68
Experience adjustments on Plan Liabilities	15.96	10.46	(17.20)	6.94	5.70
Experience adjustments on Plan Assets	-	-	-	-	-
<b>TOTAL</b>	<b>15.96</b>	10.46	(17.20)	6.94	5.70

Rs In Lakhs

Assumptions	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1. Discount Rate	7.83%	7.20%	8.08%
2. Expected Return on Plan Assets	7.83%	7.20%	8.08%
3. Salary Growth Rate	5.00%	5.00%	5.00%
4. Withdrawal Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

## 32. Segment Reporting

### 32.1 Primary Segment:

The Company is exclusively engaged in the business of “Specialty Chemicals”. This in the context of Ind AS 108 “Operating Segment”.

### 32.2 Secondary Segment (by Geographical Segment):

Rs In Lakhs

Particulars	Within India		Outside India		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue	49,071.79	39,176.94	12,545.55	10,886.93	61,617.35	50,063.87
Carrying amount of Segment Assets	62,171.07	49,496.83	2,378.06	2,348.72	64,549.13	51,845.55
Capital Expenditure	37,343.75	25,412.81	13.37	71.77	37,357.12	25,484.58

### 32.3 The segment revenue in Geographical Segments considered for disclosure is as follows:

- Revenue within India includes sales to customers located within India and Other Operating Revenue earned in India.
- Revenue outside India includes sales to customers located outside India and Other Operating Revenue earned outside India.

## 33. List of Related Parties and their relationships

- Subsidiary Company:  
Alkyl Speciality Chemicals Limited (refer note 30)
- Associate Company:  
Diamines and Chemicals Limited
- Key Management Personnel:
  - Yogesh M. Kothari - Chairman & Managing Director
  - Kirat Patel - Executive Director
  - Suneet Y. Kothari - Executive Director
- Relative of Key Management Personnel:  
Hemendra M. Kothari
- Entities over which Key Management Personnel has Control:
  - Anjyko Investments Private Limited
  - Niyoko Trading & Consultancy LLP
  - YMK Trading & Consultancy LLP
  - SYK Trading & Consultancy LLP
- Entities over which relative of Key Management Personnel has control:
  - Kamiko Investment & Trading Private Limited
  - DSP HMK Holdings Private Limited
  - DSP ADIKO Holdings Private Limited

**34. Related Party Disclosures**

Following transactions were carried out in the ordinary course of business with the parties referred to in 8 above. There was no amount written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

Rs In Lakhs

Particulars	Key Management Personnel and their relative [with 33 (III) and (IV) above]	Entities on which Key Management Personnel has control [with 33 (V) above]	Entities on which relative of Key Management Personnel has Control [with 33 (VI) above]
<b>Loans and Advances - Unsecured :</b>			
Loan from Directors –Received			
Yogesh Kothari	<b>750.00</b> (1,000.00)		
Others	<b>107.00</b> (128.00)	<b>145.00</b> (NIL)	
Loan from Directors – Repaid			
Yogesh Kothari	<b>750.00</b> (3,070.00)		
Others	<b>93.00</b> (95.00)		
Deposit - Inter Corporate – Repaid		<b>145.00</b> (10.00)	<b>NIL</b> (62.00)
<b>Interest Expenses :</b>			
On Loans from Directors			
Yogesh Kothari	<b>26.63</b> (141.20)		
Others	<b>4.58</b> (7.02)		
On Deposit - Inter Corporate			
Anjyko Investments Private Limited		<b>1.78</b> (0.35)	
Kamiko Investment & Trading Private Limited			<b>NIL</b> (1.53)
Niyoko Trading & Consultancy LLP		<b>0.85</b> (NIL)	
YMK Trading & Consultancy LLP		<b>0.85</b> (NIL)	
SYK Trading & Consultancy LLP		<b>0.32</b>	

Particulars	Key Management Personnel and their relative [with 33 (III) and (IV) above]	Entities on which Key Management Personnel has control [with 33 (V) above] (NIL)	Entities on which relative of Key Management Personnel has Control [with 33 (VI) above]
<b>Directors' Remuneration:</b>			
Yogesh Kothari	<b>495.75</b> (405.03)		
Kirat Patel	<b>210.42</b> (169.53)		
Suneet Kothari	<b>204.39</b> (162.01)		
Hemendra Kothari			
Sitting Fees	<b>0.72</b> (0.60)		
Commission	<b>15.04</b> (13.50)		
<b>Outstanding Balance As At March 31, 2018</b>			
Loans From Directors			
Yogesh Kothari	<b>NIL</b> (NIL)		
Others	<b>66.50</b> (52.50)		
Deposit - Inter Corporate			
Others		<b>NIL</b> (NIL)	
Kamiko Investment & Trading Private Limited			<b>NIL</b> (NIL)

### 35. Leases

#### 35.1 Where the Company is a Lessee:

The Company has taken residential, office and godown premises under operating lease on leave and licence agreement. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.

Lease/Rent payments are recognised in the Statement of Profit and Loss as 'Rent' under 'Other Expenses' in Note 25.

#### Future minimum lease rental payable is as under:

Particulars	As at March 31, 2018	Rs In Lakhs
		As at March 31, 2017
Within 1 year	27.57	13.80
After 1 year but before 5 years	78.00	4.60
After 5 years	-	-

Land taken on lease has been amortised over the respective lease period and Rs 15.26 lakhs (Previous Years - Rs 14.99 lakhs) has been amortised during the year.

### 36. Earnings per Share

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below.

