SHREE PUSHKAR CHEMICALS & FERTILISERS LTD.
CIN: L24100MH1993PLC071376
(A Government of India Recoginsed Export House)
An ISO 9001:2008 & 14001:2004 Certified Company
Office No. 301/302, 3rd Floor, Atlanta Center, Near Udyog Bhavan,
Sonawala Road, Goregaon (East), Mumbai - 400063, India.
Tel.: + 91 22 4270 2525 • Fax: + 91 22 2850 4242
emal: info@shreepushkar.com. Website: www.shreepushkar.com

Date: 31st August, 2019.

To,

National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051.

BSE Limited,
P. J. Towers, Dalal Street,
Mumbai - 400 001.

Respected Sir/ Madam,

Subject: Submission of Annual Report for the financial year 2018-19

Ref : Shree Pushkar Chemicals & Fertilisers Limited
Scrip Code: 539334 Scrip Id: SHREEPUSHK

With reference to above captioned subject matter and pursuant to Reg.34 of SEBI (Listing obligation and Disclosure Requirements), Regulations, 2015, we would like to submit you that our Annual Report for the financial year 2018-19 is attached herewith for your reference purpose.

Kindly acknowledge the receipt, and please take the same on record.

Thanking you.

On behalf of the Board of Directors of;
For Shree Pushkar Chemicals & Fertilisers Limited,

Shree Pushkar Chemicals & Fertilisers Ltd.

Satish Chavan
Company Secretary
M. No: A 40764

Place: Mumbai

AGSI CERTIFICATION

SHREE PUSHKAR
CHEMICALS & FERTILISERS LTD.

26th ANNUAL REPORT 2018-19

DYECOL
CHEMISTRY BEHIND COLORS

CIN: L24100MH1993PLC071376

CONTENTS

ANNUAL GENERAL MEETING

Date: 23rd September, 2019 at 3.00 p.m.
Venue: Brijwasi Palace Hall, Brijwasi Estate, Sonawala Road, Goregaon (East), Mumbai-40063

The Annual Report copy will be available on Company's website address at http://shreepushkar.com/investor-center/ to download and for information purpose.

CORPORATE INFORMATION

CIN: L24100MH1993PLC071376

BOARD OF DIRECTORS

Mr. Punit Makharia- Chairman & Managing Director
Mr. Gautam Makharia- Joint Managing Director
Mr. Nirmal Kedia – Independent Director (Appointed w.e.f. 7th August, 2018)
Mr. Ramakant Nayak – Independent Director
Mr. Dinesh Modi – Independent Director
Mr. Satpal Kumar Arora – Independent Director (Appointed w.e.f. 5th November, 2018)
Mrs. Ranjana Makharia- Non-Executive Director

CHIEF FINANCIAL OFFICER
CA Ratan Jha
(Upto 19th June, 2019)

CHIEF FINANCIAL OFFICER
CA Deepak Beriwala
(Joined w.e.f. 3rd June, 2019)

COMPANY SECRETARY
CS Satish Chavan

INTERNAL AUDITOR
M/s. AIMV & Associates
(Upto 1st April, 2019)

INTERNAL AUDITOR
PKT & CO.
(Joined w.e.f. 1st April, 2019)

STATUTORY AUDITORS
M/s. S K Patodia & Associates
Chartered Accountants

COST AUDITOR
Mr. Dilip Bathija
Cost Accountant

SECRETARIAL AUDITOR
M/s. DSM & Associates,
Company Secretaries

REGISTERED OFFICE:
301-302, 3rd Floor, Atlanta Center,
Near Udyog Bhavan Sonawala Road,
Goregaon East, Mumbai-400063
Tel: 022-42702525.

BANKERS:
1. State Bank of India
2. Axis Bank Ltd.
3. IDBI Bank Ltd.

FACTORY
Unit No.

I *B-102/103, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.*

II *D-25 MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.*

III *B-97, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.*

IV *D-18 MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.*

REGISTRARS & TRANSFER AGENTS
Bigshare Services Pvt. Ltd.

1st floor, Bharat Tin Works Building,
Opp. Vasant Oasis Apartments,
(Next To Keys Hotel),
Marol Maroshi Road,
Andheri East, Mumbai – 400059
Tel : 91-22-62638200.
E-mail: investor@bigshareonline.com

From the Chairman's Desk ...

Dear Shareholders,

It gives me great pleasure to welcome you all to the 26th Annual General Meeting of Shree Pushkar Chemicals & Fertilisers Limited. I would like to thank you for sparing your valuable time to be with us today, and for your continued faith in the Company. I am greatly honoured by the trust and confidence reposed in our company and our Board by you all.

Shree Pushkar's financial performance during FY19 has been presented in comprehensive detail in the Annual Report that is already in your hands. What is heartening is the fact that inspite of all odds, we have still continued to maintain a steady growth which has been an assimilation of the performance across all our product verticals as also our subsidiary 'Kisan Phosphates Pvt. Ltd.'

The most important aspect that I wish to highlight is the determination and commitment which our Executive Management displayed throughout the year. A special emphasis needs to be made here is the conservation of the fund at our disposal, resorting to minimal borrowing inspite of a fairly good availability of working Capital facilities from our Bankers. This has also been a hallmark for Shree Pushkar, and we take pride in the same.

During the year, Shree Pushkar further strengthened its branding with our existing tagline of ***'Zero Waste'***, with the addition of ***'Dyecol – the chemistry behind colors'*** which highlights the credential of the Company in terms of its business model on the one part and the quality-control of our products in terms of accreditation of ***Bluesign*** as a system partner, ZDHC Contributor, & GOTS – ***The Global Organic Textile Standard.*** Your company thus enjoys the trust with its valued customers, bankers, shareholders, business associates and vendors alike. It is indeed this 'Trust' that we strive for, which the Company has diligently built over the last 2 decades with all its stakeholders culminating to 'The Shree Pushkar' what it is today.

All this have been achieved on the backdrop of a global economic slowdown. The prevailing economic scenario has brought about an atmosphere of uncertainty, touching all major global economies. The international political scenario has been gloomy with the heightening trade war between the two largest economies, affecting the entire world. The hanging BREXIT, the unrest in Hong Kong, the emerging trade war between Japan & South Korea, the slowdown of the economy in Germany & Italy, all this have kept all the major economies affected, leading to a shrinking consumer demand globally.

Back home, we have been witnessing flight of capital by Foreign Investors, affecting our stock markets very badly, leading to a continues fall in stock prices across industries over the last nearly a year.

Inspite of all these odds, if you view the operational performance of the year, you will observe that the performance has been quite satisfactory. The product volumes in the Dyes and Intermediates verticals have registered a significant growth. As you are aware that in addition to the marketing of generic dyes, we had introduced last year our own brand under the name of "DYECOL", the brand has received a good response from the market and we are not only marketing the product in the domestic market but also have good response from countries like Switzerland, Austria, Bangladesh, Singapore, Korea, Taiwan, etc were we are exporting our products regularly, resulting in increased exports which has gone up around 3 folds to Rs.91.54 Crs at 20.26% of the overall sales when compared to Rs. 31.52 Crs at 7.97% of the sales during the preceding year. The production levels of Intermediates, though not apparent on the surface, has had a good growth clocking an average utilisations of over 90%, and after meeting the increased captive consumption for the manufacture of dyes it has registered fair growth in sales volumes along with better price realizations.

The performance of the fertilisers division was subdued mainly on account of erratic rains in certain parts of the state which witnessed low to scanty rains, resulting in unsatisfactory performance on a stand-alone basis. We could however substantially mitigate the same on account of better price realizations, and our satisfactory sales in Northern India through our subsidiary namely Kisan Phosphates.

On the whole the overall performance on a consolidated basis has been fair achieving a growth in the range of 13% as compared to the preceding year.

I have pleasure in announcing that the 100 TPD Sulphuric Acid plant in Kisan Phosphates along with the 750 KW captive power plant has been commissioned in March 2019 and is operating satisfactorily. This addition would help us in a big way in improving the top as well as bottom lines of the company in the coming years.

I also take pleasure in announcing the following expansions totally estimated at Rs. 118.00 Crs.

1. Our move for acquiring one more SSP plant in MP through NCLT under the IBC code. The plant has an installed capacity of 1,50,000 MTA. We have been adjudged the highest bidder and our offer has also been accepted by the Committee of Creditors (CoC) and we are awaiting the final orders of the NCLT which is expected shortly. With this acquisition, we would be in a position to cover up a major portion of the belt starting from UP, Himachal, Haryana and Rajasthan in the North through MP, Chhattisgarh, parts of Eastern Gujrat, in central India, reaching up to Goa and Karnataka in the south. This would make our presence quite significant in the Fertiliser market of the country with an installed capacity of 3,50,000 MTA of SSP along with our auxiliary products of "Dharti Ratan" & "Pashu Ahar". Thus with our original entry in the fertiliser division with SSP way back in 2012, with the basic intention of utilising our spent acid, the division has now become a full-fledged Product vertical, which in the years to come would contribute over 20% to our top line. The total investment in the Company is estimated at Rs. 28.20 Crs to be met through internal accruals.

2. Another small but equally significant move is our project of getting into Non-Conventional Energy namely into solar power exclusively to meet our captive needs through "Open Access scheme" of the government. The Capital Cost is estimated at Rs. 10.00 crs, to be met through internal accruals.

   As you might be aware that we have been spending sizably towards electrical power, which accounts for nearly 5% of our manufacturing expenses. At our unit-1 we on an average are spending about Rs. 10.0 Crs towards power bill per annum, and the power tariff is as high as Rs. 9.75 per unit consumption. While with the solar generation the operational cost per unit would be as low as Rs. 2.00, thus effecting a saving of Rs. 7.75 per unit of generation.

3. We have also taken up revamping of our unit-1, which is the oldest unit in our stable, and needs revamping of some of the old plants which are 15 to 20 years old. The estimated cost for the same is estimated at Rs. 5.0Crs.

4. As regards the implementation of the expansion by way of our 5th unit at the estimated cost of Rs. 75Crs, we have had an overall delay in the implementation of our project by about 6 to 8 months due to change in the classification of the MIDC Ind. Area at Add. Lote from Chemical to Non-Chemical zone. We were therefore forced to shift our expansion of unit-5 to a recently acquired additional Plot bearing No. D-10 in MIDC Lote. We have therefore surrendered the earlier allotted plot at B-29, Add. Lote MIDC and in its place have been allotted a new plot in MIDC Lote, which is now being kept for our future expansion. Though at the face of it, this may appear to be a setback with regard to the time lost, however it has its own silver lining in as much as we are no longer resorting to the issue of Convertible warrants as was originally proposed but are now meeting the entire cost of through internal accruals, leading to non-dilution of equity, resulting in higher EPS and valuation to existing shareholders. Further the availability of infrastructure like power & Water at our new plot site at D-10 MIDC Lote would be much easier, besides the fact that in view of the overall slowdown in the economy, we have gained sufficient time to plan our expansions in a timely manner. On the whole I may say, Shree Pushkar today is now better placed for the expansion than earlier.

I also take the pleasure of announcing that your Board of Directors has recommended a dividend payout of 15% amounting to Rs. 1.50 per share for the FY 2018-19.

I once again thank you for your support and I sincerely look forward to your continued support in the future as well. I also express my heartfelt thanks to my colleagues and team at Shree Pushkar without whose active support; it would not have been possible to reach the current stage.

Thank You,

Punit Makharia
Chairman & Managing Director.

Brief Profile of our Board Of Directors and Key Managerial Personnel:

Mr. Punit Makharia,

(Chairman & Managing Director)

Aged 48 years, a resident Indian national, is the Chairman and Managing Director of our Company. He is one of the Promoters of our Company and has been a Director in our Company since its incorporation. He holds a Bachelor's degree in Commerce from Mumbai University. He has more than two decades of experience in the chemical industry and specialises in the sector of dyes, dye intermediates and fertilizers. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.

Mr. Gautam Makharia,

(Joint Managing Director)

Aged 45 years, a resident Indian national, is the Joint Managing Director of our Company. He is one of the Promoters of our Company and has been a Director in our Company since its incorporation. He holds a Bachelor's degree in Electronics and Telecommunications from Mumbai University and Master's degree in Business Administration from Manchester Business School, University of Manchester, United Kingdom. He has more than 16 years of experience in the chemical industry and specialises in the sector of dyes, dye intermediates and fertilizers. He is responsible for the production and quality control maintained by our Company at our manufacturing facilities situated in Lote Parshuram, Ratnagiri, Maharashtra. He also assists in formulation of corporate policy and strategies for our Company.

Mr. Ramakant Nayak,

(Independent Director)

Aged 74 years, a resident Indian national, is a Non-Executive and Independent Director on the Board of our Company. He holds a Bachelor's degree in Science from Karnataka University, a Bachelor's degree in Law from University of Mumbai and a Diploma in Marketing and Advertising from Rajendra Prasad College of Mass Communications & Media. He is an associate member of The Indian Institute of Bankers. He has more than four decades of experience in the financial services industry particularly commercial banking, manufacturing industry and realty industry.

Mr. Dinesh Modi,

(Independent Director)

Aged 68 years, is a Non-Executive and Independent Director on the Board of our Company. He holds a Bachelor's degree in Commerce from University of Bombay. He is also a law graduate from University of Bombay. He is a fellow member of the Institute of Company Secretaries of India. He has about four decades of experience in the field of corporate compliance and secretarial practice.

Mr. Satpal Kumar Arora

(Independent Director, Joined w.e.f. 5th November, 2018)

Aged 60 years, is a Non-Executive and Independent Director on the Board of our Company. He holds CAIIB (Both Parts) Indian Institute of Bankers along with he has also completed M.com CS, CMA, LLB, Insolvency Professional etc. He is Managing Committee Member of PHD Chamber Of Commerce. He has about 35 years of experience in the field of corporate industry as a Director, Company Secretary, Headed Internal Audit, Corporate Advisory Department and Vigilance Department, Project financing, loan restructuring etc. also handled BIFR cases and litigation matters.

Mr. Nirmal Kedia,

(Independent Director)

Aged 49 years, a resident Indian national, is a Non-Executive and Independent Director on the Board of our Company. He holds a Bachelor's degree in Commerce from University of Bombay. He has more than two decades of experience in the field of Management, Finance, chemicals, Castings, Engineering, Construction and Software Industry.

Mrs. Ranjana Makharia

(Non Executive Director)

Aged 46 Years, resident Indian national and she is Non-Executive Women Director on the Board of our Company. She is one of promoters of the Company and has joined our Company on 10th February, 2017 as Women Director. She holds Bachelor Degree in Arts (Economics) from Mumbai University. She also has an advance degree in practicing Emotional freedom technique (EFT) and is a certified Clinical Hypnotherapist. She is a very good CSR activist in the field of Education and EFT to below poverty lines since last 15 years and will be assets to the Company in the field of human resources purpose.

Mr. Soumendra Nath Sengupta,

(Associate Director)

Aged 74 years is Associate Director - (Corporate Planning, Financial Planning, Project Implementation) of our Company. He holds a Bachelor's degree in Science from University of Bombay. He has also done Post Graduation Diploma Course in Business Management from Marathwada University. He is an Associate Member of the Indian Institute of Chemical Engineers since 1986. He has an experience of around 34 years in project financing and techno economic feasibility studies of industrial projects, and has also played a major role in setting up a merchant banking division in Maharashtra State Financial Corporation. He joined our Company as an Associate Director on August 1, 2007. Prior to joining our Company, he was working with Maharashtra State Financial Corporation and held various senior positions in the organizations like Regional Manager and also officiated as Zonal Manager and Chief of technical wing until his retirement from MSFC.

Dr. N. N. Mahapatra,

(Business Head – Dyes, Joined w.e.f. 1st August, 2018)

Aged, 60 years is the Business Head (Dyes) of Our Company. Dr. Mahapatra is a B.Sc (Tech) in Textile Chemistry from UDCT, (now ICT) Mumbai. He also holds M.Sc and Doctorate in Applied Chemistry from Utkal University, Orissa. He did his M.B.A from I.M.M, Kolkata. He joined our Company on 1st August, 2018 as Business Head (Dyes). Dr. Mahapatra is having 35 years of experience in textile industries in India and abroad. He has worked in all big textile houses like Birla's (Both Aditya Birla and KK Birla group), Reliance Industries Ltd, Raymond (Kenya) Churchgate Group (Nigeria) etc. in various senior capacities.

Mr.Ratan Jha,

(Chief Financial Officer, Upto 19th June, 2019)

Aged 34 years is the Chief Financial Officer of our Company. He holds a master's degree in commerce from University of Mumbai. He is also a qualified Chartered Accountant. He joined our Company on April 10, 2012 as Chief Accountant. He was reappointed as Chief Financial Officer of our Company on June 20, 2013. He has an experience of 8 years in accountancy and taxation. Prior to joining our Company, he was working with one of the reputed Merchant Bankers in Mumbai, where he gained experience in various corporate and strategic business activities along with handling his core domain of accounts, audit and assurance.

Mr. Deepak Beriwala,

(Chief Financial Officer, Joined w.e.f. 3rd June, 2019)

Aged 31 years is the Chief Financial Officer of our Company. He holds a bachelor's degree in commerce from University of Rajasthan. He is a qualified Chartered Accountant and Company Secretary. He joined our Company on June 03, 2019 as Chief Financial Officer. He has an experience of more than 6 years in finance, accountancy and taxation. Prior to joining our Company, he was working with one of the reputed Shipping industry in Mumbai, where he gained experience in various corporate and strategic business activities along with handling his core domain of accounts, audit and assurance

Mr. Satish Chavan,

(Company Secretary)

Aged 31 years is the Company Secretary and Compliance Officer of our Company. He holds a Bachelor's degree in Commerce from Shivaji University, Kolhapur. He has also obtained Bachelor's degree in Law from Pune University. He is a qualified Company Secretary. He has joined our Company on June 6th, 2016. He has an experience of more than 5 years in corporate compliance and secretarial matters. Prior to joining our Company, he has served as Company Secretary in a listed Company and has held senior positions in various reputed organizations.

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

To,

The Members,

Shree Pushkar Chemicals & Fertilisers Limited

Your Directors have pleasure of presenting the 26th Annual Report of your Company along with the Audited Accounts of the Company for the financial year ended 31st March, 2019. The Management Discussion and Analysis is also included in this report.

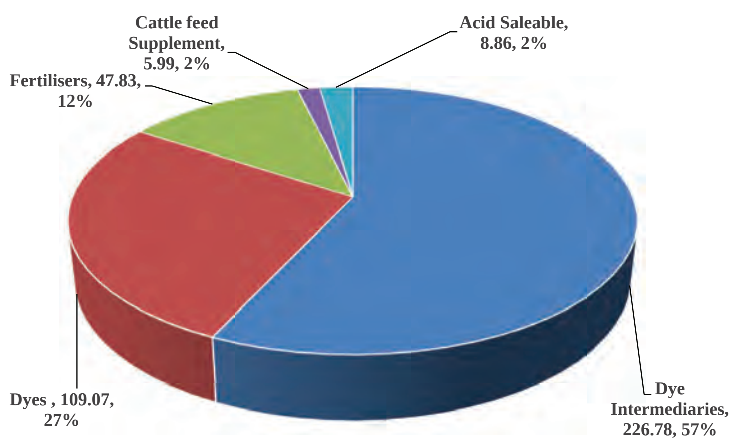
1. **SUMMARY OF FINANCIAL RESULTS:**

The Company's financial performance, for the year ended 31st March, 2019 is summarized below:

(Rupees in Lacs)

PARTICULARS	YEAR ENDED 31/03/2019 Consolidated	YEAR ENDED 31/03/2019 Standalone	YEAR ENDED 31/03/2018 Consolidated	YEAR ENDED 31/03/2018 Standalone
Total Revenue	45433.85	40261.60	39,707.58	37,194.25
Profit Before Interest, Depreciation & Tax	6952.36	6092.06	6,287.61	5,885.35
Depreciation for the year	996.17	821.44	779.50	691.20
Interest Cost	371.38	200.94	285.93	228.02
Profit Before Taxation	**5584.81**	**5069.68**	**5,222.18**	**4,966.13**
Provision for Income Tax	905.96	799.91	(1,355.93)	(1,290.00)
Provision for Deferred Tax	592.96	623.23	(220.62)	(359.08)
MAT Credit Entitlement availed	-	-	9.73	-
Profit After Taxation	**4085.89**	**3,646.54**	**3,655.36**	**3,317.05**
Add: Profit Brought Forward from Previous Year	13,710.91	13,372.60	10,601.12	10,601.12
Less: Dividend Including Dividend Distribution Tax	-	-	(545.57)	(545.57)
Balance carried to Balance Sheet	**17,796.80**	**17,019.14**	**13,710.91**	**13,372.60**
RATIOS:				
(i) Debtors Turnover (Times)	4.62	4.5	4.62	4.7
(ii) Inventory Turnover (Times)	7.29	11.4	4.82	5.9
(iii) Interest Coverage Ratio	24.30	30.45	16.95	25.93
(iv) Current Ratio	2.21	3.03	1.56	1.82
(v) Debt Equity Ratio	0.03	0	0.01	0
(vi) Operating Profit Margin (%)	12.3%	12.7%	13.2%	13.4%
(vii) Net Profit Margin (%)	9.0%	9.1%	9.2%	9.0%

2. **OPERATION OF COMPANY AND SUBSIDIARY COMPANY:**



2018-19 SALES ACROSS VERTICALS (Rs. Crs.) Standalone

During the year under review, the Consolidated Revenue from operations of your company has been at Rs. 45,433.85 Lacs recording a growth of 14.4% from last year's revenue of Rs. 39,707.58 Lacs. It may be recalled that the takeover of M/s Kisan Phosphate Pvt. Ltd. (KPPL) has been in mid-October 2017, and the FY2018-19 has been the first full year of operation for KPPL under the new management. The Sales contribution of KPPL has been commendable at Rs.5,726.27 Lacs, all products being sold under "Shree Pushkar" Brand. Further with the commissioning of the Sulphuric Acid plant in March 2019, the contribution from KPPL in the coming years would be substantially more.

As regards the standalone performance of your company the gross receipts have been at Rs.40,261.60 Lacs recording a growth of 8.25 % over the preceding year. The exports during the year have been at Rs.9,154.00 Lacs, as against

Rs. 3,152.00 lacs in the preceding year, an increase of 290%, which has mainly been on account of exports of Dyes and Intermediates. Considering our current imports, in terms of Rock Phosphate and other chemicals amounting to Rs.30.02 Crs, our gross exports are much higher to our imports, we have thus achieved the distinction of being a net Exporter.

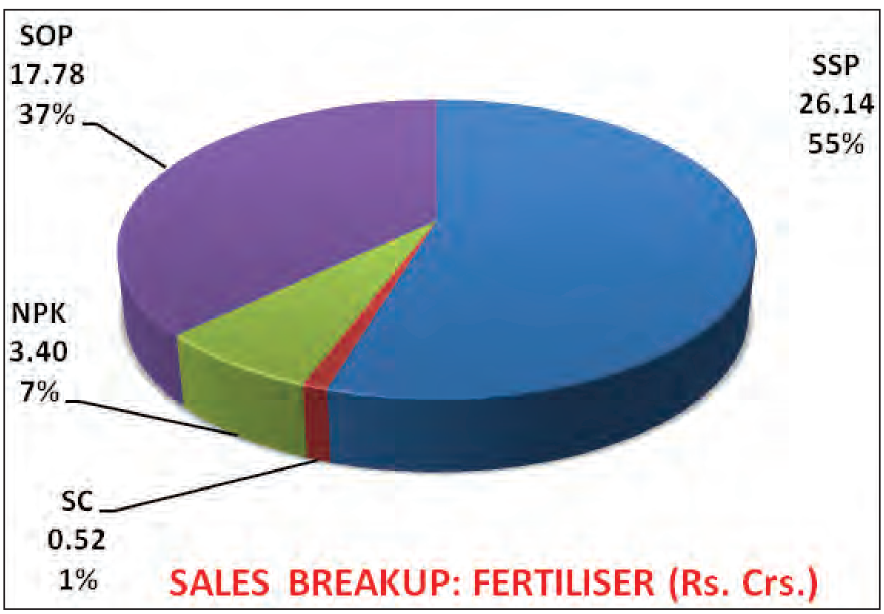
The overall growth in sales during FY 2018-19 over that of the preceding year has been marginal. The sales in the Dyes & Intermediate divisions in value terms have recorded an increase of around 11.5% though in terms of volume there has not been any significant increase, indicating a better price realisationin these divisions.

The Dye-intermediate division had a fairly good growth in production volumes clocking around 96% capacity utilisation, however in view of the increased captive consumption for manufacture of Dyes; the saleable volumes have been comparatively low. Further, on account of improvement in the prices of intermediates during the year, the Revenue realisation from intermediates has improved by about 13.2%.

The segment wise sales across the 5 product verticals as compared to the preceding year have been as under:

	2018-19		**2017-18**		**Growth**		**% share of Revenue**
Division	**Qty MT**	**Rs. Crs.**	**Qty MT**	**Rs. Crs.**	**Volume**	**Revenue**	
Dye Intermediates	6,433.00	**226.78**	6,569.00	200.31	-2%	13%	57%
Dyes	3,672.00	**109.07**	3,424.00	101.15	7%	8%	27%
Fertilisers	33,436.00	**47.83**	55,063.00	54.05	-39%	-12%	12%
Cattle Feed	2,070.00	**5.99**	2,340.00	6.09	-12%	-2%	2%
Acid (Saleable)	8,085.00	8.86	14,221.00	7.74	-43%	14%	2%
		398.53		369.34			100%

From the aforesaid it can be observed that the Dye-Intermediates and the Dyes Divisions both have recorded a fair growth in terms of revenue. The average price realisations have also recorded improvement in both these verticals. As regards the decline in Volume of Dye-Intermediates the same is on account of captive consumption for manufacture ofDyes. As such the overall capacity utilisation of Dye-Intermediates has been around 96%.



With regard to the Fertiliser division, the overall sales of fertiliser during the year under reference was subdued mainly on account of erratic rains in certain parts of the state.. The Sales of fertiliser of your company on a standalone basis has been at 41,702 MT which is about 28% of the overall installed capacity. We could however partially mitigatethe same on account of better price realisations.

The individual sales of the products have been as under:

Item	Capacity	Production 2018-19		Utilisation
		Qty MT	**Rs. Crs.**	
SSP	**100,000**	33,437	26.14	33%
SC	**12,000**	811	0.52	7%
NPK	**18,000**	2,105	3.40	12%
SOP	**20,000**	5,349	17.78	27%
Total	**150,000**	**41,702**	**47.84**	**28%**

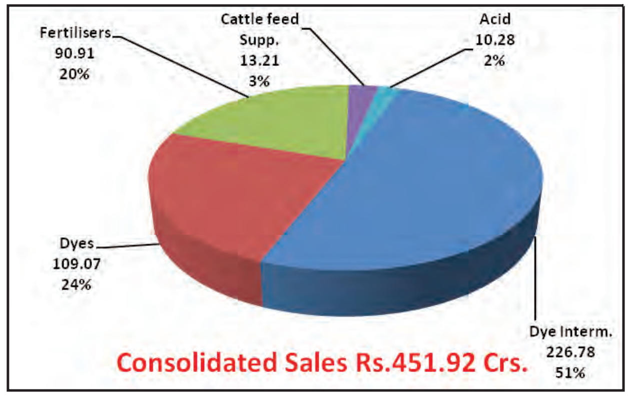
As regards the cattle feed division which is used only to the extent of utilising the spent acid generations from the Dye-intermediates division, it has achieved a sales of 2070 MT at a capacity utilisation of 46%,

Finally with regard to the Acid division, in view of the increase in captiveconsumption on account of better capacity utilisation of the Dye-Intermediate divisions, there has been a corresponding reduction in sales volume of acid, though the overall capacity utilisation remained At around 90%.

The Sale of fertiliser in KPPL has however been commendable recording a sale of Rs.55.02 Crs in Fertilisers, clocking an average utilisation of 50% in its fertiliser Division.

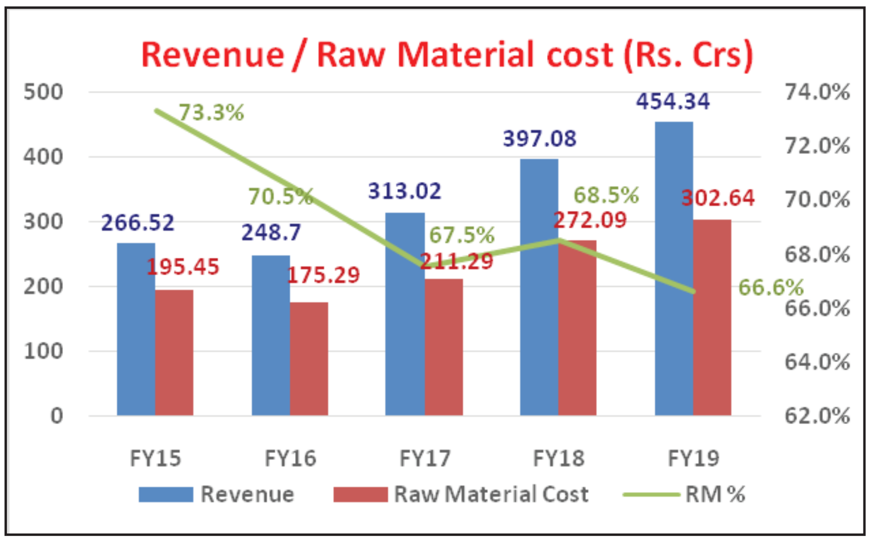
In addition a further quantity of 2537 MT of DCP was sold in KPPL at a sale value of Rs.7.23 Crs.

The consolidated Overall sale across verticals has been shown herein:



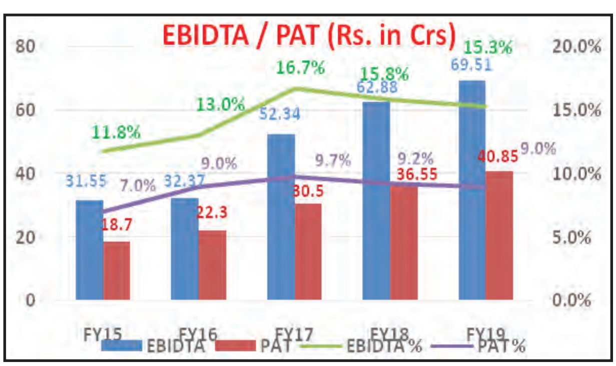
3. **OPERATIONAL PERFORMANCE DURING THE LAST 5 YEARS.**

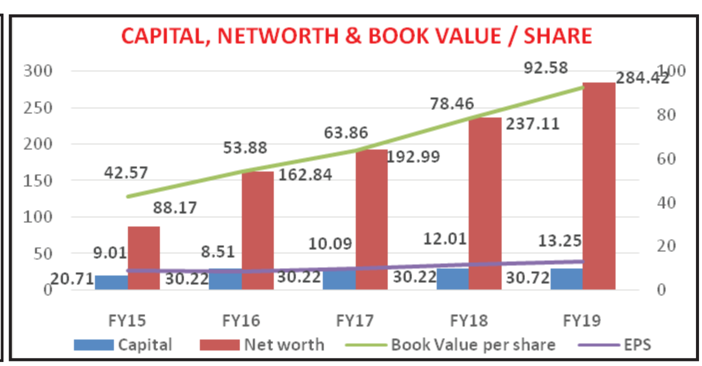
Viewing the trend in the operational performance, the Company has been maintaining steady progress over the years in terms of sales and profits. Over the last 5 years, the Revenue has grown at a CAGR of around 11.3% p.a. with continues efforts on improvement in process yields, better cost control by way of better inventory management, has reflected in terms of lower raw material cost which has resulted in reduction from 73.3% in FY2015 to 66.6% during FY 2019. With better operational efficiency the EBIDTA margins have also improved from 11.8% to around 15.3% in 2019. The profit After Tax has consequentially improved by 218% during the period from Rs.18.7 Crs in FY 15 to 40.85 Crs in FY19.



The improvements in the other operational parameters are as under:

The net worth of the Company grew from Rs.88.17 Crs in FY15 to Rs.284.42 Crs in FY19. The earnings per share (EPS) grew from Rs. 9.01 in FY 15 to Rs.13.25 in FY 19, recording an average growth of 47.1% during the period. The book value per share grew from Rs.42.57/ share in FY15 to Rs.92.58/ share, recording a growth of 217% over the period.





4. CURRENT EXPANSIONS AND PROJECTS IN THE PIPELINE.

The earlier expansions, funded through the IPO in respect of Dyes and Intermediates, as also establishing the 1st SOP Plant and further doubling the capacities of the Dyes plant to 6000 MTA and that of the SOP plant to the current 20,000 MTA have all been completed and are running successfully.

There has been no further expansion in capacities during FY 2018-19.

We have however, already taken up a few expansions which are to be completed and commissioned during the next 2 years between 2019-20 & 2020-21.

It may be recalled that your company had acquired a plot of land admeasuring 40,000 Sq. Mts. for the fifth unit at Add. Lote MIDC, for setting up additional manufacturing capacities for Dyes, Dye-Intermediates and other Chemicals based on Sulphur Chemistry. In this direction we had already received Consent to Establish (CTE) from the MPCB for the Inorganic Products and had also received the TOR clearance from the SEIA for the Organic Products. However in view of certain local issues, the MIDC has converted the said Industrial area into a Non-chemical zone. As a result we were forced to surrender the plot back to MIDC and have now acquired a plot admeasuring 34,408 sq. Mts. In proper Lote MIDC and are in the process of seeking a fresh, the aforesaid clearances. This has delayed the expansion plan by nearly a year. Never the less; we have already started placing orders for the bought out Machinery &Equipments as also started fabrication work of the various fabricated equipments at various vendors for the said expansion. It is now rescheduled to commission these plants one-after-another starting December 1920.

The aforesaid steps initiated for expansion would pave the way for accelerated growth in the future. We have also taken active steps in engaging well experienced executives to further strengthening our operational, marketing and administrative machinery to augment our future plans.

You may recall that after taking over KPPL in October 2017, we have been in a position to turn around the unit which today is quite a profitable venture, contributing more than 12% to the top line and around 10% to the bottom line of SPCFL earning a Return on Capital Employed (ROCE) to the extent of 17.6%.

Encouraged by the demand of SSP in Central and Northern India, we are now in the process of a further Inorganic Expansion by way of takeover of a unit through NCLT under IBC Code, engaged in the Manufacture of SSP in MP with an installed capacity of 1.50 Lakh MTA. SPCFL has been adjudged the Highest Bidder, and the matter is currently awaiting the final orders of the NCLT. The total investment in the venture is estimated at Rs.28.20 Crs (including Margin money for WC) and is estimated to contribute to the existing consolidated top line by another 15%.

With the aforesaid acquisition we shall be in a position to convert the manufacture of fertilisers into a major product vertical, catering to the need of fertiliser to a wide strip of area covering North, Central & Western India.

SPCFL also proposes to put up a solar power plant of 2.6MWp capacity under the "*Open Access Working"* scheme of MSEDCL based on the power consumption of our unit -1. Currently the power bill of unit-1 is to the tune of Rs.10.00 Crs per annum. With the aforesaid installation we shall be in a position to cut down on our power expenses to the tune of 20 to 25%.

The Total Project cost for the aforesaid 3 expansions is estimated at Rs.115.00 Crs and is proposed to be met mainly by way of internal accruals and a small Term loan of Rs.7.30 Crs from a Commercial Bank for the solar power plant project.

5. INDUSTRY STRUCTURE AND DEVELOPMENTS:

SPCFL is currently into manufacturing of Dye Intermediates and Reactive Dyes for the textile Industry, which constitutes a major portion of its production and falls under the Broad classification of Colorant Chemicals (Dyes & Pigments). The Indian colourants industry mainly constituting the manufacture of Dyes & Pigments is estimated at $5.0 bn of which nearly 2/3rd is exported. The Industry has been growing at an average rate of 15% over the last decade and caters to around 12% of the global market demand. Of the total production of Dyes nearly 70% of the dyestuff is supplied to the textile industry while leather and paper industries account for the remaining. Nearly 50% of the dyes manufactured are Reactive dyes used mainly for dying of Cellulosic Material like Cotton, linen & Hemp.

Traditionally, Europe and the western countries have been the key dye manufacturers however, over the last 2 decades developing countries started faring better than the relatively mature economies of the West, and the core of the industry shifted from the West to Asia the region enjoying low labour costs, relatively relaxed environmental norms and government subsidies, with China being the key benefactor.

Investments in China's chemicals industry have risen led by a large consumer base and favourable government policies. Easy availability of low-cost capital and labour, government subsidies and relaxed environmental norms have helped the region serve as a production base for leading global vendors. Consequently, chemical players in China invested heavily in R&D and capital investments during 2007-2017.

Capital spending in mature economies slowed down owing to factors such as stringent environmental norms, slowing domestic market demand and availability of cheaper imports.

However, of late industries in China are also slowly losing momentum, witnessing a slowdown as a result of slower economic growthand also losing ground on decreasing cost competitiveness. Major factors that have contributed to the slowdown include:

Changing global trade dynamics: Factors such as global slowdown and the US–China trade war have also impacted the production growth in China.

Stringent environmental norms: The Chinese government have started implementing stricter environmental protection norms. In 2017, an estimated 40% of the chemical manufacturing capacity in China was temporarily shut down for safety inspections, with over 80,000 manufacturing units charged and fined for breaching emission limits. China's Ministry of Environmental Protection enforced strict penalties on polluting industries, including Dyes and Intermediates. Also, the Chinese government has mandated the construction of compulsory effluent treatment plants and imposed green tax on the chemicals industry to combat pollution. As a result, the overall cost of production is likely to go up with capital expenses incurred towards effluent treatment as well rise in compliance cost.

Rising cost of labour: The labour cost in China was lower than that of India till 2007. However, over 2005-2015, the average labour cost in China increased nearly 19-20% CAGR, against 4-5% CAGR in India. In fact, over the last five years, this cost has more than doubled compared with India, rendering Chinese manufacturers' uncompetitive vis-à-vis India in terms of labour cost.

All these factors have been helping the Indian Industry to be a preferred destination for sourcing these chemicals. Besides, in view of the cheap labour availability, the growth of the Garment industry in South East Asia has created a great potential for the Colorant industry in this part of Asia, being the main factors of the Industry becoming a major Hub for sourcing global requirement for these specialty chemicals.

6. OPPORTUNITIES AND THREATS:

The dyestuff industry has been witnessing turbulent times in the past two decades. The decline of the traditional producers in the developed world, particularly in Europe, and the simultaneous ascent of new ones in Asia, particularly India and China, is arguably one of the most significant opportunities ever seen in this industry. The shift has been quite swift and followed the migration of end-user industries – notably textiles and leather – to low cost economies of Asia. And now with the changing scenario of the Industry, moving towards India, coupled with the large domestic market for the product in China itself, has rendered China's supply position dwindling and has thus opened up great vistas ushering in great opportunity for this sector in India.

With the tightening of the already prevailing stringent pollution control norms in India in the coming years, however poses need for improved economies of scale involving larger capital outlays, pose a threat to the industry, specifically to the units in the unorganized sector.

7. FUTURE OUTLOOK:

The Dyes and Dye intermediate market in India is already witnessing the effects of the stern approach of the Chinese government on the operational parameters of the Chemical Sector in China, which has positively impacted in improved market sentiments for the Indian products in terms of improved demand and prices as is being witnessed for the last couple of years. However in view of the emerging international political scenario, it is also feared that the global economy may have a negative impact in the short term view, however considering the medium to long term view, the Indian Chemical Industry is poised for a head-on start for a major growth in the coming years.

Thus with the expected shift in the demand of Dyes and Dye-intermediates from China to India and other Asian countries, the Indian market has been witnessing accelerated demand which is expected to improve in the coming years, more so with the Indian Products having an edge over those of China on account of various socio economic and environmental factors.

Credit rating: The external credit rating of your company continues at the earlier "A (+)" with "the outlook on long term rating at Stable" and "A1" on short term scale, respectively by ICRA, which has been as a result of our stable performance and financial discipline.

8. RISKS & CONCERNS:

After a steady and encouraging market position in the 1st two quarters of FY-19 the dyes and intermediate market, from the 3rd Quarter has been witnessing a steady slowdown in the demand and pricing mainly on account of global economic slow-down. Further, in the fertiliser segment the erratic monsoon conditions resulted in lower off take of fertilisers both during the Kharif and Rabi seasons in the region, added to this was the long holdup of subsidy disbursal through the newly introduced DBT & POS system. These factors have been causing financial and operational hurdles and setbacks, resulting in poor performance of the fertiliser division. This has to a certain extent mitigated through better off-take in the Northern region through our subsidiary KPPL. Never the less we will still continue with factors such as the vagaries of unpredictable Monsoons, the impact of a volatile FE market more so on account of the Global political situations, the dependence on Government policies and decisions which require long stabilization periods on their implementation, all of which ultimately impact the overall performance of the industry. These are all factors which are beyond the control of the private enterprise and would continue to be a challenge.

9. CHANGE(S) IN THE NATURE OF BUSINESS:

There are no changes in the nature of business of the Company and its subsidiary during the financial year under review.

10. DIVIDEND:

Considering the healthy profitability over the years and the satisfactory fund flow position, vis-à-vis the requirement of sizeable funds for the expansions under pipeline, the Board of Directors have recommended a dividend of 15% (Rs.1.50 per share) for the financial year 2018-19.

11. TRANSFER TO RESERVES:

During the year under review, no amount from Profit was transferred to General Reserve.