Particulars	For the Year ended March 31, 2018	Rs In Lakhs
		For the Year ended March 31, 2017
<b>Numerator for Basic and diluted earnings per Share</b>		
Net Profit after tax for the year before Preference Dividend	6,600.02	5,181.85
Net Profit after tax for the year (a)	6,600.02	5,181.85
<b>Denominator for Basic and Diluted Earnings per Share</b>		
Weighted average number of Shares (b)	20,396,392	20,396,392
<b>Basic and Diluted Earnings per Share [(a) / (b)] (In Rs)</b>	32.36	25.41
Face value per Share (In Rs)	5.00	5.00

### 37. Proposed Dividend

Particulars	As at March 31, 2018	Rs In Lakhs
		As at March 31, 2017
Proposed Dividend	1,427.75	1,019.82
Tax on Proposed Dividend	290.66	207.65

### 38. Consumption of Imported/Indigenous Materials

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Percentage	Value	Percentage	Value
<b>Raw Materials</b>				
Imported	29.95%	9,134.00	33.01%	8,119.41
Indigenous	70.05%	21,364.34	66.99%	16,479.54
<b>TOTAL</b>	100.00%	30,498.34	100.00%	24,598.95
<b>Stores and Spares</b>				
Imported	1.40%	13.11	0.44%	4.20
Indigenous	98.60%	925.15	99.56%	954.82
<b>TOTAL</b>	100.00%	938.26	100.00%	959.02

**39. Value of Imports calculated on C.I.F. basis**

Rs In Lakhs

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Raw Materials	6,215.47	11,649.21
Stores and Spares	12.31	2.75
Capital Goods	498.50	14.49
<b>TOTAL</b>	<b>6,726.28</b>	<b>11,666.45</b>
<b>40. Expenditure in Foreign Currency</b>		
<b>i. Interest</b>		
Term Loan	374.96	230.81
Less : Capitalised	146.27	64.15
	<b>228.69</b>	<b>166.66</b>
Buyer's Credit	27.46	18.06
Others	42.95	22.01
<b>ii) Other Finance Charges</b>	<b>7.38</b>	<b>8.68</b>
Less : Capitalised	-	-
	<b>7.38</b>	<b>8.68</b>
<b>iii. Other Expenses</b>		
Commission on Sales	48.24	48.28
Professional Charges	46.90	22.90
Miscellaneous Expenses	-	0.19
<b>TOTAL</b>	<b>401.62</b>	<b>286.78</b>
<b>41. Earnings in Foreign Currency</b>		
Export of Goods at F.O.B. value	10,908.73	9,004.04
Other Income	-	6.88
<b>TOTAL</b>	<b>10,908.73</b>	<b>9,010.92</b>

**42 Income Taxes**

- a. Reconciliation of the tax expense to the amount computed by applying the statutory income tax rate to the profit before taxes is summarized below:

Rs In Lakhs		
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Accounting Profit Before Tax	9,748.48	7,539.34
Tax rate - Corporate Tax	34.61%	34.61%
- Capital Gain Tax	-	-
Expected income tax expense	3,373.76	2,609.18
"Tax effect of non-taxable income (Capital Gain On Fair Valuation Of Land)"	5.86	-
Tax Effect of Items Disallowed / (Allowed)	167.82	104.31
Effect of ICDS	5.88	1.04
Tax Effect on Depreciation	(937.86)	(490.74)
Tax Effect on Investment Allowance	-	(148.33)
Research & Development expenses allowable u/s 35 (2AB) of The Income Tax Act, 1961	(267.56)	(162.86)
MAT Credit	-	(12.20)
<b>Total Income Tax Expense</b>	<b>2,347.90</b>	<b>1,900.40</b>

- b. Significant component of deferred tax assets and liabilities for the year ended March 31, 2018

Rs In Lakhs				
Particulars	As At April 1, 2017	Deferred tax expense/ (income recognized in profit and loss)	Deferred tax expense/ (income recognized in OCI)	As At March 31, 2018
<b>Deferred Tax Assets</b>				
Provision for Doubtful Advances	36.40	(28.99)	-	7.41
Provision for Gratuity	58.77	24.69	-	83.46
Provision for Leave Encashment	78.49	11.38	-	89.87
Provision for Bonus	33.81	(30.27)	-	3.54
Others	(1.47)	88.32	-	86.85
<b>Sub total</b>	<b>206.00</b>	<b>65.13</b>	<b>-</b>	<b>271.13</b>
<b>Deferred Tax Liabilities</b>				
Tangible and intangible assets	3,478.43	841.10	-	4,319.53
<b>Sub total</b>	<b>3,478.43</b>	<b>841.10</b>	<b>-</b>	<b>4,319.53</b>
<b>Net Deferred Tax Liability</b>	<b>3,272.43</b>	<b>775.97</b>	<b>-</b>	<b>4,048.40</b>

c. Significant component of deferred tax assets and liabilities for the year ended March 31, 2017 is as follows:

Rs In Lakhs

Particulars	As At April 1, 2016	Deferred tax expense/ (income recognized in profit and loss)	Deferred tax expense/ (income recognized in OCI)	As At March 31, 2017
<b>Deferred Tax Assets</b>				
Provision for Doubtful Debt	0.30	(0.30)	-	0.00
Provision for Doubtful Advances	0.67	35.73		36.40
Provision for Gratuity	37.28	21.48	-	58.76
Provision for Leave Encashment	62.24	16.25	-	78.49
Provision for Bonus	4.16	29.65	-	33.81
Others	5.21	(6.68)	-	(1.47)
<b>Sub total</b>	<b>109.86</b>	<b>96.13</b>	<b>-</b>	<b>205.99</b>
<b>Deferred Tax Liabilities</b>				
Tangible and intangible assets	2,973.97	504.45	-	3,478.42
<b>Sub total</b>	<b>2,973.97</b>	<b>504.45</b>	<b>-</b>	<b>3,478.42</b>
<b>Net Deferred Tax Liability</b>	<b>2,864.11</b>	<b>408.32</b>	<b>-</b>	<b>3,272.43</b>

#### 43. Financial and Other Derivative Instruments

Refer Note 1 (m), (n) and (o) for accounting policies on Financial Instruments.