12. SHARE CAPITAL:

The paid up Equity Share Capital of the Company as on March 31, 2019, has changed during the financial year. Company has allotted 5,04,875 shares to promoter and promoter group on 10th May, 2018; thus, the paid up Equity Share capital has increased from 3021.94 lacs divided into 3,02,19,435 to Rs.3072.43 lacs divided into 3,07,24,310Equity Shares of face value Rs.10/- each.

13. DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT:

During the year there was no transfer of shares to IEPF suspense account.

14. DETAILS IN RESPECT OF ANY SCHEME OF PROVISION OF MONEY FOR PURCHASE OF OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES:

During the year under review there was no any scheme approved and initiated by the Company as required under section 67 of the Companies Act, 2013.

15. ACCEPTANCE OF DEPOSIT:

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

16. DIRECTORS:

The Board of Directors of the Company, at present, comprises of 7 Directors, who have wide and varied experience in different disciplines of corporate functioning. The present composition of the Board includes one Managing Director, one Joint Managing Director, one Non-Executive Director and Four Independent Non-Executive Directors.

The details are as below:-

Sr. No.	Name of the Director & DIN No.	Designation
1.	**Mr. Punit Makharia** DIN No. 01430764	Chairman & Managing Director
2.	**Mr. Gautam Makharia** DIN No. 01354843	Joint Managing Director
3.	**Mr. Ramakant Nayak** DIN No. 00129854	Independent Director
4.	**Mr. Nirmal Kedia** DIN No. 00050769	Independent Director
5.	**Mr. Dinesh Modi** DIN No. 00004556	Independent Director
6.	**Mr. Satpal Kumar Arora** DIN No.00061420	Independent Director
7.	**Mrs. Ranjana Makharia** DIN No. 07708602	Non – Executive Director

Mr. Punit Makharia, CMD and Mr. Gautam Makharia, JMD, are liable to retire by rotation and being eligible for re appointment, has offered themselves for re appointment. Accordingly the proposal has been included for retirement of these directors by rotation and reappointment of them, in the forthcoming annual general meeting.

The Board of Directors of the Company at their meeting held on 5th November, 2018 and based on the recommendation of Nomination and Remuneration Committee approved the appointment of Mr. Satpal Aroraas an Non-Executive Independent Director. Mr. Satpal Arora, being an additional Independent director of the Company, will hold the office upto the conclusion of forthcoming annual general meeting and if appointed at the Annual General Meeting, his appointment will be valid till 4th November, 2023. He has already signified his willingness to act as Director, if appointed and has already declared that he is not disqualified to be appointed as Director of the Company, pursuant to provisions of section 164 of the Companies Act, 2013. Hence his appointment as Independent Director of the Company has been recommended at the forthcoming annual general meeting.

17. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT:

Proposed Takeover of the Madhya Bharat Phosphates Private Limited:

During the year under review, Company has submitted bid for acquisition of 100% stake in Madhya Bharat Phosphates Pvt. Ltd, a Company registered in Bhopal, Madhya Pradesh, through National Company Law Tribunal (NCLT) under the provisions of Insolvency and Bankruptcy Code, 2016. The said proposal / bid has already been approved by the Committee of Creditors (COC), as Constituted by NCLT, for an offer price of Rs.19.02/-Crore and the proposal is under final consideration before NCLT. Accordingly, the Board of Directors in their meeting held on 7th February, 2019 has already passed a resolution for maximum investment to the extent of Rs. 30 crore for the same business.The Company is still waiting for NCLT's order in the acquisition matter.

Revamping of Existing Manufacturing Facilities at Factory:

As members must be aware that the Company has already announced to revamp the existing manufacturing facilities at Unit-1 located at Lote Parshuram, Ratnagiri, Maharashtra, which is the oldest one, and has maximum number of plants and the plot area is fully utilized resulting in congestion, leaving no area for medication/ expansion. The detailed note is available on our website as well as on NSE/BSE portal announced on 20th May, 2019. The revamp will take place in a phased manner, with a capex cost of Rs.5 Crs and expected to be completed by end of the current financial year.

These commitments may affect the financial position of the Company in current financial year. Except these, there are no significant events recorded affecting the financial position between the end of the financial year and date of the Report.

18. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to provisions of section 134(3)(c) of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:

a) In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) The directors had taken proper and sufficient care 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) The director had prepared the annual accounts on going concern basis; and

e) The director had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f) The director had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

19. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has already formed a CSR Committee comprising of Mr. Punit Makharia, Chairman & Managing Director (Chairman), Mr. Dinesh Modi, Independent Director (Member) and Mr. Gautam Makharia, Joint Managing Director (Member).

The purpose of our CSR Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on CSR activities and to monitor from time to time the CSR activities and policy of the Company.

During the year Company has initiated few CSR activities in its close vicinity. The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2019, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure -1 to this report.

20. DISCLOSURE AS PER THE SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014:

a) **Extract of Annual Report:**

The extract of Annual Report in the Form MGT-9 is annexed to this report as Annexure-2.

b) **Declaration by Independent Directors:**

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Companies Act, 2013 and the Board is satisfied that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013, read with the Schedules and Rules issued thereunder, as well as SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015.

c) **Company's Policy on Directors appointment and Remuneration:**

The Nomination and Remuneration Committee (hereinafter the "NRC") has put in a place the policy on Board diversity for appointment of directors, taking into consideration qualification and wide experience of the directors in the fields of banking, finance, regulatory, administration, legal.

The remuneration policy of the Company has been so structured in order to match the market trends of the Chemical and Fertilisers industry. The Board in consultation with the NRC Committee decides the remuneration policy for Directors. The Company has made adequate disclosures to the members on the remuneration paid to Directors from time to time. Remuneration/ Commission payable to Directors is determined by the contributions made by the respective Directors for the growth of the Company.

The Policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters as required under Section 178 sub-section 3 of the Companies Act, 2013,is available on the website of the Company*https://www.shreepushkar.com*. We affirm that the remuneration paid to the Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

d) **Board Evaluation:**

As required under the provisions of Section 134(3)(p) and Regulation 27 of the Listing Regulations, the Board has carried out annual evaluation of the performance of the Board, its Committees and of individual directors and the manner in which such performance evaluation was carried out is as under:

The performance evaluation framework is in place and has been circulated to all the directors to seek their response on the evaluation of the entire Board and independent directors. The NRC Committee has carried out evaluation of director's performance. The criteria of evaluation is exercise of responsibilities in a bona fide manner in the interest of the Company, striving to attend meetings of the Board of Directors/ Committees of which he/she is a member/ general meetings, participating constructively and actively in the meetings.

e) **Related Party Transaction:**

All related party transactions that are entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no other 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.

The Company has amended its Policy on dealing with and Materiality of Related Party Transactions and policy on Related Party Transaction in accordance with the amendments to the applicable provisions of the Listing Regulations after the financial year end. The Policy is also available on the website of the Company at https://www.shreepushkar.com.

During the year there are no transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the listed entity. However transaction entered into with related parties have been disseminated in the format prescribed in the relevant accounting standards on stock exchanges pursuant to regulation 23 of listing regulations.

The details of the related party transactions as per Indian Accounting Standards (IND AS) are set out in the Financial Statements of the Company. Form AOC - 2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the Annexure-6 to this report.

f) **Risk Management Policy:**

During the year, Management of the Company evaluated the existing Risk Management of the Company to make it more focused in identifying and prioritizing the risks, role of various executives in monitoring & mitigation of risk and reporting process. Its aim is to enhance shareholders value and provide an optimum risk-reward trade off.

The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

g) **Whistle Blower Policy / Vigil Mechanism:**

The Company has established a whistle-blower policy and also established a mechanism for directors and employees to report their concerns. The details of the same are explained in the Corporate Governance Report.

h) **Financial Summary/ Highlights:**

The details are spread over in the Annual Report as well as the same are provided in the beginning of this report.

i) **Internal Financial Control System and their Adequacy:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit reports are reviewed by Audit Committee.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

j) **Conservation Of Energy, Technology Absorption & Foreign Exchange Earning And Outgo:**

Particulars, as prescribed under section 134 (3) (m) of the Companies Act, 2013, read with the Companies (Disclosure of particulars in report of Board of Directors) Rules 1988 or any other law as may be applicable are given in Annexure-3 enclosed.

k) **Particulars Of Loans, Guarantees And Investments U/s 186:**

During the year our investment remains unchanged in the Kisan Phosphates Pvt. Ltd, a wholly owned subsidiary Company.The details of loans and guarantees are mentioned in the notes to the standalone financial statements for the year ended 31st March, 2019.

21. BOARD MEETINGS, BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL & COMMITTEES OF DIRECTORS

a) Board of Directors:

At present the Board of Directors is consists of 7 Directors namely, Mr. Punit Makharia as Chairman and Managing Director (hereinafter the 'CMD'), Mr. Gautam Makharia as Joint Managing Director (hereinafter the 'JMD'), Mrs. Ranjana Makharia– Woman Director from the Promoter group and Mr. Ramakant Nayak, Mr. Dinesh Modi, Mr. Nirmal Kedia and Mr. Satpal Kumar Arora as Non-Executive Independent Directors.

b) Board Meetings:

The Board of Directors of the Company met 7 times during the financial year. The details of various Board Meetings are provided in the Corporate Governance Report. The gap between two meetings of the board is not more than 120 days as prescribed in the Companies Act, 2013.

c) Changes in Directors & Key Managerial Personnel:

During the Financial Year 2018-2019, Mr. Satpal Arora has expressed his willingness to be appointed as the Independent Director on the Company. The Board of Directors, based on recommendation of Nomination and Remuneration Committee, appointed him as Independent Director w.e.f. 5th November, 2018, in Compliance with Section 149 of the Companies Act, 2013.

After the financial year end, Mr. Ratan Jha, Chief Financial Officer of the Company has resigned from his position on 19th June, 2019, where as Mr. Deepak Beriwala, has been appointed as Chief Financial Officer, with effect from 3rd June, 2019.

d) Re-Appointment:

As per Sec.152 of the Companies Act, 2013 and Articles of Association of the Company, the executive non-independent Directors are liable to retire by rotation as per prescribed ratio given in the said provisions, at the Annual General Meeting of the Company. Accordingly Mr. Punit Makharia, CMD and Mr. Gautam Makharia, JMD are liable to retire by rotation and being eligible, have offered themselves for re-appointment.

e) Independent Directors:

The following independent directors are on the Board of Directors.

1. Mr. Dinesh Modi
2. Mr. Nirmal Kedia
3. Mr. Ramakant Nayak
4. Mr. Satpal Kumar Arora

The Company has received necessary declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

It is further brought to the notice of the members of the Company that pursuant to regulation 17 of listing regulations, the Board of Directors in their meeting held on 20th May, 2019, based on recommendation of Nomination & Remuneration Committee, approved continuation of appointment of Mr. Ramakant Nayak, Independent Director of the Company,as he will be attaining the age of 75 years on 30th June, 2020 and as per the listing regulation Company has to take members consent in their meeting for continuation of appointment till his term ends. Mr. Ramakant Nayak was appointed as Independent Director for the period of 5 years in the Board Meeting held on 11th July, 2016 and accordingly members of the Company have confirmed their appointment in the annual general meeting held on 10th August, 2016.

f) Details of remuneration to Directors:

The information relating to remuneration of directors as required under Section 197(12) of the Companies Act, 2013, is given in Annexure-4.

g) Board Committees

The Company has the following Committees of the Board along with details of its compositions

Sr. No.	Name of the Committee	Members of the Committee
1.	Audit Committee	Mr. Ramakant Nayak – Chairman Mr. Dinesh Modi – Member Mr. Punit Makharia – Member
2.	Nomination and Remuneration Committee	Mr. Dinesh Modi – Chairman Mr. Ramakant Nayak – Member Mrs. Ranjana Makharia– Member
3.	Stakeholders' Relationship Committee	Mr. Dinesh Modi – Chairman Mrs. Ranjana Makharia – Member Mr. Ramakant Nayak - Member
4.	Corporate Social Responsibility Committee	Mr. Punit Makharia – Chairman Mr. Gautam Makharia – Member Mr. Dinesh Modi – Member

The further details as to number ofmeetings of the committees, their dates etc. are provided in the Corporate Governance Report.

22. AUDIT COMMITTEE OF THE BOARD OF DIRECTORS:

The Audit committee comprises of Mr. Ramakant Nayak (Chairman), Mr. Dinesh Modi (Member) both Independent Directors and Mr. Punit Makharia (Member), CMD of the Company. There were five meetings of the Audit Committee held during the year. The details of various Audit Committee meetings are provided in the Corporate Governance Report.

During the year all the recommendations of the Audit Committee were accepted by the Board.

23. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (hereinafter the NRC Committee) comprises of Mr. Dinesh Modi (Chairman), Mr. Ramakant Nayak (Member) and Mr. Ranjana Makharia (Member) all Non - Executive Directors of the Company. During the year 2018-19 three meeting of NRC Committee was held for appointments of Two Independent directors on the Board of Directors and modification of Remuneration of Mr. Punit Makharia, Chairman and Managing Director of the Company. The Board has, on the recommendation of the NRC framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The policy relating to the remuneration for the directors, key managerial personnel and other employees is disclosed as Annexure-5.

24. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee comprises of Mr. Dinesh Modi (Chairman), Mr.Ramakant Nayak (Member) and Mr. Ranjana Makharia (Member) Non- Executive Directors of the Company. The Committee met Four times during the year, details of which are reproduced in the appropriate section of Corporate Governance Report.

25. CORPORATE GOVERNANCE:

At Shree Pushkar Chemicals & Fertilisers Limited we ensure that we evolve and follow the good Corporate Governance practices. As a listed Company, we submit Quarterly Corporate Governance Report to stock exchange confirming all compliances with necessary laws applicable to us. Pursuant to compliances of Listing Regulations of Securities Exchange Board of India (SEBI), the Management Discussion and Analysis, the Corporate Governance Report and the Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are made part of the Directors'Report.

26. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF").

As required under the provisions of Section 124 and 125 and other applicable provisions of Companies Act, 2013, dividends that remain unpaid/unclaimed for a period of seven years, are to be transferred to the account administered by the Central Government viz: "Investor Education and Protection Fund".

During the year there were no transfers to IEPF, as there were no unclaimed dividends.

27. PARTICULARS OF EMPLOYEES:

The Disclosure as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure-4 and forms a part of this report.

Information relating to remuneration of Directors under Section 197 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been given in Annexure-4 to the Director's Report

28. SOCIAL CONNECT

The Company has connected socially through CSR activities only.

29. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS ORCOURTS

During the year there were no significant and material orders passed by the Regulator or Courts.

30. FINANCE:

Cash and cash equivalents as on March 31, 2019 was Rs.37.22 Lacs (In earlier year it was Rs.30.41 Lacs). The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

31. DISCLOSUREAS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has framed policy of prevention of women's harassment at work place and covered all employees so they could directly make complaints to the committee, if such situation arises. The total number of complaints received and resolved during the year is as follows:

a) No. of complaints received: NIL

b) No. of complaints disposed NIL

32. LISTING

During the year under review your Company has remained listed its Equity Shares on National Stock Exchange Ltd and Bombay Stock Exchange Ltd. The Company has paid the listing fees and complied with listing regulations.

33. INDUSTRIAL RELATIONS:

During the year under review, your Company has cordial relationship with workers and employees at all levels.

34. DIRECTORS' DISQUALIFICATION:

None of the directors of the Company is disqualified as per the provision of section 164 of the Companies Act, 2013 or listing regulation or any other law as may be applicable, as on 31st March 2019, except Mr. Nirmal Kedia, who was disqualified pursuant to section 164(2) of the Companies Act, 2013 in the financial year 2017-18, is now qualified to be appointed as Director after removal of his disqualification and compliance of requisite provisions of the Companies Act, 2013.

35. PARTICULARS OF EMPLOYEES:

None of the employees of the Company had drawn remuneration in excess of the limits prescribed In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 or any other law as may be applicable.The relation between employees and management are cordial during the year.

36. SUBSIDIARY COMPANIES:

A statement containing the salient features of financial statements of subsidiary companies of the Company is given in the prescribed Form AOC – 1, forms a part of Consolidated Financial Statements (CFS) in compliance with Section 129 (3) and other applicable provisions, if any, of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014.

The Company has in accordance with the amendments to Listing Regulations revised the Policy for determining material subsidiaries and accordingly Kisan Phosphates Pvt. Ltd has become material subsidiary of the Company. The said policy may be accessed on the website of the Company at https://www.shreepushkar.com.

37. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as "the Act"), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2018-19, together with the Auditors' Report form part of this Annual Report.

38. AUDITORS AND AUDITORS REPORT:

As members must be aware that M/s. S. K. Patodia & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of 5 years, in their Annual General Meeting held in August, 2016, pursuant to provisions of section 139 of the Companies Act, 2013.

The Auditors' Report for the financial year ended 31st March, 2019, on the financial statements of the Company is a part of this Annual Report.

The observation made in the Auditors' Report read together with relevant notes thereon under Section 134 of the Companies Act, 2013 are self-explanatory and hence, do not call for any further comments .

39. SECRETARIAL AUDIT:

The Board had appointed M/s. DSM & Associates, Company Secretaries, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year 2018-19. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings. The Secretarial Audit Report is annexed to this report as Annexure-7. The Secretarial Audit Report does not contain any qualification or adverse remarks.

The Secretarial Compliance Report for the financial year ended 31st March, 2019, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued there under, pursuant to requirement of Regulation 24A of Listing Regulations is set out in Annexure-8 to this report. The Secretarial Compliance Report has been voluntarily disclosed as part of Annual Report as good disclosure practice.

Managements Reply to Observations in Secretarial Audit Report:

Few Occasions, the agenda for the Board Meeting was circulated to the Board of Directors with less than seven days in advance.

The notice for all the meetings of Board of Directors held during the financial year was sent at least seven days in advance, except on few occasions, considering the nature and urgency of the business to be transacted at the meeting, the agenda and notes forming part of agenda, were sent less than seven days in advance.

Unspent CSR Funds:

The Company has carried forward the amount of unspent amount of CSR Fund for the next financial year and continuously trying to identify the project where it can appropriately utilize the unspent amount of CSR Funds.

Dealing of shares by Designated Person during the closure of Trading Window:

The Audit Commitee has decided to take strict action on this transaction by serving upon him cautionary notice and a monitory penalty for breaching of Code of Conduct under the SEBI Regulation. The necessary compliances pertaining to the aforesaid matter has been filed with stock exchanges.

40. <u>COST AUDITOR:</u>

The Company is required to maintain cost records for certain products as specified by the Central Government under sub-section (1) of Section 148 of the Act, and accordingly such accounts and records are made and maintained in the prescribed manner.

The Board of Directors of the Company has appointed M/s. Dilip Bathija, Cost Accountant, as the Cost Auditor of the Company to conduct the audit of cost records of certain products for the financial year 2019 - 20.

The remuneration proposed to be paid to the Cost Auditor, subject to ratification by the members of the Company at the ensuing 26th AGM, would not exceed Rs. 70,000 (Rupees seventy thousand only) excluding taxes and out of pocket expenses, if any.

The Company has received consent from M/s. Dilip Bathija, Cost Accountant, to act as the Cost Auditor for conducting audit of the cost records for the financial year 2019-20 along with a certificate confirming their independence and arm's length relationship.

41. <u>ACKNOWLEDGEMENT:</u>

Your Directors take this opportunity to express their gratitude to all Shareholders, Investors, clients, vendors, bankers, Regulatory and Government authorities, Stock Exchanges and business associates for their cooperation, encouragement and continued support extended to the Company. Your Directors also wish to place on record their appreciation to the Associates for their continuing support and unstinting efforts in ensuring an excellent all round operational performance at all levels.

For and on behalf of the Board of Directors of;
Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764

Date: 13th August,2019.
Place: Mumbai

<u>CAUTIONARY STATEMENT</u>

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

ANNEXURE - 1

ANNUAL REPORT DETAILS OF THE CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   The CSR Policy is available on the Company's website. The web link of the same is *http://shreepushkar.com/policies-and-code-of-conduct/.* A gist of the programs that the Company can undertake under the CSR policy is mentioned below.

   A brief outline of the Company's Policy – Our Company's CSR Committee's philosophy on CSR is simple as nothing but to give back to our society as our responsibility from where we have earned & learned. Our aim is to be one of the most respected Companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

   During the year Company has initiated the CSR activities in its close vicinity. The Company has established a Charitable Trust in the name of "SHREE PUSHKAR FOUNDATION" to undertake the various activities such as education for under privileged, health and sanitation, promoting and upliftment of cultural values, arts etc. as prescribed in Schedule VII of the Companies Act, 2013.

   The Company promotes Education for under privileged, health and life, Environment, culture and some proposed projects which are as follows:

   - Improving the quality of life in needed children;
   - Eradicating hunger, poverty and malnutrition;
   - Employment enhancing vocational skills;
   - Promoting healthcare including preventive healthcare;
   - Employment enhancing vocational skills;
   - Ensuring environmental sustainability including measures for reducing inequalities affected by socially and economically backward groups;
   - Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
   - Other areas which covered in the CSR schedule and its Rules as amended from time-to-time.

   The activities and funding are monitored internally by the Company.

2. **The Composition of the CSR Committee.**

   Mr. Punit Makharia, CMD (Chairman);

   Mr. Gautam Makharia, JMD (Member);

   Mr.Dinesh Modi, Independent Director (Member);

3. **Average net profit of the Company for last three Financial Years.**

   The average Net Profit for the last three financial years is Rs. 4188.5 Lacs.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above).**

   The Company was required to spend Rs. 83.77 Lacs towards CSR for the Financial Year 2018-19.

5. **Details of CSR spent during the Financial Year.**

   a. Total amount to be spent for the financial year: 83.77 Lacs.

   b. Amount spent: Rs. 50.70 Lacs.

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

In accordance with the Company's CSR policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Shree Pushkar Chemicals & Fertilisers Limited has collaborated with the other Trusts and have spent fund by donation in their projects. During the year under review the CSR Committee identified Public Charitable Trust, Society etc. registered with Charity Commissioner, Mumbai.

During the year, the Company has spent money on promoting education and health care activity and eradicating hunger for Mumbai located trusts/societies.

Amount in Rs. Actual

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub - heads : 1) Direct expenditure on projects 2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Adopted school for promoting Education and distribution of books	Promoting education for under privileged	Mumbai, Maharashtra	5,70,000	5,70,000	5,70,000	Through Agency
2	Eradicating hunger, poverty and malnutrition	Eradicating hunger	Mumbai and Maharashtra	45,00,000	45,00,000	45,00,000	Direct
	TOTAL	-	-	50,70,000	50,70,000	50,70,000	

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

   During the Year Company couldn't spend remaining Rs.33.07 Lacs as prescribed by the Act. The Company was looking for other activities such as health and sanitation, promoting and upliftment of cultural values, arts etc. and due to pre-occupational work of executive members couldn't spend full amount. However, the Committee is under process of identifying other area where unspent amount of previous year will spend in financial year 2019-20.

7. **Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, we hereby confirm that the CSR Committee has implemented and monitored the CSR initiatives of Shree Pushkar Chemicals & Fertilisers Limited in line with CSR Objectives and Policy of the Company.**

For and on behalf of the Board of Directors of;
Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
Chairman of CSR Committee
DIN: 01430764

Dinesh Modi
Independent Director
Member of CSR Committee
DIN:00004556

Date: 13th August, 2019
Place: Mumbai.

ANNEXURE-2

Annual Return Extracts in MGT 9

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L24100MH1993PLC071376
2	Registration Date	29/03/1993
3	Name of the Company	Shree Pushkar Chemicals & Fertilisers Limited
4	Category/Sub-category of the Company	Company Limited by shares
5	Address of the Registered office & contact details	301/302, 3rd Floor, Atlanta Center, Near Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai - 400063. Contact No -022 42702525
6	Whether listed Company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd., 1st floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059. Contact No - 022-40430200

II.	**PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**		
	(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)		
SN	Name and Description of main products / services	NIC Code of the Product/services	% to total turnover of the Company
1	Chemicals, Dyes, Dyes Intermediates	2022	86.34%
2	Fertilizer & Allied Products	20122	12.14%

III.	**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**				
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
-	Kisan Phosphates Private Limited	-	Subsidiary	100	87(2)

DYECOL™ CHEMISTRY BEHIND COLORS

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(I) CATEGORY-WISE SHARE HOLDING

Category of Shareholder		No. of Shares held at the beginning of the year: 01/04/2018					No. of Shares held at the end of the year : 31/03/2019				
		Demat	Physical	Total		Total %	Demat	Physical	Total	Total %	% Change
(A) Promoter											
Indian											
(a)	INDIVIDUAL / HUF	19036988	0	19036988		61.96	19979900	0	19979900	65.03	2.03
(b)	Central / State government(s)	0	0	0		0.00	0	0	0	0.00	0.00
(c)	BODIES CORPORATE	0	0	0		0.00	0	0	0	0.00	0.00
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0		0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)										
(i)	GROUP COMPANIES	0	0	0		0.00	0	0	0	0.00	0.00
(ii)	TRUSTS	0	0	0		0.00	0	0	0	0.00	0.00
(iii)	DIRECTORS RELATIVES	0	0	0		0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(1) :	19036988	0	19036988		61.96	19979900	0	19979900	65.03	2.03
Foreign											
(a)	BODIES CORPORATE	0	0	0		0.00	0	0	0	0.00	0.00
(b)	INDIVIDUAL	0	0	0		0.00	0	0	0	0.00	0.00
(c)	INSTITUTIONS	0	0	0		0.00	0	0	0	0.00	0.00
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0		0.00	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)	0	0	0		0.00	0	0	0	0.00	0.00
	SUB TOTAL (A)(2) :	0	0	0		0.00	0	0	0	0.00	0.00
	Total holding for promoters										
	(A)=(A)(1) + (A)(2)		**19036988**	**0**	**19036988**	**61.96**	**19979900**	**0**	**19979900**	**65.03**	**2.03**
(B) Public Shareholding Institutions											
(a)	Central/State government(s)		0	0	0	0.00	0	0	0	0.00	0.00
(b)	FINANCIAL INSTITUTIONS / BANKS		26384	0	26384	0.09	25868	0	25868	0.08	(0.00)
(c)	MUTUAL FUNDS / UTI		1615814	0	1615814	5.35	1714814	0	1714814	5.58	0.23
(d)	VENTURE CAPITAL FUNDS		0	0	0	0.00	0	0	0	0.00	0.00
(e)	INSURANCE COMPANIES		0	0	0	0.00	0	0	0	0.00	0.00
(f)	FII'S		365956	0	365956	1.21	339456	0	339456	1.10	(0.11)
(g)	FOREIGN VENTURE CAPITAL INVESTORS		0	0	0	0.00	0	0	0	0.00	0.00
(h)	QUALIFIED FOREIGN INVESTOR		0	0	0	0.00	0	0	0	0.00	0.00
(i)	ANY OTHERS (Specify)		0	0	0	0.00	0	0	0	0.00	0.00
(j)	FOREIGN PORTFOLIO INVESTOR		288259	0	288259	0.95	312260	0	312260	1.02	0.06
(k)	ALTERNATE INVESTMENT FUND		0	0	0	0.00	31538	0	31538	0.10	0.10
	SUB TOTAL (B)(1) :		2296413	0	2296413	7.60	2423936	0	2423936	7.89	0.29
Non-institutions											
(a)	BODIES CORPORATE		1774561	0	1774561	5.87	1650439	0	1650439	5.37	(0.50)
(b)	INDIVIDUAL										
(i)	(CAPITAL UPTO TO Rs. 1 Lakh)		4871186	5	4871191	16.12	4430502	5	4430507	14.42	(1.70)
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)		1339229	0	1339229	4.43	1638666	0	1638666	5.33	0.90
()	TRUSTS		8300	0	8300	0.03	8300	0	8300	0.03	(0.00)
(d)	ANY OTHERS (Specify)										
(i)	CLEARING MEMBER		308959	0	308959	1.02	217390	0	217390	0.71	(0.31)
(ii)	NON RESIDENT INDIANS (NRI)		69511	0	69511	0.23	43168	0	43168	0.14	(0.09)
(iii)	NON RESIDENT INDIANS (REPAT)		439610	0	439610	1.45	266858	0	266858	0.87	(0.59)

(iv)	NON RESIDENT INDIANS (NON REPAT)		73407	0	73407	0.24	65136	0	65136	0.21	(0.03)
(v)	DIRECTORS RELATIVES		0	0	0	0.00	0	0	0	0.00	0.00
(vi)	EMPLOYEE		0	0	0	0.00	0	0	0	0.00	0.00
(vii)	OVERSEAS BODIES CORPORATES		0	0	0	0.00	0	0	0	0.00	0.00
(viii)	UNCLAIMED SUSPENSE ACCOUNT		0	0	0	0.00	0	0	0	0.00	0.00
(ix)	IEPF		0	0	0	0.00	0	0	0	0.00	0.00
(e)	QUALIFIED FOREIGN INVESTOR		0	0	0	0.00	1266	0	1266	0.00	0.00
(f)	CORPORATE BODY NBFC		1266	0	1266	0.00	10	0	10	0.00	(0.00)
	SUB TOTAL (B)(2) :		8886029	5	8886029	29.41	8320469	5	8320469	27.08	(2.32)
	Total Public Shareholding										
	(B)=(B)(1) + (B)(2)	11182442	5	11182447	37.00	10744405		5	10744410	34.97	**(2.03)**
(C) Shares held by Custodians and against which Depository Receipts have been issued											
(a)	SHARES HELD BY CUSTODIANS										
		0	0	0	0.00	0	0	0	0.00	0.00	
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00	
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00	
	SUB TOTAL (C)(1) :	0	0	0	0.00	0	0	0	0.00	0.00	
	(C)=(C)(1)		0		0.00	0	0	0	0.00	0.00	
	Grand Total(A) +(B)+(C)	**30219430**	**5**	**30219435**	**100.00**	**30724305**	**5**	**30724310**	**100.00**	**(0.00)**	

(II) SHAREHOLDING OF PROMOTER

		Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			
Sr. No	**NAME**	**Number of Shares**	**% Shares of the Company**	**% of Shares Pledged/ encumbered to total shares**	**Number of Shares**	**% Shares of the Company**	**% of Shares Pledged/ encumbered to total shares**	**% Change in shareholding during the year**
1	ARADHANA MAKHARIA	359629	1.1901	0	359629	1.1705	0	(0.0196)
2	GOPI KRISHAN MAKHARIA	357131	1.1818	0	377986	1.2303	0	0.0485
3	RANJANA PUNIT MAKHARIA	375692	1.2432	0	414647	1.3496	0	0.1064
4	BHANU GOPI MAKHARIA	432307	1.4306	0	475040	1.5461	0	0.1155
5	GAUTAM GOPIKISHN MAKHARIA	5141301	17.0132	0	5780504	18.8141	0	1.8009
6	PUNIT GOPIKISHAN MAKHARIA	12370593	40.9359	0	12571759	40.9179	0	(0.0180)
7	RAGHAV MAKHARIA	335	0.0011	0	335	0.0011	0	0.0000
Total		**19036988**	**62.9959**	**0**	**19979900**	**65.0296**	**0**	**2.0337**

(III) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Particulars	Shareholding at the beginning of the year 01/04/2018		Cumulative Shareholding during the year	
	Number of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	19036988	62.99		
Preferential allotment on 20th May, 2018	504875	2.5269	19541863	63.6039
Buy from Open Market 18th July, 2018	10727	0.0536	19552590	63.6388
Buy from Open Market 25th July, 2018	5810	0.0290	19558400	63.6577
Buy from Open Market 11th October, 2018	55000	0.2752	19613400	63.8367
Buy from Open Market 22nd October, 2018	100000	0.5005	19713400	64.1622
Buy from Open Market 26th October, 2018	100000	0.5005	19813400	64.4876
Buy from Open Market 12th November, 2018	122000	0.6106	19935400	64.8847
Buy from Open Market 15th February, 2019	44500	0.2227	19979900	65.0296
At the end of the year	1,99,79,900	65.0296		

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS

(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr No	Name	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
1	RELIANCE CAPITAL TRUSTEE CO. LTD- A/C RELIANCESMALL CAP FUND	1,615,814	31-Mar-18	0	Transfer	1,615,814	5.26
		1,615,814	30-Mar-19	0	Transfer	1,615,814	5.26
2	BARBARIK DISTRIBUTORS PVT LTD	457,149	31-Mar-18	0	Transfer	457,149	1.49
			20-Apr-18	-457149	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
3	INDIA MAX INVESTMENT FUND LIMITED	365,956	31-Mar-18	0	Transfer	365,956	1.19
			7-Sep-18	15000	Transfer	380,956	1.24
			22-Feb-19	-44500	Transfer	336,456	1.10
		336,456	30-Mar-19	0	Transfer	336,456	1.10
4	LADAM AFFORDABLE HOUSING LIMITED	225,263	31-Mar-18	0	Transfer	225,263	0.73
		225,263	30-Mar-19	0	Transfer	225,263	0.73
5	AEQUITAS INVESTMENT CONSULTANCY PRIVATE LIMITED	0	31-Mar-18		Transfer	0	0.00
			1-Feb-19	155598	Transfer	155,598	0.51
			8-Feb-19	18212	Transfer	173,810	0.57
			15-Feb-19	13054	Transfer	186,864	0.61
			22-Feb-19	30000	Transfer	216,864	0.71
		216,864	30-Mar-19	0	Transfer	216,864	0.71
6	GROVSNOR INVESTMENT FUND LTD	121,287	31-Mar-18	0	Transfer	121,287	0.39
			5-Oct-18	9612	Transfer	130,899	0.43
			12-Oct-18	31878	Transfer	162,777	0.53
		162,777	30-Mar-19	0	Transfer	162,777	0.53

Sr No	Name	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
7	ANGEL FINCAP PRIVATE LIMITED	137,713	31-Mar-18	0	Transfer	137,713	0.45
			6-Apr-18	50	Transfer	137,763	0.45
			13-Apr-18	831	Transfer	138,594	0.45
			20-Apr-18	-81	Transfer	138,513	0.45
			27-Apr-18	25	Transfer	138,538	0.45
			4-May-18	-50	Transfer	138,488	0.45
			11-May-18	-350	Transfer	138,138	0.45
			18-May-18	-199	Transfer	137,939	0.45
			25-May-18	247	Transfer	138,186	0.45
			1-Jun-18	-3891	Transfer	134,295	0.44
			8-Jun-18	-410	Transfer	133,885	0.44
			22-Jun-18	50	Transfer	133,935	0.44
			6-Jul-18	58	Transfer	133,993	0.44
			13-Jul-18	150	Transfer	134,143	0.44
			20-Jul-18	-200	Transfer	133,943	0.44
			25-Sep-18	-55	Transfer	133,888	0.44
			28-Sep-18	-50	Transfer	133,838	0.44
			5-Oct-18	56	Transfer	133,894	0.44
			19-Oct-18	-56	Transfer	133,838	0.44
			15-Feb-19	-543	Transfer	133,295	0.43
			22-Mar-19	-213	Transfer	133,082	0.43
			29-Mar-19	7000	Transfer	140,082	0.46
		140,082	30-Mar-19	0	Transfer	140,082	0.46
8	ADESH AGRICULTURE LLP	0	31-Mar-18		Transfer	0	0.00
			8-Mar-19	79816	Transfer	79,816	0.26
			15-Mar-19	44346	Transfer	124,162	0.40
			22-Mar-19	11776	Transfer	135,938	0.44
		135,938	30-Mar-19	0	Transfer	135,938	0.44
9	GYMKHANA PARTNERS L.P.	80,800	31-Mar-18	0	Transfer	80,800	0.26
			8-Jun-18	694	Transfer	81,494	0.27
			22-Jun-18	9906	Transfer	91,400	0.30
			29-Jun-18	9600	Transfer	101,000	0.33
			6-Jul-18	11200	Transfer	112,200	0.37
			13-Jul-18	11000	Transfer	123,200	0.40
			7-Dec-18	11141	Transfer	134,341	0.44
		134,341	30-Mar-19	0	Transfer	134,341	0.44
10	KAMLESH NAVINCHANDRA SHAH	122,950	31-Mar-18	0	Transfer	122,950	0.40
		122,950	30-Mar-19	0	Transfer	122,950	0.40

Sr No	Name	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
11	SUNIDHI SECURITIES &FINANCE LIMITED (TRADING ACCOUNT)	50,000	31-Mar-18	0	Transfer	50,000	0.16
			20-Apr-18	194	Transfer	50,194	0.16
			27-Apr-18	-194	Transfer	50,000	0.16
			18-May-18	50000	Transfer	100,000	0.33
			25-May-18	200	Transfer	100,200	0.33
			1-Jun-18	30250	Transfer	130,450	0.42
			8-Jun-18	19646	Transfer	150,096	0.49
			15-Jun-18	-96	Transfer	150,000	0.49
			22-Jun-18	42	Transfer	150,042	0.49
			29-Jun-18	-42	Transfer	150,000	0.49
			13-Jul-18	25	Transfer	150,025	0.49
			20-Jul-18	-25	Transfer	150,000	0.49
			10-Aug-18	-15000	Transfer	135,000	0.44
			31-Aug-18	200	Transfer	135,200	0.44
			7-Sep-18	-190	Transfer	135,010	0.44
			14-Sep-18	-10	Transfer	135,000	0.44
			21-Sep-18	15	Transfer	135,015	0.44
			25-Sep-18	-15	Transfer	135,000	0.44
			28-Sep-18	3680	Transfer	138,680	0.45
			5-Oct-18	-8836	Transfer	129,844	0.42
			12-Oct-18	-8094	Transfer	121,750	0.40
			19-Oct-18	-3413	Transfer	118,337	0.39
			26-Oct-18	-502	Transfer	117,835	0.38
			2-Nov-18	-1825	Transfer	116,010	0.38
			9-Nov-18	-1675	Transfer	114,335	0.37
			16-Nov-18	-3996	Transfer	110,339	0.36
			21-Dec-18	-485	Transfer	109,854	0.36
			31-Dec-18	-15	Transfer	109,839	0.36
			18-Jan-19	-2877	Transfer	106,962	0.35
			8-Mar-19	8233	Transfer	115,195	0.37
		115,195	30-Mar-19	0	Transfer	115,195	0.37
12	NAGA DHUNSERI GROUP LIMITED	106,550	31-Mar-18	0	Transfer	106,550	0.35
			20-Apr-18	-68000	Transfer	38,550	0.13
			27-Apr-18	-38550	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
13	BINITA ALKESH WADHWANI	90,000	31-Mar-18	0	Transfer	90,000	0.29
			18-May-18	-14980	Transfer	75,020	0.24
			8-Jun-18	-75020	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
14	LGOF GLOBAL OPPORTUNITIES LIMITED	85,013	31-Mar-18	0	Transfer	85,013	0.28
			8-Jun-18	-85013	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due forpayment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4147.66	0	0	4147.66
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0.50	0	0	0.50
Total (i+ii+iii)	**4148.16**	**0**	**0**	**4148.16**
Change in Indebtedness during the financial year				
● Addition	0	0	0	0
● Reduction	2974.06	0	0	2974.06
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	1170.15	0	0	1170.15
ii) Interest due but not paid				
iii) Interest accrued but not due	3.95	0	0	3.95
Total (i+ii+iii)	**1174.10**	**0**	0	**1174.10**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. no.	**Particulars of Remuneration**	**Name of Directors**		**Total Amount (Rs. In Lacs)**
		Punit Makharia	**Gautam Makharia**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	94.00	94.00	188.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3.	Sweat Equity	-	- -	-
4.	Commission	187.50	187.50	375.00
	- as % of profit	-	-	-
	- Others, specify...	-	-	-
5.	Others, please specify			
	Total (A)	281.50	281.50	563.00
	Whether Total Managerial Remuneration Under the Ceiling as per the Act.	YES	Yes	

B. Remuneration to other Directors

Sr. no.	Particulars of Remuneration	Name of Directors					Total Amount (Rs. In Lacs)
		Mr. Ramakant Nayak	Mr. Dinesh Modi	Mr. Nirmal Kedia	Mr Satpal Kumar Arora	Mrs. Ranjana Makharia	
	Independent Directors						
	· Fee for attending board / committee meetings	2.85	2.65	0.00	0.60	0.60	6.70
	· Commission	0	0	0	0	0	0
	· Others, please specify						
	Total (1)	2.85	2.65	0.00	0.60	0.60	6.70
	Other Non-Executive Directors						
	· Fee for attending board/ committee meetings	0	0	0	0	0	0
	· Commission	0	0	0	0	0	0
	· Others, please specify	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0
	Total (B)=(1+2)	2.85	2.65	0.00	0.60	0.60	6.70
	Whether Total Managerial Remuneration Under the Ceiling as per the Act.	Yes	Yes	Yes	Yes	Yes	Yes

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

In Lacs.

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total (Rs. In Lacs)
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	5.00	15.90	20.90
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of	-	-	-	-
	Profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	5.00	15.90	20.90

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors of
Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764

Date: 13th August, 2019.
Place: Mumbai

ANNEXURE - 3

Conservation of Energy:

The Company is focusing to adopt appropriate measures for conservation of energy, which is reflected by very low consumption of power during the year.

		F.Y. 2018-19	F.Y. 2017-18
Total unit of power consumption	: Nos.	15584668	13981953
Total amount of Electricity	: Rs.	157069883	112403381
Cost of power per unit	: Rs.	10.08	8.04

Absorption of Technology:

As the Company has installed state of the art plant to manufacture Dyes Intermediates, Sulphuric and its derivative Acids, SOP, Fertilisers and Cattle feed supplement. It has already used the best technology available. Further, it is continuously upgrading the process technology for better yield and efficiency to meet the international standard.