##### 43.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a Going Concern while maximising the return to stakeholders through optimisation of the Debt and Equity Balance.

The Gearing ratio at the end of the reporting period

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
A. Debt	<b>19,120.69</b>	12,396.96	11,152.61
B. Cash and Bank Balance	<b>322.60</b>	295.67	596.81
C. <b>Net Debt (A-B)</b>	<b>18,798.09</b>	12,101.29	10,555.80
D. Total Equity	<b>30,902.16</b>	25,581.04	20,741.84
E. <b>Net Debt to equity ratio (C/D)</b>	<b>0.61 times</b>	0.47 times	0.51 times

The Company is subject to externally imposed capital requirements as part of its debt covenants such as maintaining a Total Debt to EBITDA ratio of 1.58 times, a Debt Service Coverage ratio of 4.61 times and a Total Debt to Tangible Net Worth ratio of 0.62 times.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital by computing the above ratios on an annual basis and ensuring that the same is in Compliance with the requirements of the Financial Covenants.

**Total Debt to EBIDTA ratio at the end of the reporting period**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
A. Total Debt	19,120.69	12,396.96	11,152.61
B. EBIDTA	12,130.57	9,773.42	9,611.60
<b>Total Debts to EBIDTA (A/B)</b>	<b>1.58</b> <b>times</b>	1.27 times	1.16 times

**Total Debt service coverage ratio at the end of the reporting period**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
A. EBIDTA	12,130.57	9,773.42	9,611.60
B. Interest	814.99	805.61	1,004.46
C. Loan Repayment	1,814.57	1,190.82	1,597.04
D. <b>Total Interest and Loan Repayment (B+C)</b>	<b>2,629.56</b>	1,996.42	2,601.50
E. <b>Debts Service Coverage Ratio (A/D)</b>	<b>4.61</b> <b>times</b>	4.90 times	3.69 times

**Total Debt to Tangible Net worth ratio at the end of the reporting period**

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
A. Total Debt	19,120.69	12,396.96	11,152.61
B. Tangible Networkth	30,902.16	25,581.05	20,741.84
C. <b>Total Debt to Tangibe Net Worth (A/B)</b>	<b>0.62</b> <b>times</b>	0.48 times	0.54 times

**43.2 Financial instruments by category**

Rs In Lakhs

Particulars	As at March 31, 2018				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
<b>Financial assets</b>					
Investment	-	-	1,330.92	1,330.92	-
Trade receivables	-	-	12,377.56	12,377.56	-
Cash and cash equivalents	-	-	322.60	322.60	-
Deposits	-	-	260.78	260.78	-
Loans	-	-	58.74	58.74	-
Derivative Asset	-	21.91	-	-	21.91
Other Financial Assets	-	-	19.60	19.60	-
<b>TOTAL</b>	<b>-</b>	<b>21.91</b>	<b>14,370.20</b>	<b>14,370.20</b>	<b>21.91</b>
<b>Financial liabilities</b>					
Borrowings	-	-	15,096.38	15,096.38	-
Trade payables	-	-	6,717.94	6,717.94	-
Derivative Liability	5.87	653.65	-	-	659.52
Other Financial Laibilities	-	-	6,397.04	6,397.04	-
<b>TOTAL</b>	<b>5.87</b>	<b>653.65</b>	<b>28,211.36</b>	<b>28,211.36</b>	<b>659.52</b>

### 43.2 Financial instruments by category

Rs In Lakhs

Particulars	As at March 31, 2017				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
<b>Financial assets</b>					
Investment	-	-	1,168.60	1,168.60	-
Trade receivables	-	-	9,733.85	9,733.85	-
Cash and cash equivalents	-	-	295.67	295.67	-
Deposits	-	-	136.33	136.33	-
Loans	-	-	66.32	66.32	-
Derivative Asset	115.53	102.96	-	-	218.49
Other Financial Assets	-	-	28.53	28.53	-
<b>TOTAL</b>	<b>115.53</b>	<b>102.96</b>	<b>11,429.30</b>	<b>11,429.30</b>	<b>218.49</b>
<b>Financial liabilities</b>					
Borrowings	-	-	10,032.18	10,032.18	-
Trade payables	-	-	8,093.22	8,093.22	-
Derivative Liability	208.81	403.38	-	-	612.19
Other Financial Liabilities	-	-	4,064.52	4,064.52	-
<b>TOTAL</b>	<b>208.81</b>	<b>403.38</b>	<b>22,189.92</b>	<b>22,189.92</b>	<b>612.19</b>