Foreign Exchange earnings and outgo:

	Amount (Rs. Lacs)	
	2018-19	**2018-17**
Foreign Exchange earnings:		
FOB Value of export	8541.82	3151.92
b) Foreign Earning outgo:		
CIF Value of Import	3277.74	3853.22
Traveling Expenses	3.89	7.20

For and on behalf of the Board of Directors of;
Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764

Date: 13th August, 2019
Place: Mumbai

ANNEXURE - 4

ADDITIONAL INFORMATION AS PER SECTION 197 OF THE COMPANIES ACT, 2013, RULE 5(1) and (2) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name of the Employees	Designation	Remuneration (subject to Income-tax)	% increase in Remuneration in the F.Y 2017-2018	Ratio of remuneration of each Director /to median remuneration of employees	Qualifications	Age (years)	Experience (years)	Date of Commencement of employment	Last employment and Designation
Mr. Punit Makharia	Managing Director	281.5 LPA	570.24%	152.16X	B.com	49	26	29.3.1993	Managing Director
Mr. Gautam Makharia	Joint Managing Director	281.500 LPA	570.24%	152.16X	B.E	46	26	29.3.1993	Joint Managing Director
Mr. Ratan Jha	Chief Financial Officer	15.90 LPA	8.05%	-	M. COM, CA	34	10	17.7.2014	Chief Financial Officer
Mr. Satish Chavan	Company Secretary	5.00 LPA	-	-	B.com, LLB, CS	31	5	6.06.2016	Company Secretary

Details of Permanent Employees as required under section 197 of the Companies Act, 2013, mentioned below as in Sl.No., Name, Designation/Nature of Duties, Qualifications, Exp. (in Yrs.), Remuneration, Date of Appointment, Age (in Yrs.), Particulars of Last employment etc.

1) Mr. V.G. Dolekar, GM-Unit 3, B.sc, 25, Rs.877136.00, 24th December 2015, 49, Cromatic India ltd. 2) Mr. D A SHAH, GM-Export Import, B.com, 32, Rs.1200000.00, May, 2012, 53, Self-employed. 3) Mr. Rakesh Purohit, GM- Marketing-Fertilisers, MBA Marketing, 22, Rs. 1116000, April, 2011, 46, Rama Phosphate Ltd. 4) Mr. Mahendra Kavadia, GM-Unit 1, B.sc, 30, Rs. 98763.00, 23rd May, 2012, 54, Rohan Dyes Pvt. Ltd. 5) Mr. Sandip Satpute, Rs Sr. Manager Production, BE-Chem., 9, Rs. 675763.00, 23rd June, 2016, 34, Trans world Fertichem Pvt Ltd. 6) Mr. Satish Jagtap, Sr. Manager EHS., Dip. Chemical Eng. & Safety, 20, Rs. 632800.00, 28th April, 2015, 46, Sci Gen Bio Pharma Pvt. Ltd. 7) Mr. Suresh Goshwami, Production Manager, B.sc, 25, Rs. 539400.00, August, 1997, 55, Basant Agrotech India Ltd.8) Mr. Dnyaneshwar Rathod, Ass. Product Manager, MBA, B.com, Rs. 600000.00, 24th December, 2016, 33, Smc India Pvt. Ltd. 8) Mr. R K Sahani, Vice President projects, BE Chem., 36, Rs. 900000.00, 2nd May, 2015, 67, RC Fertilisers Pvt. Ltd. 9) Mr. PradyutSen General Manager (Projects), B. Chem.29, Rs 1866000.00, June 20, 2018.,55 Jay Chemical. 10) Mr. Mahapatra Business Head , M.Sc. (Chem) ,32., Rs 2000000.00, Aug 1, 2018 ,60, Colorant Limited. 11)Mr. D Bala Subramaniam Regional Manager – South India, B.Tech.,15, Rs 2250000.00 July 16, 2018, 40,Jay Chemical. 12)Mr Uday Yamgekar GM-Unit 4, B. Chem.,30, Rs 774800 1 October, 2018 57 Trans world Furtichem Pvt. Ltd

Notes:

1. The median remuneration of the employees of the Company during the financial year was Rs. 1.85 Lacs. It is increased by 12.12% as compare to median of financial year 2017-18.
2. Nature of employment of MD/CEO is contractual, subject to termination by 3 months' notice from either side.
3. The remuneration of Directors was as per the Remuneration Policy of the Company.
4. For other employee's nature of employment is contractual, subject to termination by one or three month notice from either side or salary in lieu of notice period.
5. None of the above employee is related to any Director of the Company, Except, Mr. Gautam Makharia, Mr. Punit Makharia, Mr. Raghav Makharia and Mrs. Aradhana Makharia are relatives.
6. None of the above employee holds by himself/herself or along with his/her spouse and dependent children, 2% or more equity shares of the Company except, Mr. Gautam Makharia, Mr. Punit Makharia, Mr. Raghav Makharia and Mrs. Aradhana Makharia are relative.
7. Employment terms and conditions are as per Company's Rules.
8. Remuneration received as shown in the statement above includes basic salary and all other allowances/perquisites as applicable.

9. There were 344 Number of permanent employees on the rolls of Company as on 31st March, 2019.

10. average Percentage is decreased in the salaries of the employees other than the managerial personnel in the last financial year by 2% and comparatively also decreased in comparison with the managerial remuneration due to 10 percent commission on profit of the company given to managerial person as per companies act, 2013 during the year under review.

    Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:

    It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors of;
Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764

Date: 13th August, 2019
Place: Mumbai

ANNEXURE - 5

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EMPLOYEES

BACKGROUND

Shree Pushkar Chemicals & Fertilisers Limited (hereinafter referred as the 'Company') practices a corporate culture that is based on the tenets of trusteeship, empowerment, accountability, control and ethical practices with transparency at its core for creation of maximum value for the stakeholders.

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Act as Selection and Compensation Committee to evaluate suitability of candidates for various senior positions and determine appropriate compensation package for them. Selection of related persons whether or not holding place of profit in the Company to be carried out strictly on merit and where applicable, be subjected to review by the Audit Committee of and/or the Board with approval at each stage being obtained by disinterested Independent Directors only.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.

CRITERIA FOR DETERMINING THE FOLLOWING:-

Qualifications for appointment of Directors (including Independent Directors):

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills.
- Their Dye/ Dye-Intermediate, Fertiliser, Heavy Chemical manufacturing industry experience.
- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under and Clause 49 of Listing Agreement. The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

REVIEW

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

For and on behalf of the Board of Directors of;
Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764

Date: 13th August, 2019
Place: Mumbai

ANNEXURE - 6

TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31st MARCH, 2019

FORM AOC-2

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

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

Details of Contracts or arrangement or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year end 31st March, 2019, which were not at arm's length basis.

Details of Contracts or arrangement or transactions at arm's length basis:

Name of the parties	Nature of Relationship	Silent Terms of Transactions	Nature of Transaction	During of Transactions	Amount (Rs. in Lacs)
Mr. Punit Makharia	Managing Director	NA	Salary & Commission	01/04/2018 to 31/03/2019	**281.51**
Mr. Gautam Makharia	Joint Managing Director	NA	Salary & Commission	01/04/2018 to 31/03/2019	**281.51**
Mr. Raghav Makharia	Son of MD	NA	Salary	01/04/2018 to 31/03/2019	**9.24**
Mrs. Aradhana Makharia	Wife of JMD	NA	Salary	01/04/2018 to 31/03/2019	**10.80**
Mrs. Bhanu Makharia	Mother of CMD/JMD	Rent Agreement	Rent	01/04/2018 to 31/03/2019	**60.00**

For and on behalf of the Board of Directors of;
Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764

Date: 13th August, 2019
Place: Mumbai.

ANNEXURE - 7

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2019

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

To,
The Members of
Shree Pushkar Chemicals & Fertilisers Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shree Pushkar Chemicals & Fertilisers Limited** (CIN: L24100MH1993PLC071376) (hereinafter called "The Company"). We have conducted Secretarial Audit 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 for the financial year ended 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extend, 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 period covering for the financial year ended 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

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

(iii) The Depositories Act, 1996 and the regulations and bye laws framed there under;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Director Investment and External Commercial Borrowings(Not applicable to the Company during the Audit Period);

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

a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) SEBI (Prohibition of Insider Trading) Regulations, 1992;

c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as replaced;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the Company during the period);

e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

(i) The Factories Act, 1948;

(ii) Payment of Wages Act, 1936;

(iii) Employees State Insurance Act, 1948;

(iv) Employees (Provident Funds and Miscellaneous Provisions) Act, 1952;

(v) Contract Labour (Regulation & Abolition) Act, 1970;

(vi) The Employees' Compensation Act, 1923 (Earlier known as Workmen's Compensation Act, 1923);

(vii) Environment Protection Act, 1986;

(viii) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975;Air (Prevention and Control of Pollution) Act, 1981;

(ix) Hazardous and

(x) Other Wastes (Management and Trans boundary Movement) Rules, 2016;

(xi) The Indian Boilers Act, 1923;

(xii) Trade Marks Act, 1999;

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

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

(ii) The SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 issued by SEBI and Listing Agreement entered by the Company with National Stock Exchange of India Limited (hereinafter the "NSE") and Bombay Stock Exchange Limited (hereinafter the "BSE");

During the period under review the Company has 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 Directors, Non Executive Directors and Independent Directors, except for a period starting from 4th December, 2017 to 6th August, 2018 due to vacation of office by Mr. Nirmal Kedia – Independent Director due to he becoming disqualified to act as a Director of the Company pursuant to provisions of section 164 of the Companies Act, 2013 and hence Company was unable to comply with the provisions of Reg.17(1)(b) and 25(6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors of schedule of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except on few occasions where agenda for the Board meeting was circulated to the members of the Board with less than seven days in advance.

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

We further report that, based on the information provided and the representation made by the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

(i) Mr. Nirmal Kedia, Independent Director of the Company, has vacated the office of Director of the Company pursuant to provisions of section 167 of the Companies Act, 2013, with effect from 4th December, 2017, pursuant to his disqualification under section 164 of the Companies Act, 2013. The Company was unable to fill up the vacancy of Independent Director within a time period of three months or immediate next Board Meeting, whichever is later, as per provisions of Reg.25 (6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015;

(ii) The Company has given Corporate Guarantee to Mrs. Bhanu Makharia, relative of Director, in the year 2005 i.e. previous to implementation of section 185 of the Companies Act, 2013. As per explanation provided by management it was provided to comply with the terms and issue of lenders and till date there is no default or non-compliances by Mrs. Bhanu Makharia in this finance facility;

(iii) The Company has obtained the consent of shareholders of the Company by way of a special resolution passed in Annual General meeting held on 25th September, 2018, for proposed allotment of 1,12,572 equity shares, as allotment for consideration other than cash for proposed takeover of running business of Kisan Phosphate Private Limited and making it a wholly owned subsidiary and issue of 7,20,807 Convertible Warrants. The Company has applied for In Principle Approval for issue of these Equity Shares and Convertible Warrants to NSE and BSE and has obtained the approval of NSE on 9th May, 2019, whereas the approval of BSE is still awaited;

(iv) In compliance with provisions of section 135 of the Companies Act, 2013, the Company was required to spend Rs.83.77/- towards CSR activities, whereas the Company was able to spend Rs.50.70/- during the financial year under review;

(v) Even though the report pertains to financial year ended 31st March, 2019, we have observed that the Mr. Gautam Makharia – Whole Time Director of the Company – has entered into dealing of the shares during the Closure of Trading Window Period, in the month of July, 2019. The transaction of shares has been reversed by Mr. Gautam Makharia immediately on the same day. The necessary inquiry and investigation – at Company and committee level – is going on;

For DSM & Associates,
Company Secretaries

CS Sanam Umbargikar
Partner
M.No.26141.
CP No.9394.

Date: 13th August, 2019.
Place: Mumbai.

Annexure to the Secretarial Audit Report

To,
The Board of Directors
Shree Pushkar Chemicals & Fertilisers Limited

Dear Sirs,

Subject: Secretarial Audit Report for financial year ended 31st March, 2019.

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For DSM & Associates,
Company Secretaries

CS Sanam Umbargikar
Partner
M.No.26141.
CP No.9394.

Date: 13th August, 2019.
Place: Mumbai.

ANNEXURE – 8

SECRETARIAL COMPLIANCE REPORT

For the Financial year ended 31st March, 2019
(Pursuant to requirements of Regulation 24A of the Listing Regulation)

Secretarial Compliance Report of Shree Pushkar Chemicals and Fertilisers Limited for the year ended 31st March, 2019

I, CS Sanam Umbargikar, partner of M/s. DSM & Associates, Company Secretaries, have examined:

(a) A the documents and records made available to us and explanation provided by Shree Pushkar Chemicals and Fertilisers Limited ("the listed entity"),

(b) The filings/ submissions made by the listed entity to the stock exchanges,

(c) Website of the listed entity,

(d) Any other document/ filings, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of:

 (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

 (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI")

 The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

 (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

 (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

 (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Listed Entity during Review Period);

 (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Listed Entity during Review Period);

 (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Listed Entity during Review Period);

 (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (not applicable to the Listed Entity during Review Period);

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

 and circulars/ guidelines issued thereunder;

 and based on the above examination, I hereby report that, during the Review Period:

 (a) The listed entity has complied with the provisions of above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirements (Regulations/ Circulars/ guidelines including specific clause)	Deviation	Observations/ Remarks of the Practicing Company Secretary
1.	Reg.17(1)(b) – At least half of the Board of Directors shall comprise of Independent Directors as Chairman of the Listed Entity is Executive	Listed Entity was having only 2 Independent Directors out of 6 Directors	For period starting from 4th December, 2017 to 6th August, 2018 due to vacation of office by Mr. Nirmal Kedia – Independent Director

 (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circular/ guidelines issued thereunder:

Sr. No.	Action Taken by	Details of Violation	Details of action taken e.g. fines, warning letters, debarment etc.	Observations/ remarks of the Practicing Company Secretary, if any
NIL				

(d) The Listed Entity has taken following actions to comply with observations made in previous reports:

Sr. No.	Observations/ remarks of the Practicing Company Secretary, in previous reports	Observations made in the Secretarial Compliance Report for the year ended 31st March, 2018	Actions taken by the Listed Entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	N.A.	Mr. Nirmal Kedia, Independent Director of the Company, has vacated the office of Director of the Company pursuant to provisions of section 167 of the Companies Act, 2013, with effect from 4th December, 2017, pursuant to his disqualification under section 164 of the Companies Act, 2013. The Company was unable to fill up the vacancy of Independent Director within a time period of three months or immediate next Board Meeting, whichever is later, as per provisions of Reg.25(6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.	Appointment of Mr. Nirmal Kedia as an Independent Director with effect from 7th August, 2018. Appointment of Mr. Satpal Arora as an Independent Director with effect from 5th November, 2018.	Even though the Company managed to fill up the vacancy of independent director on 7th August, 2018, there is non compliance of provisions of Reg.17(1)(b) and Reg.25(6) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for a period from 4th December, 2017 to 6th August, 2018.

For DSM & Associates,
Company Secretaries

CS Sanam Umbargikar
Partner
M.No.26141.
CP No.9394.

Place: Mumbai.
Date: 20th May, 2019.

ANNEXURE – 9

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a leader in Chemicals and Fertilisers while upholding the core values of Quality, Trust, Leadership and Excellence.

Securities and Exchange Board of India (SEBI) constituted a Committee on 2nd June, 2017, under the stewardship of Mr. Uday Kotak, to further enhance the standards of Corporate Governance of listed entities in India. SEBI at its meeting held on 28th March, 2018 accepted several recommendations of the Kotak Committee and amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)effective from specified timelines. The Company welcomes these amendments to the Listing Regulations in accordance with recommendations of the Kotak Committee.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of Listing Regulation is given below:

2. MECHANISM FOR EVALUATING BOARD MEMBERS:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual evaluation of its own performance, working of its committees and of individual Directors.

The Nomination and Remuneration Committee (N & R Committee) has laid down the criteria for Appointment of Non-Executive Directors & Independent Directors as follows:

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience in their respective field.

b. In case of appointment of Independent Directors, the Nomination and Remuneration committee shall satisfy itself with regard to the Independent nature of the Directors so as to enable the Board to discharge its function and duties effectively.

c. The N & R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under section 164 of the Companies Act 2013.

d. The N & R Committee shall consider the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Non-Executive Director. i) Qualification, experience and expertise of the Non-Executive Directors in their respective fields; ii) Personal, professional or business ethics; iii) Diversity of the Board.

   The Board and the N & R Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

   In a separate meeting of Independent Directors, the performance of non-Independent Directors, the performance of the Board as whole was evaluated, taking into account the views of executive Directors and non-executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

3. BOARD OF DIRECTORS:

The Board is broad-based and consists of eminent individuals from industry, management, technical, financial, and banking background. The Company is managed by the Board of Directors in coordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Company has a judicious mix of Executive and Non- Executive Directors. As on March 31, 2019, the Board comprised of 7 (Five) Directors out of which 2 (two) are Executive Directors, 4 (Two) are Independent Directors and 1 (One) is Non-Executive Director. During the year the Board of Directors met seven times, which is as follows: 10th May, 2018, 28th May, 2018, 7th August, 2018, 27th August, 2018, 5th November, 2018, 7th February, 2019 and 15th March, 2019.

The Chairman of the Board is an Executive Director. The details of each member of the Board along with the number of Directorship/Committee Membership are as given below:

Sr. No	***Name of Directors***	***Category of Directors***	***No. of Board Meetings attended during year***	***Whether attended last AGM***	***Number of other Director-ship***	***No. of membership of Committees in other Public Ltd Companies***
1	Mr. Punit Makharia	Executive Director	7	Yes	-	Nil
2	Mr. Gautam Makharia	Executive Director	6	Yes	-	Nil
3	Mr. Dinesh Modi	Independent Director	6	Yes	1	2
4	Mr. Ramakant Nayak	Independent Director	7	Yes	2	4
5	Mr. Nirmal Kedia	Independent Director	1	No	2	Nil
6	Mr. Satpal Kumar Arora	Independent Director	2	N.A.	1	Nil
7	Ms. Ranjana Makharia	Non-Executive Director	4	Yes	-	Nil

Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than Shree Pushkar Chemicals & Fertilisers Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
3. None of the directors are related to each other except Mr. Punit Makharia and Mr. Gautam Makharia are related to each other.
4. Mr. Ramakant Nayak, Mr. Nirmal Kedia and Mrs. Ranjana Makharia are holding 1000 (One Thousand), 24,394 (Twenty Four Thousand Three Hundred and Ninety Four) and 4,14,647 (Four Lacs Fourteen Thousand Six Hundred and Forty Seven) equity shares in the Company respectively, except that no other non-executive director is holding shares.
5. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.
6. Brief profile of each of the above Directors is available on the Company's website.

4. DECLARATIONS:

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

The Board of Directors, based on the declaration(s) received from the Independent Directors have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company.

The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder. A sample letter of appointment/ re-appointment containing the terms and conditions, issued to the Independent Directors are posted on the Company's website at the following link: https://shreepushkar.com/announcement-news/.

Based on intimations/disclosures received from the Directors periodically, none of the Directors of the Company hold memberships/Chairmanships more than the prescribed limits.

The details of Directorships, relationship inter-se, shareholding in the Company, number of Directorships and Committee Chairmanships/ Memberships held by them in other listed companies as on 31st March, 2019 are detailed below:

Name of Directors	Nature of Directorship	Relationship with each other	Directorship held in other listed entities	Membership and Chairmanship of the Committees of the Board of other Companies**		No. of shares held in the Company along with % to the paid up share capital of the Company****
				Chairman	Member	
Ramakant Nayak	Non-Executive Director/ Independent	***	Sunteck Reality Limited, Poddar Housing and Development Ltd	1	2	1000 (0.0032)
Dinesh Modi	Non-Executive Director/ Independent	***	Arrow Greentech Limited	1	1	-
Satpal Kumar Arora	Non-Executive Director/ Independent	***	Som Distillies And Breweries Limited	-	-	-
Nirmal Kedia	Executive Director/ Promoter	***	Nitin castings ltd	-	-	24394 (0.0793)

** For the purpose of considering the limit of Committee memberships and chairmanships of a Director, membership and chairmanship of Audit Committee and Stakeholders Relationship Committee of public listed companies have been considered. Also excludes the memberships & chairmanships in Shree Pushkar Chemicals & fertilisers Limited.

*** No inter-se relationship with any of the Directors of the Company.

****As per the declarations made to the Company by the Directors as to the shares held in their own name or held jointly as the first holder or held on beneficial basis as the first holder.