Rs In Lakhs

Particulars	As at April 1, 2016				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
<b>Financial assets</b>					
Investment	-	-	1,015.93	1,015.93	-
Trade receivables	-	-	9,029.55	9,029.55	-
Cash and cash equivalents	-	-	596.81	596.81	-
Deposits	-	-	70.27	70.27	-
Loans	-	-	73.08	73.08	-
Derivative Asset	-	267.22	458.74	458.74	267.22
Other Financial Assets	-	-	7.15	7.15	-
<b>TOTAL</b>	<b>-</b>	<b>267.22</b>	<b>11,251.53</b>	<b>11,251.53</b>	<b>267.22</b>
<b>Financial liabilities</b>					
Borrowings	-	-	9,802.79	9,802.79	-
Trade payables	-	-	4,375.78	4,375.78	-
Derivative Liability	-	-	458.74	458.74	-
Other Financial Liabilities	-	-	2,890.53	2,890.53	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>17,527.84</b>	<b>17,527.84</b>	<b>-</b>

#### i) Fair value hierarchy

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. An explanation of each level follows underneath the table.

Rs In Lakhs

Financial assets and liabilities measured at fair value -recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
<b>Derivatives designated as hedges</b>					
<b>Derivative Assets</b>					
March 31, 2018	(ii)	-	-	21.91	<b>21.91</b>
March 31, 2017	(ii)	-	-	218.49	<b>218.49</b>
April 1, 2016	(iii)	-	-	725.96	<b>725.96</b>
<b>Financial assets and liabilities measured at fair value -recurring fair value measurements</b>					
<b>Derivatives designated as hedges</b>					
<b>Derivative Assets</b>					
March 31, 2018	(ii)	-	-	659.52	<b>659.52</b>
March 31, 2017	(ii)	-	-	612.19	<b>612.19</b>
April 1, 2016	(iii)	-	-	458.74	<b>458.74</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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 determine 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.

#### ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the Balance Sheet date
- The fair value of receivables is considered to be the same as its carrying value due to short term nature.

#### iii) Valuation process

The finance department of the Company includes a team that performs the valuations of assets and liabilities required for financial reporting purposes, including level 3 fair values.

#### iv) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, security deposits, cash and cash equivalents, interest accrued on fixed deposits, trade payables, borrowings are considered to be the same as their fair values, due to their short-term nature. The non-current borrowings are at market interest rate and are assumed to be equivalent to its fair value.

### 43.3 Financial Risk Management Policies and Objectives:

The Company, in the course of its business, is exposed to a variety of financial risks, viz. market risk, credit risk and liquidity risk which can adversely impact the financial performance. The Company's endeavour is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company has a risk management policy that not only covers the foreign exchange risk but also other risks such as interest rate risk and credit risk which are associated

with financial assets and liabilities. The risk management policy of the Company is approved by its Board of Directors. The risk management framework focuses on actively securing the Company's short to medium terms cash flows by minimising the exposure to financial markets.

Presented below is a description of our risks (market risk, credit risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

#### **Market risk**

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### **Foreign currency exchange rate risk:**

The fluctuation in foreign currency exchange rates may have a potential impact on the standalone Statement of Profit and Loss and equity. This arises from transactions entered into in foreign currency and assets/liabilities which are denominated in a currency other than the functional currency of the Company.

A majority of the Company's foreign currency transactions are denominated in US Dollars. Other foreign currency transactions entered into by the Company are in EURO and GBP. However, the size of these transactions is relatively small in comparison to the US dollar transactions. Thus, the foreign currency sensitivity analysis has only been performed in relation to the US Dollar (USD).

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Further, in accordance with its risk management policy, Company hedges its risks by using derivative financial instruments. The use of these instruments facilitates the management of transactional exposures to exchange rate fluctuations because the gains or losses incurred on the derivative instruments will offset, in whole or in part, losses or gains on the underlying foreign currency exposure.

#### **Details of foreign currency exposure at the end of the reporting period are as follows:**

- a. **Derivative Contracts entered into by the Company are for hedging foreign currency risks. The following contracts have remained outstanding:**

		Amount in Lakhs					
Particulars	Foreign Currency	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Amount In Foreign currency	Amount in Indian Rupees	Amount In Foreign currency	Amount in Indian Rupees	Amount In Foreign currency	Amount in Indian Rupees
Forward Contracts for							
Forward Contracts for firm commitment for Export Trade	USD	20.63	1,356.04	28.79	1,891.83	6.63	458.74
	EURO	2.47	200.59	4.84	343.74	-	-
Forward Contracts for firm commitment for Import Trade	USD	2.75	180.60	46.32	3,038.37	1.68	113.08
	EURO	-	-	2.20	153.81	-	-
Cross currency and Interest Rate Swap for							
ECB Loans	USD	205.00	13,546.40	122.50	8,053.15	63.00	4,235.49
Interest on ECB payable	USD	1.10	73.46	0.62	40.58	0.29	18.18
As required by the Guidance Note on Derivatives, the amounts reflected herein above are disclosed based on : For March 31,2018 at fair value, For March 31,2017 at fair value, For April 1, 2016 - Marked to market.							