5. PARTICULARS OF APPOINTED & RE-APPOINTED DIRECTORS:

In accordance with the requirements of the Companies Act, 2013 and Article of Association of the Company, Mr. Punit Makharia and Mr. Gautam Makharia are liable to retire by rotation and being eligible for offer themselves for re-appointment.

The Board of Directors recommends theirs re-appointment.

1. Name	**Punit Makharia**	**Gautam Makharia**
2. Brief Resume		
Age	49 Years	46 Years
Qualification	B.com	B.E. MBA
Experience	More than 25 years	More than 25 years
Date of appointment on the Board of the Company	29/03/1993	29/03/1993
3. Nature of expertise in specific functional Areas	He has vided expertise in the field of Finance & Accounts, Marketing, fertilisers and chemicals, Purchases, sales and administration.	He is an expert in the field of Accounts, Banking, Sales, project planning implementation, production, management and control.
4. Name(s) of other Companies in which Directorship held	Superior Lime Private Ltd Kleur Speciality Chemicals Pvt Ltd	Kisan Phosphates Pvt Ltd Kleur Speciality Chemicals Pvt Ltd
5. Name(s) of other companies in which he is Chairman / Member of the Committee(s)	NIL	Nil
6. No. of shares held of Rs.10/- each	12571759	5780504
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Brother of Mr. Gautam Makharia, husband of Mrs. Ranjana Makharia and promoter.	Brother of Mr. Punit Makharia and Promoter.

6. **KEY BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES:**

The Company's core business includes manufacturing, distribution and sale of dyes, dye intermediates, fertilisers, other chemicals etc. in India and abroad.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's aforesaid business(es) for it to function effectively and those available with the Board as a whole.

i) Sales & Marketing: Experience in sales and marketing management based on understanding of the consumer & consumer goods industry

ii) International Business experience: Experience in leading businesses in different geographies/markets around the world.

iii) General management/Governance: Strategic thinking, decision making and protect interest of all stakeholders

iv) Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisition etc.

v) Technical skills and professional skills and knowledge including legal and regulatory aspects.

7. **FAMILIARIZATION PROGRAMME:**

The Company conducts Familiarization Programme for Independent Directors to enable them to understand their roles, rights and responsibilities. They are also provided a platform to interact with multiple levels of management and are provided with all the documents required and/or sought by them to have a good understanding of Company's operations, businesses and the industry as a whole. Further, they are periodically updated on material changes in regulatory framework and its impact on the Company.

Moreover, when new Director(s) are inducted on the Board, an information is given to them which includes, Company profile, Company's Codes and Policies, Strategy and such other operational information which will enable them to understand the Company and its business(es) in a better way. The Company also arranges for visits to the Company's Plants and other establishments to enable them to get first-hand information and also interact with the stakeholders at ground level.

The details of such familiarization programmes for Independent Director(s) are put up on the website of the Company and can be accessed through the following link: http://shreepushkar.com/policies-and-code-of-conduct/.

8. **CHANGES IN BOARD:**

During the year under review, based on the recommendations of the Nomination & Remuneration Committee, the Board of Directors (i) approved the appointment of Mr. Nirmal Kedia as a Non-Executive Independent Director of the Company, w.e.f. 7th August, 2018 (ii) approved the appointment of Mr. Satpal Kumar Arora w.e.f. 5th November, 2018.

In line with the requirements of reg. 17 SEBI (Listing obligation and Disclosure requirements), Reg., 2015, as amended and based on the recommendation of Nomination and Remuneration Committee, the Board of directors approved the continuation of appointment of Mr. Ramakant Nayak as he will be completing 75 years of his age on 30th June, 2020 and the same proposal will be placed before shareholders in the annual general meeting for their approval.

9. **AUDIT COMMITTEE:**

i. Brief Description of Terms of Reference:

The Audit Committee of the Company is constituted in line with the Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The terms of reference, Role and powers of the Audit Committee are as mentioned in Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and to review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

ii. Composition

The Audit Committee comprised of Mr. Ramakant Nayak, Chairman, Mr. Dinesh Modi, and Mr. Punit Makharia as Members. The composition of the Board of Directors is in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Members of the Audit Committee are financially literate and possess sound knowledge of accounts, audit, finance etc.

iii. Meetings and Attendance during the Year:

During the year Audit Committee were met by 5 times as follows: 28th May, 2018, 7th August, 2018, 27th August, 2018, 5th November, 2018. 7th February, 2019. The attendance of members is as follows:

Name	Category	Meeting held during the year	Meeting attended during the year
Mr. Ramakant Nayak	Independent Director	5	5
Mr. Dinesh Modi	Independent Director	5	5
Mr. Punit Makharia	Executive Director	5	5

10. STAKEHOLDER'S RELATIONSHIP COMMITTEE (SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE):

(i) Terms of references

a. To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the Company.

b. To exercise all power conferred on the Board of Directors under Article 43 of the Article of Association.

c. To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.

d. To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,

e. To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.

f. To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc., and

g. To delegate all or any of its power of Officers / Authorized Signatories of the Company.

h. To carry out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Composition: The Committee comprised of Mr. Dinesh Modi as Chairman, Mr. Ramakant Nayak and Mrs. Ranjana Makharia as Members.

(iii) Meetings and Attendance during the Year

During the year Stakeholder Committee were met by 4 times as follows: 28th May, 2018, 7th August, 2018, 5th November, 2018 and 7th February, 2019. Mr. Satish Chavan is designated as Compliance officer.

The details of meetings of Stakeholders' Relationship Committee during the year are as follows:

Name	Category	Meeting held during the year	Meeting attended during the year
Mr. Dinesh Modi	Independent Director	4	4
Mr. Ramakant Nayak	Independent Director	4	4
Mrs. Ranjana Makharia	Non-Executive Director	4	2

The composition of the Stakeholder's Relationship Committee is as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The total number of complaints received and replied to the satisfaction of the shareholders during the year is as follows:-

· No. of shareholders' complaints received during the year : 0

· No. of complaints not resolved to the satisfaction of shareholders : 0

· No. of pending share transfers : 0

. No. of Complaints Resolved : 0

11. NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee comprised of Mr. Dinesh Modi as Chairman, Mr. Ramakant Nayak and Mrs. Ranjana Makharia as members of the Committee met by three times during the year on 7th August, 2018, 28th May, 2018 and 5th November, 2018. The constitution and terms of reference of the Nomination & Remuneration Committee is as per regulations of the SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015.

This committee:

(i) Recommend to the board set up and composition of the board and its committees

(ii) Recommend to the board the appointment or reappointment of Directors.

(iii) Carry out evaluation of every Director's performance and support the board in evaluation of the performance of the board, its committees and independent Directors and

(iv) Provide guidelines for remuneration of Directors.

12. REMUNERATION OF NON- EXECUTIVE DIRECTORS:

Non-Executive directors have no pecuniary relationship or transaction with Company except sitting fees as described in MGT-9 extract of annual return which is reproduced herein. There are no criteria of payments to be made to non-executive directors of the Company as all non-executive directors are expertise and have vast experienced in their own area. Company has maintained uniformity in making sitting fees to all directors.

Details of remuneration paid to Non-Executive Directors.

Sr. No.	Name of the Director	Category	Remuneration/ Sitting Fees paid per annum
1.	Mr. Ramakant Nayak	Independent, Non-Executive Director	Rs.2,85,000/-
2.	Mr. Dinesh Modi	Independent, Non-Executive Director	Rs.2,65,000/-
3.	Mr. Nirmal Kedia	Independent, Non-Executive Director	Nil
4.	Mrs. Ranjana Makharia	Non-Executive Woman Director	Rs. 60,000/-
5.	Mr. Satpal Kumar Arora	Independent, Non-Executive Director	Rs. 60,000/-

13. GENERAL BODY MEETINGS:

(i) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2017 – 2018	25/09/2018	3.00 p.m.	Brijwasi Palace Hall, Sonawala Road, Goregaon East, Mumbai - 400063
2016 - 2017	11/09/2017	3.30 p.m.	Brijwasi Palace Hall, Sonawala Road, Goregaon East, Mumbai - 400063
2015 – 2016	10/08/2016	3.00 p.m.	Brijwasi Palace Hall, Sonawala Road, Goregaon East, Mumbai - 400063

(ii) Special Resolution passed in previous three Annual General Meetings:

Sr. No.	Date of Annual General Meeting	Special Resolution
1.	25/09/2018	– Appointment of Mr. Nirmal Kedia as an Independent Director. – Issue of Equity shares on Preferential basis. – Issue of Convertible warrants on preferential basis. – To revise/ modification in the remuneration of Mr. Punit Makharia – To revise/ modification in the remuneration of Mr. Gautam Makharia.
2.	11/09/2017	NIL
3.	10/08/2016	– Appointment of Mr. Ramakant Nayak as an Independent Director – Appointment of Mr. Dinesh Modi as an Independent Director – Appointment of Mr. Nirmal Kedia as an Independent Director

(iii) Special Resolution proposed to be conducted through Postal Ballot: NIL

14. OTHER DISCLOSURES:

(a) Related Party Transactions:

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

None of the transactions with any of the related parties were in conflict with the interest of the Company at large. The policy of related party transaction and determining materiality subsidiaries are available on website of the Company http://shreepushkar.com.

(b) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

(c) Disclosures on Risk Management:

During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations by the Management Committee and the Executive Board has been informed about the risk assessment and minimization procedures as required under Listing Regulations. The Company has framed the Risk Assessment and Minimization- Procedure which will be periodically reviewed by the Board.

(d) Details of non-compliance:

Since the Company has been listed from 10th of September, 2015, we confirm that Company has complied with all requirements specified under listing regulations as well as other regulations of SEBI. Consequently, there were no restrictions or penalties imposed by either SEBI or Stock Exchanges or any Statutory Authority for non-compliance of any matter related to the capital markets during the last three years Except:

During the year Mr. Nirmal Kedia – Independent Director was disqualified to act as a Director of the Company pursuant to provisions of section 164 of the Companies Act, 2013 and hence Company was unable to comply with the provisions of Reg.17(1)(b) and 25(6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for a period starting from 4th December, 2017 to 6th August, 2018 due to vacation of office by Mr. Nirmal Kedia – Independent Director.

(e) Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. http://shreepushkar.com.

(f) Adoption of Non-Mandatory Requirements

Adoption of non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to time.

Note: web link http://shreepushkar.com/investor-center for policy on dealing with related party transactions.

(g) Details of utilization of funds raised through preferential allotment as specified under Regulations 32(7A):

During the year Company has allotted shares to promoters on preferential basis. In which, Company has raised funds amounting to Rs.4 Crores through preferential issue for the purpose of investment in the Kisan phosphates Pvt. Ltd, a wholly owned subsidiary of the Company. The said fund has been used as per object clause of the preferential issue of shares as described in the Notice and explanatory statement of Extra Ordinary General Meeting.

(h) Disclosure in relation to the sexual harassment of women at workplace (Prevention, Prohibition and redressed) Act, 2013 for the financial year 2018-2019:

Number of complaints filed during the year	Number of complaints disposed of during the financial year	Number of Complaints pending as on end of the financial year
0	0	0

15. MEANS OF COMMUNICATION:

I. Quarterly Results:

The quarterly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

II. Newspaper Publication:

The Quarterly and yearly results of the Company along with any other communication for stakeholders has been published in Business Standard and Mumbai Mitra newspapers mostly.

III. Website:

Financial results, Annual Reports other disclosure are updated on the website of the Company.

IV. Official News Releases:

The Company displays official news releases as and when the situation arises.

V. Presentations:

The Company makes Investor Presentation, Earning Call, presentation to institutional investors or the analysts when found appropriate.

16. GENERAL SHAREHOLDER INFORMATION:

(A) AGM DATE, TIME AND VENUE:

Annual General Meeting will be held on**, Monday,** 23rd September, 2019 at 3.00 p.m. at Brijwasi Palace Hall, Brijwasi Estate, Sonawala Road, Goregaon (East), Mumbai – 400063.

(B) FINANCIAL YEAR:

The Financial Year is from 1st April 2018 to 31st March 2019.

Tentative Schedule for next results:

Unaudited Results for quarter ending September 30, 2019	Mid of November, 2019
Unaudited Results for quarter ending December 31, 2019	End of January, 2020
Audited Results for year ending March 31, 2020	Mid of May, 2020
Unaudited Results for quarter ending June 30, 2019	Mid of August, 2020
AGM for year ending March 31, 2019	Mid of September, 2020

(C) BOOK CLOSURE PERIOD: Monday, the 16th September, 2019 to Monday, the 23rd September, 2018 (both days inclusive).

(D) DIVIDEND PAYMENT DATE: Company has recommended Rs 1.5/- per shares (i.e. 15% final dividend on the Face value of equity share) for the financial year 2018-19 and it will be credited after 5 days of Annual General Meeting approximately.

(E) STOCK EXCHANGES WHERE SECURITIES ARE LISTED:

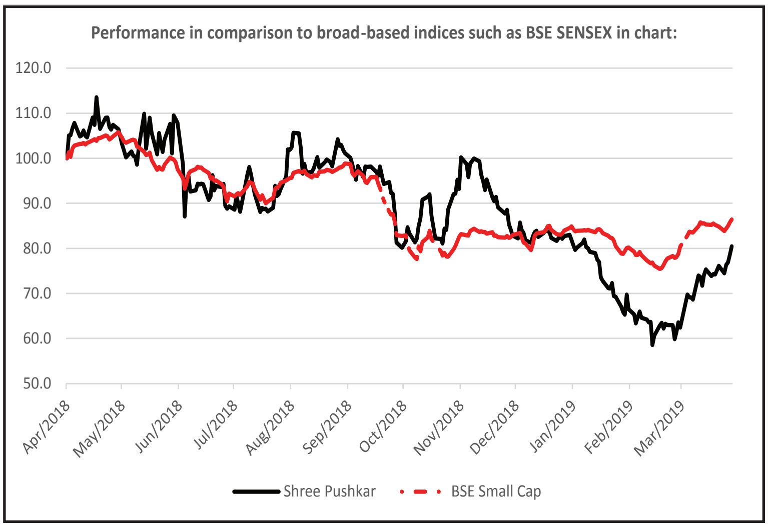
Name of the Stock Exchange (Equity Shares)	Stock Code/Symbol	Address
BSE Limited	539334/SHREEPUSHK	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.
National Stock Exchange of India Ltd	SHREEPUSHK	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051

The Listing fees have been paid for the current financial year on time to both stock exchanges.

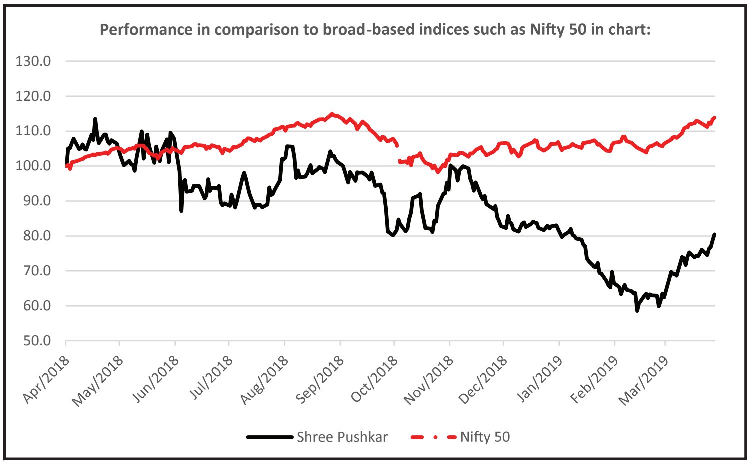
(F) STOCK MARKET DATA:

BSE			NSE		
Month	High	Low	Month	High	Low
Apr-18	246.05	200.1	Apr-18	246.85	202.75
May-18	231.7	201	May-18	232.00	201.00
Jun-18	224	171.5	Jun-18	224.10	172.10
Jul-18	209.2	176	Jul-18	209.00	175.00
Aug-18	220	191.2	Aug-18	219.30	191.90
Sep-18	210.5	165	Sep-18	213.70	164.10
Oct-18	198	152	Oct-18	198.00	151.50
Nov-18	208	168.4	Nov-18	208.15	168.70
Dec-18	180	161.2	Dec-18	176.90	160.35
Jan-19	170.05	131.1	Jan-19	169.95	130.10
Feb-19	146.5	115.95	Feb-19	148.00	115.50
Mar-19	165.5	125.5	Mar-19	164.95	125.55

(G) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX IN CHART:



(H) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS NSE NIFTY IN CHART:



(I) REGISTRAR AND TRANSFER AGENT:

Name of Registrar And Share Transfer Agent	:	Bigshare Services Private Limited
Address	:	1st Floor, Bharat Tin Works Building, Opp. Vasant oasis Apartments (Next to keys hotel), Marol Maroshi Road, Andheri East, Mumbai 400059
Tel. No.	:	022 – 62638200
Email Id	:	investor@bigshareonline.com

(J) SHARE TRANSFER SYSTEM WITH NUMBER OF SHARES TRANSFERRED:

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

(K) DEMATERIALIZATION OF SHARES AND LIQUIDITY: Yes

(L) OUTSTANDING GDRS/ WARRANTS, CONVERTIBLE BONDS, CONVERSION DATE AND ITS IMPACT ON EQUITY: Nil

(M) DISTRIBUTION OF SHAREHOLDING AND SHAREHOLDING PATTERN AS ON 31st MARCH, 2019:

(N) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2019:

Shareholding of nominal Rs.	No. of Shareholders	Percentage of Total	Share Amount Rs.	%of Total
00001 –05000	13997	87.6346	17619180	5.7346
05001– 10000	928	5.8102	7340420	2.3891
10001– 20000	495	3.0992	7411710	2.4123
20001– 30000	199	1.2459	5147950	1.6755
30001– 40000	70	0.4383	2477310	0.8063
40001- 50000	68	0.4257	3153880	1.0265
50001-100000	103	0.6449	7491220	2.4382
100001&Above	112	0.7012	256601430	83.5174
Total	**15972**	**100.00**	**307243100**	**100.0000**

(O) SHAREHOLDING PATTERN AS AT 31ST MARCH, 2019:

Category	No. of Shares held	% of Total Shares
(I)Promoter Group	**19979900**	**65.03**
(II)Public Shareholding Institutions		
Mutual Funds and UTI	1615814	5.35
Financial Institutions / Banks	25868	0.08
FII's	339456	1.10
Foreign Portfolio Investor	312260	1.02
Alternate Investment Fund	31538	0.10
Non-Institutions		
Bodies Corporate	1650439	5.37
Individual Public		
(Capital Upto To Rs. 1 Lac)	4430502	14.42
(Capital Greater Than Rs. 1 Lac)	1638666	5.33
Trusts	8300	0.03
Clearing Member	217390	0.71
NRIs	43168	0.14

Category	No. of Shares held	% of Total Shares
Non Resident Indians (Repat)	266858	0.87
Non Resident Indians (Non Repat)	65136	0.21
Overseas Bodies Corporate	1266	0.00
CORPORATE BODY NBFC	10	0.00
Total Public Shareholding	**10744410**	**34.97**
(III) Shares held by Custodians and against which Depository Receipts have been issued	0	0
Grand Total	**30724305**	**100**

(P) PLANT LOCATIONS: FACTORY –

Sr. No.	Unit No.	Location
1.	Unit No. I	B -102/103, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.
2.	Unit No. II	D-25 MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.
3.	Unit No. III	B-97, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra,India.
4.	Unit No. IV	D-18, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.
5.	Hisar Plant	3.5 K.M., Choudhary was to Gawar Road, Gawar, Hisar, Haryana, India – 125001

(Q) ADDRESS FOR CORRESPONDENCE:

The Company's Registered Office is situated at:

Regd. off: 301/302, 3rd Floor, Atlanta Center, Near Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai - 400063, India. **Email:** cosec@shreepushkar.com

(R) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The Company imports certain raw materials from various sources for manufacturing chemicals and fertilisers. Most of the significant raw materials are not commodities *per se*, though some of them could be derivatives of commodities.

The Company does not undertake any commodity hedging activities. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies.

a) Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year: NA

b) Commodity risks faced by the listed entity during the year and how they have been managed: N.A.

(S) CREDIT RATINGS AND ANY REVISIONS THERETO FOR DEBT INSTRUMENTS OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD:

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March, 2019. The ratings given by ICRA for short-term bank limits and long-term bank limits of the Company are ICRA A1 and ICRA A+ (Stable) respectively. There was no revision in the said ratings during the year under review.

17. CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Chairman forms part of this Report.

18. WHISTLE BLOWER POLICY

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

The Executive Director of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics as provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Shree Pushkar Chemicals & Fertilisers Limited Code of Business Conduct and Ethics for the year ended March 31st, 2019.

For Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman and Managing Director

Date: 13th August, 2019.
Place: Mumbai.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Shree Pushkar Chemicals And Fertilisers Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shree Pushkar Chemicals And Fertilisers Limited,** having CIN L24100MH1993PLC071376 and having registered office at 301/302, 3rd Floor, Atlanta Center, Sonawala Road, Goregaon East, Mumbai – 400 063, Maharashtra, India, (hereinafter referred to as "the Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2019 or a part thereof of their appointment, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of the Directors	DIN	Date of appointment in the Company
1.	Mr. Punit Makharia	01430764	29th March, 1993.
2.	Mr. Gautam Makharia	01354843	29th March, 1993.
3.	Mr. Ramakant Nayak	00129854	4th December, 2010.
4.	Mr. Dinesh Modi	00004556	20th June, 2012.
5.	Mr. Nirmal Kedia	00050769	7th August, 2018.
6.	Mr. Satpal Kumar Arora	00061420	5th November, 2018.
7.	Mrs. Ranjana Makharia	07708602	10th February, 2017.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on my verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DSM & Associates,
Company Secretaries

CS Sanam Umbargikar
Partner
M.No.26141
COP No. 9394

Date: 13th August, 2019.

Place: Mumbai

CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Shree Pushkar Chemicals & Fertilisers Limited ("the Company") to the best of our knowledge and belief certify that:

a. We have reviewed financial statements and the cash flow statement for the year ended March 31st, 2019 and that to the best of our knowledge and belief, we state that:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's code of conduct.

c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee:

   i. significant changes, if any, in internal control over financial reporting during the year;

   ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

For Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman and Managing Director

Deepak Beriwala
Chief Financial Officer

Date: 13th August, 2019.
Place: Mumbai.

PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of;

Shree Pushkar Chemicals & Fertilisers Limited

We have examined the compliance of conditions of Corporate Governance by **Shree Pushkar Chemicals & Fertilisers Limited**, for the year ended March 31, 2019 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to procedures 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 opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015, except that *the Company was unable to fill up the vacancy of Independent Director within a time period of three months or immediate next Board Meeting, whichever is later, as per provisions of Reg. 25(6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.*

We 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.

For DSM & Associates,
Company Secretaries

CS Sanam Umbargikar
Partner
M.No.:26141.
COP No.9394.

Date: 13th August, 2019
Place: Mumbai.

INDEPENDENT AUDITORS' REPORT

To the Members of Shree Pushkar Chemicals & Fertilisers Limited,

Report on the Audit of Standalone Ind-AS Financial Statements

Opinion

We have audited the standalone Ind-AS financial statements of Shree Pushkar Chemicals &Fertilisers Limited ('the Company'), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the standalone Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013,as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the StandaloneInd AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Revenue from contracts with customers (described in Note 2 (K) of the standalone Ind AS financial statements)	
Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company is engaged in manufacturing of dye and dye intermediaries through its various plants. It has developed procedures to record the revenue on the basis of the movement of the goods and revenue accrues as per Indian accounting standard 115. Due to different terms with different customers and transaction price, there is a risk that the revenue or discounts or rebates; and export incentives thereon might not be recorded correctly Revenue is a key parameter to ascertain the Company's performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it has been considered to be a key audit matter in our audit of these financial statements.	We assessed the Company's process to identify the impact of adoption of new revenue accounting standard. We assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates. We performed sample tests of individual sales transaction and traced to related documents, considering the terms of dispatch. We tested cut-off procedures with respect to year-end sales transactions made. We also performed monthly analytical procedures of revenue by streams to identify any unusual trends. Based on our combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls, we have concluded that the revenue has been recognized in accordance with the relevant accounting standards.

Responsibilities of Management for the StandaloneInd AS Financial Statements

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internalcontrol.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of suchcontrols.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the StandaloneInd AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statementdealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its Standalone Ind AS financial statements - Refer to Note 41 to the Standalone Ind AS financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2019.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 20, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Shree Pushkar Chemicals & Fertilisers Limited

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

1. We have audited the internal financial controls over financial reporting of Shree Pushkar Chemicals & Fertilisers Limited ("the Company") as of March 31, 2019 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design,implementation and maintenance of adequate internal financial controls which 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and both issued by the Institute of Chartered Accountants of India (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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. 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 with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

6. A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that:

   i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

   ii. 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

   iii. 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 With Reference to these Financial Statements

7. Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls

over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us,the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date: May 20, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Shree Pushkar Chemicals & Fertilisers Limited

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.

(b) All the property, plant & equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on Property, Plant and Equipment to the financial statements, are held in the name of the Company.

ii. The physical verification of inventories has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.

iii. The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of the Clause 3(iii) of the said order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans and advances given, investments made and guarantees, and securities given have been complied with by the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including provident fund, income tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax and goods and service tax, which have not been deposited on account of any dispute except as follows:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
MVAT Act,2002	Value Added Tax including interest	108.88	FY 2006-07	Sales Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Demand	36.34	AY 2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Demand	6.06	AY 2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax Demand	48.26	AY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	57.97	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	359.44	AY 2013-14	Commissioner of Income Tax (Appeals)
MVAT Act,2002	Value Added Tax including interest	78.52	FY 2013-14	The Deputy Commissioner Of Sales Tax (Appeals)
Central Sales Tax Act,1956	Central Sales Tax including interest	14.88	FY 2013-14	The Deputy Commissioner Of Sales Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	13.02	AY 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	450.43	AY 2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	67.00	AY 2016-17	Commissioner of Income Tax (Appeals)

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or banks at the balance sheet date. The Company does not have any loans or borrowings from Government. Further, the Company has not issued any debentures.

ix. In our opinion and according to the information and explanations given to us, the Company has utilized the moneys raised by way of term loans for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer/ further public offer / debt instruments during the year.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/provided managerial remuneration in accordance with there quisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Indian Accounting Standard (Ind-AS) 24, “Related Party Disclosures” specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has made preferential issue of equity shares during the year, in compliance with the requirements of Section 42 of the Act. Further, the amounts raised have been used for the purpose for which funds were raised.

xv. According to the records of the Company examined by us and the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 20, 2019

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

(INR in Lakhs)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I	**ASSETS**			
	1. Non-Current Assets			
	(a) Property, Plant and Equipment	3	13,791.46	14,179.75
	(b) Capital Work-In-Progress	3	1,047.08	27.44
	(c) Intangible assets under development	4	0.92	0.82
	(d) Financial Assets			
	(i) Investments	5	2,137.67	2,180.80
	(ii) Others	6	379.67	145.68
	(e) Other Non-Current Assets	7	907.63	734.15
			18,264.43	**17,268.64**
	2. Current Assets			
	(a) Inventories	8	4,599.73	6,707.88
	(b) Financial Assets			
	(i) Trade Receivables	9	7,938.98	7,243.77
	(ii) Cash and Cash Equivalents	10	37.22	30.41
	(iii) Bank Balances other than Cash and Cash Equivalents	11	3,930.13	1,895.29
	(iv) Loans	12	26.77	23.47
	(v) Others	13	143.67	107.67
	(c) Other Current Assets	14	589.25	886.76
			17,265.75	**16,895.25**
	Total Assets		**35,530.18**	**34,163.89**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share Capital	15	3,072.43	3,021.94
	(b) Other Equity	16	24,591.64	20,350.59
			27,664.07	**23,372.53**
	LIABILITIES			
	1. Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	30.32	33.42
	(b) Provisions	18	50.66	42.16
	(c) Deferred Tax Liabilities (Net)	19	2,038.47	1,414.53
	(d) Other Non-Current Liabilities	20	46.00	13.90
			2,165.45	**1,504.01**
	2. Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	21	1,098.94	4,076.31
	(ii) Trade Payables	22		
	(a) total outstanding dues of micro enterprises and small enterprises		80.90	56.27
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		3,554.11	3,858.55
	(iii) Other Financial Liabilities	23	44.84	38.43
	(b) Other Current Liabilities	24	433.93	263.46
	(c) Provisions	25	5.06	3.19
	(d) Current Tax Liabilities (Net)	26	482.88	991.14
			5,700.66	**9,287.35**
	Total Equity and Liabilities		**35,530.18**	**34,163.89**
	Summary of Significant Accounting Policies	2		

The Notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer
Place: Mumbai
Date: May 20, 2019

Satish Chavan
Company Secretary
Place: Mumbai
Date: May 20, 2019

Place: Mumbai
Date: May 20, 2019

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

(INR in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I	**Revenue**			
	Revenue from Operations	27	40,019.55	37,016.08
	Other Income	28	242.05	169.84
	Total Income		**40,261.60**	**37,185.92**
II	**Expenses**			
	Cost of Materials Consumed	29	26,014.20	27,934.21
	Changes in Inventories of Finished Goods and Work-in-Progress	30	1,368.80	(2,105.97)
	Employee Benefit Expenses	31	2,673.38	1,698.62
	Depreciation and Amortization Expenses	32	821.44	691.20
	Finance Costs	33	200.94	228.02
	Other Expenses	34	4,114.47	3,774.18
	Total Expenses		**35,193.23**	**32,220.26**
III	**Profit before tax (I- II)**		**5,068.37**	**4,965.66**
IV	**Less: Tax Expense:**			
	Current Tax		1,255.00	1,290.00
	Tax for Earlier years		(455.09)	-
	Deferred Tax		623.23	359.08
	Total Tax Expense		**1,423.14**	**1,649.08**
V	**Profit for the Year (III-IV)**		**3,645.23**	**3,316.58**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit obligations		2.02	0.72
	Tax effect on above		(0.71)	(0.25)
	Other Comprehensive Income for the year, net of tax		1.31	0.47
VII	**Total Comprehensive Income for the year (V+VI)**		**3,646.54**	**3,317.05**
VIII	**Earnings Per Share (Face Value INR 10 Per Equity Share):**	35		
	Basic (INR)		11.89	10.98
	Diluted (INR)		11.82	10.90

The Notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer

Satish Chavan
Company Secretary

Place: Mumbai
Date: May 20, 2019

Place: Mumbai
Date: May 20, 2019

Place: Mumbai
Date: May 20, 2019

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(INR in Lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A.	**Cash Flow from Operating Activities**		
	Net profit before tax	5,068.37	4,965.66
	Adjustments for:		
	Depreciation and amortisation	821.44	691.20
	Finance costs	200.94	228.02
	Other Income	2.68	(0.12)
	Interest Income	(241.12)	(178.05)
	Allowances for Credit Losses	(23.36)	56.98
	Profit on sale of Property, Plant & Equipment	(3.62)	-
	Fair value gain / (loss) on quoted equity instruments	-	8.88
	Operating profit/(loss) before working changes	**5,825.33**	**5,772.57**
	Movement in working capital		
	Decrease/(Increase) in Inventories	2,108.15	(3,525.35)
	Decrease/(Increase) in Trade Receivables	(671.85)	(1,199.90)
	Increase/(Decrease) in Trade Payables	(279.81)	1,666.18
	Increase/(Decrease) in Other Non-Current Liabilities	32.10	0.10
	Increase/(Decrease) in Other Current Liabilities	170.47	(602.93)
	Increase/(Decrease) in Other Current Financial Liabilities	6.41	(112.19)
	Decrease/(Increase) in Other Current Financial Assets	(36.00)	(101.29)
	Decrease/(Increase) in Other Current Assets	297.51	(152.04)
	Decrease/(Increase) in Other Non Current Assets	(173.48)	515.23
	Increase/(Decrease) in Long Term Provisions	10.52	9.21
	Increase/(Decrease) in Short Term Provisions	1.87	(74.50)
	Decrease/(Increase) in Other Non Current Financial Assets	(233.99)	(19.55)
	Decrease/(Increase) in Financial assets - Loans	(3.30)	0.80
	Cash Generated From Operations	**7,053.93**	**2,176.34**
	Income taxes paid (net of refunds)	(1,308.17)	(1,070.42)
	Net cash flow generated from / (used in) operating activities (A)	**5,745.77**	**1,105.92**
B.	**Cash Flow from Investing Activities**		
	Purchase or Construction of Property, Plant & Equipment (including capital work-in-progress)	(1,452.79)	(2,585.35)
	Purchase of Intangible asset under development	(0.10)	(0.82)
	(Investment in)/ Realisation of Fixed Deposits and Margin Money	(2,034.84)	313.04
	Investment in Equity Instruments of Subsidiary Company	-	(902.43)
	Investment in Convertible Debentures of Subsidiary Company	-	(1,229.99)
	Investments in quoted equity instruments	-	(52.04)
	Proceeds from sale of Property, Plant & Equipment	3.62	-
	Proceeds from sale of Investment	40.44	-
	Interest Income received	241.12	178.05
	Net Cash used in Investing Activities (B)	**(3,202.55)**	**(4,279.54)**
C.	**Cash Flow from Financing Activities**		
	Share application money received against prefential issue of equity shares	-	1,302.43
	Share application money received against prefrential issue of share warrants	645.00	-
	Proceeds from/ (Repayment of) Financial Borrowings (net)	(2,980.47)	2,634.34
	Dividend Paid (Including Dividend Distribution Tax)	-	(545.57)
	Finance costs	(200.94)	(228.02)
	Net Cash flow (used in) from Financing Activities (C)	**(2,536.41)**	**3,163.18**
	Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	**6.81**	**(10.44)**
	Cash and cash equivalents at the beginning of the year	30.41	40.85
	Cash and cash equivalents at the end of the year	37.22	30.41
	Net cash Increase/(decrease) in cash and cash equivalents	**6.81**	**(10.44)**

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

The Notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer
Place: Mumbai
Date: May 20, 2019

Satish Chavan
Company Secretary
Place: Mumbai
Date: May 20, 2019

Place: Mumbai
Date: May 20, 2019

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

A : Equity Share Capital (Equity shares of INR 10 each issued, subscribed and fully paid)

Particulars	Note No.	Numbers in Lakhs	Amount in Lakhs
Balance as at April 1, 2017		**302.19**	**3,021.94**
Changes in share capital during the year 2017-2018		-	-
Balance at the March 31, 2018	15	**302.19**	**3,021.94**
Preferential allotment of Equity Shares to Promoter & Promoter Group		5.05	50.49
Balance at the March 31, 2019	15	**307.24**	**3,072.43**

B : Other Equity

(INR in Lakhs)

Particulars	Note No.	Share Application money pending allotment	Money received against share warrants	Reserve and Surplus			Total Other Equity
				Securities Premium	Capital Equity Reserve	Retained Earnings	
Balance as at April 1, 2017		**-**	**-**	**5,646.33**	**29.23**	**10,601.12**	**16,276.68**
Profit for the year		-	-	-	-	3,316.58	3,316.58
Other Comprehensive Income		-	-	-	-	0.47	0.47
Share Application money pending allotment		1,302.43	-	-	-	-	1,302.43
Dividends (including Dividend Distribution Tax)		-	-	-	-	(545.57)	(545.57)
Balance as at March 31, 2018	**16**	**1,302.43**	**-**	**5,646.33**	**29.23**	**13,372.60**	**20,350.59**
Profit for the year		-	-	-	-	3,645.23	3,645.23
Other Comprehensive Income		-	-	-	-	1.31	1.31
Reserve created on account of Shares allotted to Promoter & Promoter Group on Preferential basis during the year		-	-	1,017.67	-	-	1,017.67
Allotment of Shares during the year		(1,068.16)	-	-	-	-	(1,068.16)
Received on account of exercise of Options under the Equity Share Warrants		-	645.00	-	-	-	645.00
Balance as at March 31, 2019	**16**	**234.27**	**645.00**	**6,664.00**	**29.23**	**17,019.14**	**24,591.64**

The Notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer

Satish Chavan
Company Secretary

Place: Mumbai
Date: May 20, 2019

Place: Mumbai
Date: May 20, 2019

Place: Mumbai
Date: May 20, 2019

SHREE PUSHKAR CHEMICALS AND FERTILISERS LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 1: Company Overview

Shree Pushkar Chemicals & Fertilisers Limited (the "Company") is a Public Limited Company domiciled in India and incorporated on March 29, 1993 under the provisions of Companies Act, 1956. The registered office of the Company is located at 301-302, 3rd Floor, Atlanta Center, Sonawala Road, Goregaon (East), Mumbai – 400063.

The Company is engaged in the business of manufacturing and trading of Chemicals, Dyes and Dyes Intermediate, Cattle Feeds, Fertilisers and Soil Conditioner. The equity shares of the Company are listed on The National Stock Exchange of India Limited and BSE Limited.

The financial statements are authorized for issue in accordance with a resolution of the Board of Directors on May 20, 2019.

Note 2 : Summary of Significant Accounting Policies

A. **Basis of preparation of financial statements**

(i) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind-AS") under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (`Act') (to the extent notified). The Ind-AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted the Indian Accounting standards in accordance with Ind-AS 101 "First time adoption of Indian Accounting Standards" during the year ended March 31, 2018.

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

(ii) Basis of preparation

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

- certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- assets held for sale- measured at fair value less cost to sell;
- defined benefit plans- plan assets measured at fair value; and

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise stated.

(iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period and cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

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

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

B. **Use of estimates**

The preparation of the financial statements in conformity with Ind-AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note C below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. **Critical accounting estimates**

(i) Income taxes

The Company's major tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. Also refer to note 26.

(ii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefits 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 for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. 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 44.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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. See Note 36-39 for further disclosures.

(v) Revenue from contracts with customers

The Company's contracts with customers include promises to provide the goods & services to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either fixed amount of customer consideration or variable consideration with elements such as schemes, incentives, cash discounts etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of the each period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customer's actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

D. **Property, Plant and Equipment**

Land (including Land Developments) is carried at historical cost. All other items of property, plant and equipment are stated in the balance sheet at historical cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and land developments) less their residual values over the useful lives, using the straight- line method ("SLM"). Management believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Estimated useful lives
Buildings	30 years
Leasehold lands	95 years
Computers and Printers, including Computer Peripherals (including server and networking)	3 -6 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Motor Vehicles (including busses and trucks)	8-20 years
Plant and Machinery	15-20 years

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions.

Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

E. **Investment properties**

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

F. **Intangible Assets**

Intangible asset including intangible assets under development are stated at cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible assets in case of computer software are amortised on straight-line basis over a period of 3 years, based on management estimate. The amortization period and the amortisation method are reviewed at the end of each financial year.

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

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

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. An impairment loss is recognized in the profit or loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. A reversal of an impairment loss is recognised immediately in profit or loss.

H. **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

Part I - Financial Assets

a) Initial recognition and measurement

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

b) Subsequent measurement

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

Financial Assets at amortised cost:

A Financial Assets is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income)

A Financial Assets is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

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

Financial Assets at FVTPL (Fair Value through Profit or Loss)

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

In addition, the Company may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’). The Company has not designated any financial instrument as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

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

c) De-recognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance;
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind-AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 18 (referred to as 'contractual revenue receivables' in these financial statements)
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company uses the remaining contractual term of the financial instrument; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is grouped under the head 'other expenses'. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Part II - Financial Liabilities

a) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the profit or loss as finance cost.

Financial guarantee contracts

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

c) De-recognition

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

d) Offsetting of financial instruments

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

I. **Derivative financial instruments and hedge accounting**

Initial recognition and subsequent measurement:

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

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

J. **Inventories**

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

K. **Revenue from contracts with customers**

The Company derives revenues primarily from manufacturing and trading of Chemicals, Dyes and Dyes Intermediate and other allied products.

Ind AS 115 "Revenue from Contracts with Customers" provides a control- based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognize revenue when or as an entity satisfies performance obligations

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when no significant uncertainty exists as to its realization or collection.

The amount recognised as revenue in its Statement of Profit and Loss is exclusive of Goods and Service Tax and is net of discounts.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (h) Financial Instruments.

Contract liabilities

A contract liability is the obligation to perform the services as agreed with the customer for which the Company has received consideration (or an amount of consideration is due) from the customer. A contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

L. **Other Income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

M. **Provisions and Contingent Liabilities**

General

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

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

N. **Accounting for Taxation of Income**

(i) Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

(ii) Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

O. **Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

P. **Foreign Currency-Transactions and Balances**

The Company's functional currency is INR and accordingly, the financial statements are presented in INR.

Transactions in foreign currencies are initially recorded by the company in their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting period. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Q. **Borrowing Costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

R. **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance Lease as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

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

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

Operating Lease as a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred

S. **Employee Benefits**

a) 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 recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. 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 on government bonds that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet, if the Company 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.

c) Post- employment obligations

The Company operates the following post-employment schemes:

(i) Defined benefit plans such as gratuity

(ii) Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

T. **Earnings Per Share**

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

Diluted earnings per share adjusts 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
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

U. **Cash and Cash Equivalents**

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

V. **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

W. **Segment Reporting**

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

X. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019:

Ind AS 116 - Leases

Ind AS 12 - Appendix C, Uncertainty over Income Tax Treatments

Amendment to Ind AS 12 – Income taxes

Amendment to Ind AS 19 – plan amendment, curtailment or settlement

Ind AS 116 Leases:

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The standard permits two possible methods of transition:

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

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

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

a. Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee’s incremental borrowing rate at the date of initial application

b. An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The Company is in the process of evaluating the impact of the standard.