**b. Exposures in Foreign Currency:**

Amount in Lakhs

I. Asset	Foreign Currency	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016		
		Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees	Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees	Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees
Trade Receivables	USD	64.26	29.15	1,870.88	63.92	28.57	1,825.40	65.39	23.39	1,529.52
	EURO	79.04	5.06	400.08	67.90	1.96	133.11	73.74	3.49	257.36
	GBP	-	-	-	-	-	-	94.56	0.16	15.13
Hedged by Derivative	USD	64.26	20.63	1,325.68	63.92	15.92	1,017.28	65.39	-	-
Contracts	EURO	79.04	2.47	195.23	67.90	0.20	13.85	-	-	-
	GBP	-	-	-	-	-	-	-	-	-
Unhedged Receivables	USD	64.26	8.52	545.20	63.92	12.65	808.12	65.39	23.39	1,529.52
	EURO	79.04	2.59	204.85	67.90	1.76	119.26	73.74	3.49	257.36
	GBP	-	-	-	-	-	-	94.56	0.16	15.13
<b>II. Liabilities</b>										
Trade Payables	USD	66.08	0.13	8.94	65.74	34.94	2,296.68	67.23	0.20	13.51
	EURO	-	-	-	-	-	-	76.34	0.03	2.23
Buyers' Credit	USD	-	-	-	65.74	42.11	2,768.39	-	-	-
Borrowings (ECB and Others)	USD	66.08	205.00	13,546.40	65.74	123.13	8,094.58	67.23	65.38	4,394.10
Packing Credit in Foreign	USD	66.08	36.39	2,404.92	65.74	7.51	493.66	67.23	14.00	940.97
Currency	EURO	81.66	3.32	270.84	70.52	2.34	165.26	76.34	2.41	183.71
Balance with Bank	USD	64.26	0.86	55.36	-	-	-	65.41	1.47	95.92
Export Commission	USD	66.08	0.20	13.06	65.74	0.26	17.15	67.23	0.25	16.75
Payable	EURO	81.66	0.02	1.57	70.52	0.01	0.72	76.34	0.01	0.22
<b>Total Payables</b>	USD	66.08	242.58	16,028.69	65.74	207.95	13,670.46	67.18	81.32	5,463.47
	EURO	81.66	3.34	272.42	70.52	2.35	165.99	76.34	2.42	183.93
Hedged by Derivative	USD	66.08	205.25	13,562.92	65.74	165.79	10,898.66	69.14	63.47	4,388.48
Contracts	EURO	-	-	-	-	-	-	-	-	-
<b>Unhedged Payables</b>	USD	66.08	37.33	2,465.77	65.74	42.16	2,771.80	60.22	17.85	1,074.99
	EURO	81.66	3.34	272.42	70.52	2.35	165.99	76.34	2.42	183.93

- c. The Company also designate certain hedges, usually for large transactions, as a cash flow hedge under hedges accounting, with the objective of shielding the exposure from variability in cash flows. The currency, amount and tenure of such hedges are generally matched to the underlying transaction(s). Changes in the fair value of the effective portion of cash flow hedges are recognised as cash flow hedging reserve in Other Comprehensive Income. While the probability of such hedges becoming ineffective is very low, the ineffective portion, if any, is immediately recognised in the Statement of Profit and Loss. The movement in the cash flow hedging reserve in respect of designated cash flow hedges is summarised below :

Rs In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
<b>Balance at the Beginning of the year</b>	<b>407.32</b>	114.74	-
Gain/Loss arising on changes in the fair value of designated portion of hedging instruments entered into for cash flow hedge:			
- Forward foreign exchange contract	(274.71)	(251.28)	382.09
- Currency Swap	354.79	546.91	(267.35)
Gain/Loss arising on changes in the fair value of designated portion of hedging instruments reclassified to Profit & loss:			
- Forward foreign exchange contract	(20.84)	(3.05)	-
- Currency Swap	-	-	-
<b>Balance at the End of the year</b>	<b>466.56</b>	407.32	114.74

#### Foreign Currency sensitivity analysis

An appreciation / (depreciation) of 5% in USD rates with respect to INR would result in increase/(decrease) in the Company's net profit before tax for the year ended March 31, 2018 and comparison for the year ended March 31, 2017 is explained below:

Rs In Lakhs

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	5%	(-5%)	5%	(-5%)
Trade receivables	113.65	(113.65)	97.95	(97.95)
Trade payable	(27.51)	27.51	(114.83)	114.83
Buyer's credit	-	-	(138.42)	138.42
Forward Cover exports	77.83	(77.83)	111.78	(111.78)
Forward Cover Imports	(0.82)	0.82	(152.00)	152.00
Others liabilities	(0.77)	0.77	(0.89)	0.89
	<b>162.38</b>	<b>(162.38)</b>	(196.41)	196.41

#### Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company has borrowed through a number of financial instruments such as ECBs and working capital demand loans. The Company is subject to variable interest rates on some of these interest bearing liabilities.

The risk estimates provided assume a parallel shift of 50 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

#### Interest rate sensitivity

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. Based on the composition of net debt, a 50 basis points increase / decrease in interest rates over the 12 month period would increase / decrease the Company's net finance expense explained as below:

Rs In Lakhs

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	0.5%	(-0.5%)	0.5%	(-0.5%)
Cash credit	(5.08)	5.08	(2.39)	2.39
PCFC	(9.75)	9.75	(5.10)	5.10
	<b>(14.83)</b>	<b>14.83</b>	(7.49)	7.49

## Credit risk

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of Trade Receivables and Loans.

The Company continuously monitors defaults of customers and other counter parties and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counter parties. The Company management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

In respect of Receivables other than Trade Receivables, the Company's exposure to any significant credit risk exposure to any single counter party or any groups of counter parties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term Financial Assets is considered negligible, since the counter parties are reputable banks with high quality external credit ratings.

The Company's exposure to credit risk is limited to the carrying amount of Financial Assets recognized at the Balance Sheet date

The maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

Rs In Lakhs

Particulars	Carrying amount		
	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
With in India	10,012.87	7,456.90	7,154.38
Other regions	2,364.69	2,276.95	1,875.17
<b>TOTAL</b>	<b>12,377.56</b>	<b>9,733.85</b>	<b>9,029.55</b>

## Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. Further more, the Company has access to funds from debt markets through various debt instruments. The Company invests its surplus funds in bank fixed deposits which carry no mark to market risk.

The Company maintains the following lines of credit:

Rs 4209.41 lakhs Working capital loans that is secured. Interest would be payable at the rate ranging from 2.20% of 10.15%.

The following tables detail the remaining contractual maturities at the end of the reporting period of the Company, which are based on contractual and undiscounted cash flows and the earliest date the Company can be required to pay. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

## Contractual cash flows

Rs In Lakhs

As at March 31, 2018	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
<b>ICD's from Related Parties (Unsecured)</b>					
From Directors	-	66.50	66.50	-	-
<b>Secured/Unsecured from Bank and FI</b>					
ECB	-	13,546.40	2,896.50	10,649.90	-
Working Capital	-	4,209.41	4,209.41	-	-
Deferred Payment Liabilities	-	373.49	132.77	240.72	-
Trade payables	-	6,717.94	6,717.94	(0.00)	-
Interest accrued	-	190.91	190.91	0.00	-
Statutory dues (withholding taxes etc.)	-	427.90	427.89	0.01	-
Others	-	3,176.86	3,176.86	(0.00)	-
<b>TOTAL</b>		<b>28,709.41</b>	<b>17,818.78</b>	<b>10,890.63</b>	<b>-</b>

**Contractual cash flows**

Rs In Lakhs

As at March 31, 2017	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
<b>ICD's from Related Parties (Unsecured)</b>	-	52.50	52.50	-	-
From Directors					
<b>Secured/Unsecured from Bank and FI</b>					-
ECB	-	8,059.87	1,814.57	6,245.30	
Working Capital	-	588.72	588.72	-	-
Buyers Credit	-	2,768.39	2,768.39	-	-
Deferred Payment Liabilities	-	536.44	159.17	377.27	
Trade and other payables	-	8,093.22	8,093.22	-	
Interest accrued	-	210.23	210.23	-	
Statutory dues (withholding taxes etc.)	-	127.49	127.49	-	
Others	-	1,880.55	1,880.55	-	-
<b>TOTAL</b>		<b>22,317.41</b>	<b>15,694.84</b>	<b>6,622.57</b>	-

**Contractual cash flows**

Rs In Lakhs

As at March 31, 2016	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
<b>ICD's from Related Parties (Unsecured)</b>					
From Directors	-	2,089.50	2,089.50	-	-
Inter Corporate Deposit- Others	-	72.00	72.00	-	-
<b>Secured/Unsecured from Bank and FI</b>					
ECB	-	4,390.97	1,190.82	3,200.15	-
Working Capital	-	3,904.71	3,904.71	0.00	-
Deferred Payment Liabilities	-	687.10	150.66	536.44	-
Trade and other payables	-	4,375.78	4,375.78	-	-
Interest accrued	-	185.20	185.20	-	-
Statutory dues (withholding taxes etc.)	-	90.18	90.18	-	-
Others	-	1,363.85	1,363.85	-	-
<b>TOTAL</b>		<b>17,159.29</b>	<b>13,422.70</b>	<b>3,736.59</b>	-

The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables

This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

**44. Explanation of Transition to IND AS**
**I. Exemptions Availed by the Company**

Ind AS 101 "First time adoption of Indian accounting standards" permits companies adopting Ind AS for the first time to avail of certain exemptions from the full retrospective application of Ind AS in the transition period". The Company, on transition to Ind AS, has availed the following key exemptions:

#### a. Property, Plant and Equipment, Intangible Assets and Others

Property, plant and equipment and Intangible Assets were carried in the Balance Sheet prepared in accordance with previous GAAP on 31st March 2016. Under Ind AS, the Company has elected to regard such carrying values as the deemed cost for all the items of its Property, Plant and Equipment and Intangible Assets at the date of transition i.e. as on April 1, 2016.

#### b. Investment in Associates

The Company has elected to take the carrying amount of all its investments in its associate / subsidiary as at April 1, 2016, as its deemed cost under Ind AS.

#### c. Leases

The Company has elected to carry out the assessment of leases based on conditions prevailing as at the date of transition.

#### d. Long Term Foreign Currency Loan

The Company has adjusted the exchange difference to the cost of Depreciable Asset upto the period ending immediately before the beginning of the first Ind AS Financial Reporting period.

### II. Exceptions Applicable to Company

Ind AS 101 "First time adoption of Indian accounting standards" contains certain exceptions that prohibit full retrospective application of Ind AS in the transition period. From amongst these exceptions, the one applicable to the Company are as follows:

#### a. De-recognition of Financial Assets and Liabilities

The Company has elected to apply the de-recognition provisions of Ind AS 109 (Financial Instruments) prospectively from the date of transition to Ind AS.

#### b. Classification and Measurement of Financial Assets

The Company has classified the financial assets in accordance with Ind AS 109 (Financial Instruments) on the basis of facts and circumstances that existed as at the date of transition to Ind AS.

#### c. Interest Free Deferral Loan

Under Ind AS, the Company elected to take the Government Grants in the form of Interest free Sales Tax deferral loan to be carried at previous Indian GAAP amount on transition date.

### III. Reconciliation between previous IGAAP and Ind AS

#### a. Equity Reconciliation

Particulars	Rs In Lakhs	
	As At March 31, 2017	As At April 1, 2016
Equity as per Previous IGAAP (after Merger of ASCL)	25,527.77	20,909.78
Add / (Less) : Adjustments on transition to Ind AS		
a) Impact of adjustments in Derivatives Financial Instruments	(63.09)	(72.16)
b) Recognition of Cash Flow Hedge Reserve	(9.91)	(114.74)
c) Change in share of profit and Investments in Associate due to impact of transition to IND AS	126.27	18.96
<b>Equity as per Ind AS</b>	<b>25,581.04</b>	<b>20,741.84</b>

#### b. Total Comprehensive Income Reconciliation

Particulars	Rs In Lakhs	
	For the Year ended March 31, 2017	
Net Profit as per Previous IGAAP (after Merger of ASCL)		5,100.23
Add / (Less) : Adjustments on transition to Ind AS		
i) Remeasurment gains / (losses) on defined benefit plans	(97.54)	
ii) Share of OCI in Associate Company	6.61	
iii) Deferred gains /(losses) on cash flow hedges	(3.05)	
iv) Tax impact on above adjustments	(34.83)	
v) Change in share of profit in Associate due to impact of transition to IND AS	22.47	
<b>Adjustments (Total)</b>		<b>(106.34)</b>
<b>Net profit as per Ind AS</b>		<b>4,993.89</b>
Other Comprehensive Income as per Ind AS		(128.81)
<b>Total Comprehensive Income as per Ind AS</b>		<b>5,122.70</b>

**Notes:**

- The Company has recognized actuarial losses of Rs 97.54 Lakhs and actuarial gains of Associate Company - Rs 6.61 lakhs before tax on re-measurement of post-employment defined benefits in Other Comprehensive Income.
- The Company has recognized loss of Rs 3.05 Lakhs arising due to deferred losses on cash flow hedge in Other Comprehensive Income.
- The Company has recognized Tax of Rs 34.83 lakhs impact on above Other Comprehensive Income.
- The Associate Company has recognized effect of changes due to transition to IND AS and the Company's share is Rs 22.47 lakhs.
- Disclosure by way of Additional information as required for the preparation of Consolidated Financial Statements under Schedule III to the Companies Act, 2013 :

Rs In Lakhs

Particulars	Net Assets (Total Assets minus Total Liabilities)		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Rs in lakhs	As % of Consolidated Profit or Loss	Rs in lakhs
<b>Parent Company:</b>	96.30%	30,902.16	96.93%	6,544.75
Alkyl Amines Chemicals Limited	(96.24%)	(25,581.04)	(97.11%)	(5,122.70)
<b>Indian Subsidiary Company:</b>				
Alkyl Speciality Chemicals Limited	-	-	-	-
<b>Indian Associate Company:</b>				
Diamines Chemicals Limited	3.70%	1,186.81	3.07%	207.26
	(3.85%)	(1,024.49)	(2.89%)	(152.78)
<b>Current Year Total</b>	<b>100.00%</b>	<b>32,088.97</b>	<b>100.00%</b>	<b>6,752.01</b>
<b>Previous Year Total</b>	100.00%	(26,605.53)	100.00%	5,275.48
<b>Minority interest in the Subsidiary</b>				
<b>Current Year Total</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>
Previous Year Total	NIL	NIL	NIL	NIL

- Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation. Figures in brackets, unless specified, represent previous year's figures.

As per our Report attached

For and on behalf of the Board of Directors

For **N. M. RAIJI & CO.**  
Chartered Accountants  
Firm Registration No. 108296W

**VINAY D. BALSE**  
Partner  
Membership No. 39434  
**Place : MUMBAI**  
**Dated : MAY 18, 2018**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**RAHUL MEHTA**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**KIRAT PATEL**  
Executive Director

**Place : MUMBAI**  
**Dated : MAY 18, 2018**

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Alkyl Amines Chemicals Limited



**Regd. Office :** 401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, Vashi, Navi Mumbai 400 703  
**CIN :** L99999MH1979PLC021796 **Tel. No.:** 022-67946600 **Fax No.:** 022-67946666  
**E-mail:** [legal@alkylamines.com](mailto:legal@alkylamines.com) **Website:** [www.alkylamines.com](http://www.alkylamines.com)

Name & Registered Address  
of the sole / first named member :

Name of Joint Holder(s) :

Registered Folio No. /  
DP ID No. / Client ID No. :

Number of share(s) held :

Dear member,

**Subject : Process and manner for availing E-voting facility**

Please find enclosed the Notice convening the 38th Annual General Meeting (AGM) of ALKYL AMINES CHEMICALS LIMITED (the 'Company') to be held on Tuesday, July 31, 2018 at 2.30 P.M. and the Annual Report for the Financial year 2017-18.

The Company is offering remote e-voting facility to its Members enabling them to cast their votes electronically. The Company has appointed National Securities Depository Limited ('NSDL') for facilitating remote e-voting facility to enable the Members to cast their votes electronically pursuant to section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In this regard, please find below USER ID and Password for remote e-voting:

EVEN (E-voting Event Number)	User ID	Password

Please read the instructions and detailed process and manner of e-voting printed overleaf before exercising the vote.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on July 31, 2018.

## INSTRUCTIONS AND PROCESS FOR E-VOTING

The details of the process and manner of remote e-voting are as below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company, which is **108517**.
4. Now you are ready for e-Voting as the Voting page opens
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [acs.pmehta@gmail.com](mailto:acs.pmehta@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](https://www.evoting.nsdl.com/) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Other instructions:

- i. In case a person has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. Tuesday, July 24, 2018, they may write to the NSDL on the email ID [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) requesting for the User ID and Password. After receipt of the above credentials, please follow all the above instructions to cast your vote.
- ii. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date, being Tuesday, July 24, 2018. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- iii. Mr. Prashant S. Mehta, Practising Company Secretary (Membership No. A5814) (C.O.P. No. 17341), has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- v. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting, 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 will make not later than 48 hours from the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him who shall countersign the same. The Chairman or the person authorised by him in writing will declare the result of voting forthwith.
- vi. The Results on resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
- vii. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company ([www.alkylamines.com](http://www.alkylamines.com)) and on NSDL's website and the same will be communicated to the BSE Limited and the National Stock Exchange of India Limited within 48 hours from the conclusion of the AGM.



Alkyl Amines Chemicals Limited



Regd. Office : 401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, Vashi, Navi Mumbai 400 703

CIN : L99999MH1979PLC021796 Tel. No.: 022-67946600 Fax No.: 022-67946666

E-mail: [legal@alkylamines.com](mailto:legal@alkylamines.com) Website: [www.alkylamines.com](http://www.alkylamines.com)

### **ATTENDANCE SLIP**

Folio No.:	DP ID :
Client ID No.:	No. of shares held :

I/We record my/our presence at the 38th Annual General Meeting to be held on Tuesday, July 31, 2018 at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 at 2.30 P.M.

**Name of the Shareholder / Proxy (In Block Letters) :**

**Signature of the Shareholder / Proxy :**

**NOTE:**

1. You are requested to sign and handover this slip at the entrance of the meeting venue.
2. Members are requested to bring their copy of Annual Report for reference at the Meeting.



Alkyl Amines Chemicals Limited



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CIN : L99999MH1979PLC021796 Tel. No.: 022-67946600 Fax No.: 022-67946666  
E-mail: [legal@alkylamines.com](mailto:legal@alkylamines.com) Website: [www.alkylamines.com](http://www.alkylamines.com)

**Form No. MGT-11**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L99999MH1979PLC021796
Name of the Company	ALKYL AMINES CHEMICALS LIMITED
Registered Office	401-407, Nirman Vyapar Kendra, Plot No. 10, Sector 17, Vashi, Navi Mumbai 400 703
Name of the member(s)	
Registered Address	
E-mail ID	
Folio No./ Client ID	

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

Name .....

Address .....

E-mail ID ..... Signature .....

or failing him / her

Name .....

Address .....

E-mail ID ..... Signature .....

or failing him / her

Name .....

Address .....

E-mail ID ..... Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting to be held on Tuesday, July 31, 2018 at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 at 2.30 pm and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
Ordinary Business		For	Against
1	Adoption of Financial Statements for the year ended March 31, 2018		
2	Declaration of dividend		
3	Re-appointment of Mr. Suneet Kothari, who retires by rotation		
4	Appointment of Statutory Auditors and fixing their remuneration		
Special Business			
5	Re-appointment of Cost Auditors and fixing their remuneration		
6	Fees for serving documents on members		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix  
Re. 1/-  
Revenue  
Stamp

**Note:**

**This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

\*It is optional to put a (√) in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he /she thinks appropriate.



To,

**Sharex Dynamic (India) Pvt. Limited**

Unit No. 1, Luthra Ind. Premises,  
 Andheri Kurla Road, Safed Pool,  
 Andheri (E), Mumbai - 400 072

**FORM FOR ECS / NACH MANDATE / BANK MANDATE**

(Not to be filled by Shareholders holding shares in dematerialised form)

I / We,.....do hereby authorise Alkyl Amines Chemicals Limited to -

- Credit my dividend amount directly to my Bank Account as per details furnished below by Electronic Clearing Service (ECS) - ECS Mandate / National Automated Clearing House (NACH) Mandate\*
- Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me - Bank Mandate\*

(\* Strike out whichever is not applicable)

**Folio No.....**

A.	Bank Name											
B.	Branch											
C.	Bank Address											
D.	Bank Account Number											
E.	Account Type (Savings / Current)											
F.	9 Digit Code number of the bank & branch as appearing on the MICR cheque (for ECS Mandate only) <b>Please attach photocopy of the cheque</b>	<table border="1" style="display: inline-table; vertical-align: middle;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table>										
G.	STD code & telephone number of shareholder (optional)											

I / We shall not hold the Company responsible if the ECS mandate could not be implemented for reasons beyond the control of the Company.

\_\_\_\_\_  
 Signature of shareholder(s)  
 (as per specimen lodged with the Company)

## CORPORATE SOCIAL RESPONSIBILITY INITIATIVES



Reforestation in Girim Village and MIDC Area (Kurkumbh)



Enhancing medical facilities  
at Civil Hospital, Daund

सोनोग्राफी सेंटर  
डॉ.सौ. सुनिता कटारिया  
वार - मंगळवार  
वेळ - दु. ०२.०० ते ०४.००

### CSR Initiatives on the front cover (Clockwise)

- 1) Sports Tournament at Patalganga
- 2) Bicycle distribution to school children at Patalganga
- 3) & 6) Tree plantation at Patalganga
- 4) De-silting at Roti Lake
- 5) Streetlight at Dahej



Padma Vibhushan Prof. M. M. Sharma at the inauguration of the Methylamines plant at Dahej



Methylamines Plant at Dahej