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

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

The standard permits two possible methods of transition:

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

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

Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The effect on adoption would be insignificant in the financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 3 : Property, Plant and Equipment

(INR in Lakhs)

Particulars	Leasehold Land	Factory Building	Plant and Machinery	Furniture and Fixtures	Computers Equipments	Motor Vehicles	Office Equipments	Total	Capital Work-in Progress
Gross Carrying Amount as at April 1, 2017	**431.16**	**2,565.62**	**11,489.18**	**166.21**	**22.02**	**308.74**	**8.02**	**14,990.95**	**-**
Additions / Transfer	-	-	2,503.81	0.12	2.69	50.96	0.33	2,557.91	27.44
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**431.16**	**2,565.62**	**13,992.99**	**166.33**	**24.71**	**359.70**	**8.35**	**17,548.86**	**27.44**
Additions / Transfer	308.00	0.46	48.12	36.54	2.48	36.78	0.76	433.15	1,055.91
Disposals	-	-	-	-	-	(9.00)	-	(9.00)	(36.26)
As at March 31, 2019	**739.16**	**2,566.08**	**14,041.11**	**202.87**	**27.19**	**387.48**	**9.11**	**17,973.01**	**1,047.08**
Accumulated depreciation as at April 1, 2017	**24.09**	**377.24**	**2,074.94**	**29.52**	**20.25**	**145.88**	**5.99**	**2,677.91**	**-**
Depreciation charge during the year	5.93	81.33	546.36	15.80	2.14	38.05	1.59	691.20	-
Accumulated depreciation on deletions	-	-	-	-	-			-	-
As at March 31, 2018	**30.02**	**458.57**	**2,621.30**	**45.32**	**22.39**	**183.93**	**7.58**	**3,369.11**	**-**
Depreciation charge during the year	8.63	81.34	666.04	17.54	2.64	44.39	0.87	821.44	-
Accumulated depreciation on deletions	-	-	-	-	-	(9.00)	-	(9.00)	-
As at March 31, 2019	**38.65**	**539.91**	**3,287.34**	**62.86**	**25.03**	**219.32**	**8.45**	**4,181.55**	**-**
Net carrying amount as at March 31, 2019	700.51	2,026.17	10,753.77	140.01	2.17	168.16	0.66	13,791.46	1,047.08
Net carrying amount as at March 31, 2018	401.14	2,107.05	11,371.69	121.01	2.32	175.77	0.77	14,179.75	27.44
Net carrying amount as at April 1, 2017	407.07	2,188.38	9,414.24	136.69	1.77	162.86	2.03	12,313.04	-

1 **Asset under construction**

Capital Work In Progress as at March 31, 2019 comprises expenditure for capacity enhancement of Proposed Unit V situated at Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra.

2 **Property, Plant and Equipments pledged/ mortgaged as security**

All Property, Plant and Equipment are subject to a first charge/ collateral to secure the loans taken by the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 4 : Intangible Assets under development

(INR in Lakhs)

Particulars	Intangible assets under development
Cost	
As at April 1, 2017	**-**
Additions	0.82
Disposals	-
As at March 31, 2018	**0.82**
Additions	0.10
Disposals	**-**
As at March 31, 2019	**0.92**
Accumulated amortisation and impairment	
As at April 1, 2017	**-**
Amortisation charge during the year	-
Disposals	-
As at March 31, 2018	**-**
Amortisation charge during the year	**-**
Disposals	**-**
As at March 31, 2019	-
Net carrying amount as at March 31, 2019	**0.92**
Net carrying amount as at March 31, 2018	**0.82**
Net carrying amount as at April 1, 2017	-

Note:

Intangible asset comprise of the Trade mark and Patent (logo of the company) under development.

Note 5 : Non-Current Financial Assets - Investments

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
a) Quoted		
Investment carried at Fair Value through Profit or Loss Account (FVTPL)		
Investment in Mutual Funds (Refer Note (i))		
776.061 units of SBI - Magnum Equity Fund of Rs. 10/- each fully paid up (March 31, 2018: 776.061 units)	0.25	0.22
Investment through Portfolio Management Services		
Nil Equity Shares of 3i Infotech Limited of Rs. 10 each fully paid up (March 31, 2018: 11,420 Equity Shares)	-	0.57
Nil Equity Shares of Andhra Bank of Rs. 10 each fully paid up (March 31, 2018: 4,500 Equity Shares)	-	1.87
Nil Equity Shares of Bata India Limited of Rs. 5 each fully paid up (March 31, 2018: 130 Equity Shares)	-	0.95
Nil Equity Shares of Bhansali Engineering Polymers Limited of Rs. 1 each fully paid up (March 31, 2018: 500 Equity Shares)	-	0.85
Nil Equity Shares of Cipla Limited of Rs. 2 each fully paid up (March 31, 2018: 320 Equity Shares)	-	1.74
Nil Equity Shares of Housing & Urban Development Corporation Limited of Rs. 10 each fully paid up (March 31, 2018: 1,160 Equity Shares)	-	0.77
Nil Equity Shares of ITC Limited of Rs. 2 each fully paid up (March 31, 2018: 886 Equity Shares)	-	2.26

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Nil Equity Shares of JK Tyre & Industries Limited of Rs. 2 each fully paid up (March 31, 2018: 580 Equity Shares)	-	0.94
Nil Equity Shares of Kabra Extrusion Technik Limited of Rs. 5 each fully paid up (March 31, 2018: 735 Equity Shares)	-	0.87
Nil Equity Shares of Kwality Limited of Rs. 1 each fully paid up (March 31, 2018: 2,115 Equity Shares)	-	1.25
Nil Equity Shares of LIC Housing Finance Limited of Rs. 2 each fully paid up (March 31, 2018: 330 Equity Shares)	-	1.76
Nil Equity Shares of Lupin Limited of Rs. 2 each fully paid up (March 31, 2018: 227 Equity Shares)	-	1.67
Nil Equity Shares of Marksans Pharma Limited of Rs. 1 each fully paid up (March 31, 2018: 6,380 Equity Shares)	-	2.02
Nil Equity Shares of MCX Limited of Rs. 10 each fully paid up (March 31, 2018: 205 Equity Shares)	-	1.37
Nil Equity Shares of Mercator Limited of Rs. 1 each fully paid up (March 31, 2018: 6,270 Equity Shares)	-	2.17
Nil Equity Shares of Oil & Natural Gas Corporation Limited of Rs. 5 each fully paid up (March 31, 2018: 1,480 Equity Shares)	-	2.63
Nil Equity Shares of RBL Bank Limited of Rs. 10 each fully paid up (March 31, 2018: 285 Equity Shares)	-	1.36
Nil Equity Shares of Sun Pharmaceutical Industries Limited of Rs. 1 each fully paid up (March 31, 2018: 345 Equity Shares)	-	1.71
Nil Equity Shares of Swelect Energy Systems Limited of Rs. 10 each fully paid up (March 31, 2018: 800 Equity Shares)	-	2.84
Nil Equity Shares of Texmaco Rail & Engineering Limited of Rs. 1 each fully paid up (March 31, 2018: 1,750 Equity Shares)	-	1.46
Nil Equity Shares of Thyrocare Technologies Limited of Rs. 20 each fully paid up (March 31, 2018: 373 Equity Shares)	-	2.23
Nil Equity Shares of Ujjivan Financial Services Limited of Rs. 10 each fully paid up (March 31, 2018: 260 Equity Shares)	-	0.90
Nil Equity Shares of Aurobindo Pharma Limited of Rs. 1 each fully paid up (March 31, 2018: 65 Equity Shares)	-	0.36
Nil Equity Shares of Axis Bank Limited of Rs. 2 each fully paid up (March 31, 2018: 70 Equity Shares)	-	0.36
Nil Equity Shares of Britannia Industries Limited of Rs. 2 each fully paid up (March 31, 2018: 7 Equity Shares)	-	0.35
Nil Equity Shares of HDFC Bank Limited of Rs. 2 each fully paid up (March 31, 2018: 20 Equity Shares)	-	0.38
Nil Equity Shares of Heidelberg Cement India Limited of Rs. 10 each fully paid up (March 31, 2018: 331 Equity Shares)	-	0.47
Nil Equity Shares of Hindalco Industries Limited of Rs. 1 each fully paid up (March 31, 2018: 167 Equity Shares)	-	0.36
Nil Equity Shares of Hindustan Unilever Limited of Rs. 1 each fully paid up (March 31, 2018: 28 Equity Shares)	-	0.37
Nil Equity Shares of ICICI Bank Limited of Rs. 2 each fully paid up (March 31, 2018: 124 Equity Shares)	-	0.35
Nil Equity Shares of Indian Oil Corporation Limited of Rs. 10 each fully paid up (March 31, 2018: 208 Equity Shares)	-	0.37
Nil Equity Shares of Indraprastha Gas Limited of Rs. 2 each fully paid up (March 31, 2018: 168 Equity Shares)	-	0.47
Nil Equity Shares of Jindal Steel Power Limited of Rs. 1 each fully paid up (March 31, 2018: 220 Equity Shares)	-	0.48

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Nil Equity Shares of JK Lakshmi Cement Limited of Rs. 5 each fully paid up (March 31, 2018: 119 Equity Shares)	-	0.55
Nil Equity Shares of Larsen Toubro Limited of Rs. 2 each fully paid up (March 31, 2018: 29 Equity Shares)	-	0.38
Nil Equity Shares of Mahindra & Mahindra Limited of Rs. 5 each fully paid up (March 31, 2018: 52 Equity Shares)	-	0.38
Nil Equity Shares of Maruti Suzuki India Limited of Rs. 5 each fully paid up (March 31, 2018: 4 Equity Shares)	-	0.35
Nil Equity Shares of Navneet Education Limited of Rs. 2 each fully paid up (March 31, 2018: 365 Equity Shares)	-	0.52
Nil Equity Shares of Petronet LNG Limited of Rs. 10 each fully paid up (March 31, 2018: 159 Equity Shares)	-	0.37
Nil Equity Shares of Rallis India Limited of Rs. 1 each fully paid up (March 31, 2018: 217 Equity Shares)	-	0.51
Nil Equity Shares of Sadbhav Engineering Limited of Rs. 1 each fully paid up (March 31, 2018: 134 Equity Shares)	-	0.52
Nil Equity Shares of State Bank of India of Rs. 1 each fully paid up (March 31, 2018: 148 Equity Shares)	-	0.37
Nil Equity Shares of Tata Steel Limited of Rs. 10 each fully paid up (March 31, 2018: 60 Equity Shares)	-	0.34
Nil Equity Shares of Yes Bank Limited of Rs. 2 each fully paid up (March 31, 2018: 119 Equity Shares)	-	0.36
b) Unquoted		
Investment in Equity Instruments of Subsidiary (valued at cost) (Refer Note (ii))	902.43	902.43
27,10,000 Equity Shares of Kisan Phosphates Private Limited of Rs.10 each fully paid up (March 31, 2018: 27,10,000)		
Investment in Equity Instruments		
Investment carried at Fair Value through Profit or Loss Account (FVTPL)		
50,000 Equity Shares of Abhyudaya Co-Operative Bank Limited of Rs.10 each fully paid up (March 31, 2018: 50,000)	5.00	5.00
Investment in Debentures of subsidiary (Refer Note (iii))		
1,22,999 0% Compulsorily Convertible Debentures of Kisan Phosphates Private Limited of Rs. 1000/- each fully paid up (March 31, 2018: 1,22,999)	1,229.99	1,229.99
Total	**2,137.67**	**2,180.80**

Note: (i) The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

(ii) The strategic investments in subsidiaries have been taken at cost.

(iii) **Terms of conversion :** 1,22,999 Compulsorily Convertible Debenture will be converted into 36,95,883 equity shares of the company, Kisan Phosphates Private Limited after a period of 5 years. After conversion into equity shares it shall rank pari passu with the existing equity shares of the company, Kisan Phosphates Private Limited.

(iv) Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

Note 6 : Non-Current Financial Assets - Others

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Carried at amortised cost		
Security Deposits	379.67	145.68
Total	**379.67**	**145.68**

Deposits include Rs. 85.00 lakhs (March 31, 2018 : Rs.61.05 lakhs) given to related parties towards office premises taken on rent.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 7 : Other Non-Current Assets

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	833.67	728.15
Balance with Statutory Authorities	73.96	6.00
Total	**907.63**	**734.15**

Note 8 : Inventories

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Material	1,705.56	2,447.42
Work-in-Process	1,727.11	1,971.72
Finished Goods	955.31	2,079.50
Packing Material	20.34	14.33
Stores and Spares	179.01	188.07
Power and Fuel	12.40	6.84
Total	**4,599.73**	**6,707.88**
Included above, goods in transit :		
Raw Material	432.82	818.49
Stores and Spares	-	-
	432.82	**818.49**
Details of Work-in-Progress:		
Chemicals & Dyes Intermediates	1,264.50	1,725.34
Fertilizer & Allied Products	451.92	239.89
Cattle Feeds	10.69	6.49
TOTAL	**1,727.11**	**1,971.72**
Details of Finished Goods:		
Chemicals & Dyes Intermediates	492.59	1,658.92
Fertilizer & Allied Products	458.02	417.15
Cattle Feeds	4.70	3.43
TOTAL	**955.31**	**2,079.50**

Inventories are valued at lower of cost or net realisable value on FIFO basis which is in accordance with Ind AS-2

Note 9 : Current Financial Assets - Trade Receivables

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	7,938.98	7,243.77
Trade Receivables which have significant increase in Credit Risk	131.37	155.18
Less: Allowance for credit losses	(131.37)	(155.18)
Trade Receivables - credit impaired	-	-
Total	**7,938.98**	**7,243.77**

Trade Receivables are non interest bearing and terms are generally from 60 to 90 days

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Trade Receivables includes dues which are outstanding for a period exceeding six months, mainly related to dues from Huntsman International (India) Private Limited, Rs. 575.00 lakhs (March 31, 2018 : Rs. 796.94 lakhs).

The Company had filed a summary suit in the Hon'ble Bombay High Court against it for recovery of its unpaid dues. The said suit is pending for trial in the said Court.

Huntsman International (India) Private Limited has also filed suit against the Company, wherein the Hon'ble High Court of Delhi had awarded the order in favour of the Company on February 21, 2018 wherein the suit had been dismissed / the plaint returned to plaintiff for filing in the Court of appropriate territorial jurisdiction. Accordingly, the Company's management is very confident for recovery of these unpaid dues and an order in the Company's favour. However, the Company has written off an amount of Rs. 221.94 lakhs during the current year, out of the above dues, considering the principle of prudence and presentation of assets at the values they are expected to recover.

Note 10 : Current Financial Assets - Cash and Cash Equivalents

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank Balances		
- In current accounts	12.32	10.67
Cash-in-hand	24.90	19.74
Total	**37.22**	**30.41**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the applicable short-term deposit bank rates.

Note 11 : Current Financial Assets - Other Bank Balances

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposits with maturity period of more than 3 months but less than 12 months		
- in Fixed Deposits	3,893.82	1,838.78
- in Fixed Deposits (under lien against bank guarantee and LCs)	32.86	56.51
Earmarked balances in unclaimed dividend account	3.45	-
Total	**3,930.13**	**1,895.29**

Note 12 : Current Financial Assets - Loans

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to Employees	26.77	23.47
Total	**26.77**	**23.47**
Sub-classification of Loans		
Loan Receivables considered good - Secured	-	-
Loan Receivables considered good - Unsecured	26.77	23.47
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables - Credit Impaired	-	-

Note 13 : Current Financial Assets - Others

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Other Receivables	143.67	107.67
Total	**143.67**	**107.67**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 14 : Other Current Assets

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances other than capital advances:		
Advance payment to vendors	447.40	366.05
Excise Duty Receivable	0.70	0.70
Balance with Custom, Excise and GST authorities	133.49	505.52
Prepaid Expenses	7.66	14.49
Total	**589.25**	**886.76**

Note 15 : Share Capital

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Capital		
3,20,00,000 (March 31, 2018: 3,20,00,000) Equity shares of Rs. 10 each	3,200.00	3,200.00
	3,200.00	**3,200.00**
Issued, Subscribed and Paid up Capital		
3,07,24,310 (March 31, 2018: 3,02,19,435) Equity shares of Rs. 10/- each fully paid up	3,072.43	3,021.94
Total	**3,072.43**	**3,021.94**

(a) Terms / rights attached to:

Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares (in Lakhs)	Amount (INR in Lakhs)	Number of shares (in Lakhs)	Amount (INR in Lakhs)
Balance as at the Beginning of the year	302.19	3,021.94	302.19	3,021.94
Add: Shares allotted to Promoter & Promoter Group on Preferential basis	5.05	50.49	-	-
Balance as at the end of the year	**307.24**	**3,072.43**	**302.19**	**3,021.94**

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares:

Equity Shares

Shares held by	As at March 31, 2019		As at March 31, 2018	
	Number of Shares (in Lakhs)	%	Number of Shares (in Lakhs)	%
Punit Makharia	125.72	40.92%	123.71	40.94%
Gautam Makharia	57.81	18.81%	51.41	17.01%
Reliance Capital Trustee Co. Ltd.	16.16	5.26%	16.16	5.35%

As per the records of the Company, including its register of the members and other declarations received from the shareholder regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 16 : Other Equity

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	29.23	29.23
Securities Premium	6,664.00	5,646.33
Retained Earnings	17,019.14	13,372.60
Share Application Money Pending Allotment	879.27	1,302.43
Total	**24,591.64**	**20,350.59**

(i) Capital Reserve

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as at the beginning of the year	29.23	29.23
Add : Additions during the year	-	-
Balance as at the end of the year	**29.23**	**29.23**

Amount standing in the Capital Reserve account pertains to the money received by the Company against share warrants amounting to Rs. 29.23 lakhs that was transferred to Capital Reserve during the financial year 2012-13 due to non-allotment of equity shares.

(ii) Securities Premium:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as at the beginning of the year	5,646.33	5,646.33
Add : Additions during the year	1,017.67	-
Balance as at the end of the year	**6,664.00**	**5,646.33**

The amount standing in the Securities Premium account pertains to the premium received on issue of shares during the previous years. During the current financial year an amount of Rs.1,017.67 lakhs credited to securities premium account against issuance of 5,04,875 shares at a premium of Rs. 201.57 each.

(iii) Retained Earnings:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as at the beginning of the year	13,372.60	10,601.12
Add: Profit for the year	3,645.23	3,316.58
Add: Items of Other Comprehensive Income recognised directly in Retained Earnings	1.31	0.47
Re-measurement gains/ (losses) on defined benefit obligations (net of tax)		
Less : Dividend Paid	-	(453.29)
Less : Dividend Distribution Tax	-	(92.28)
Balance as at the end of the year	**17,019.14**	**13,372.60**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(iv) Share Application money pending allotment:

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Balance as at the beginning of the year	1,302.43	-
Add : Consideration for Preferential allotment of equity shares	-	400.00
Add : Consideration for Issue of Convertible warrants on Preferential Basis to Promoter & Promoter Group	645.00	-
Add : Consideration Payable for Acquisition of M/s Kisan Phosphates Private Limited	-	902.43
Less : Allotment of Share in current year	(1,068.16)	-
Balance as at the end of the year	**879.27**	**1,302.43**

During the year, the company has received an amount of Rs. 645.00 lakhs as application money for issue of convertible warrants on preferential basis to the promoter and promoter group for which the allotment is pending as on March 31, 2019.

Further, out of the consideration received other than in cash during previous year for acquisition of Kisan Phosphates Private Limited, the allotment of 1,12,356 equity shares to the shareholders of Kisan Phosphates Private Limited is pending as on March 31, 2019.

Note 17 : Non-Current Financial Liabilities - Borrowings

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Secured Term Loans (Refer Note (a) below)		
Rupee Term Loans from Banks (Also Refer Note 23)	-	7.21
Rupee Term Loans from Others	30.32	26.21
Total Non-Current Borrowings	**30.32**	**33.42**

Notes:

(a) Nature of security and terms of repayment for Secured Borrowings :

Nature of Security	**Terms of Repayment**
Rupee Term Loan from HDFC Bank Limited amounting to Rs 1.29 lakhs (March 31, 2018 : Rs.8.60 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 35 monthly instalments, Effective Rate of interest 10.24% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. 8.44 lakhs (March 31, 2018 : Rs 17.76 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 9.46% p.a.
Rupee Term Loan from Axis Bank Ltd amounting to Rs. 6.09 lakhs (March 31, 2018 : Rs 11.69 lakhs) secured by the Equipment purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 8.82% p.a.
Rupee Term Loan from Tata Motor Finance Ltd amounting to Rs. 3.88 lakhs (March 31, 2018 : Rs11.05 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 35 monthly instalments, Effective Rate of interest 10.52% p.a.
Rupee Term Loan from Tata Motor Finance Ltd amounting to Rs. 14.63 lakhs (March 31, 2018 : Rs 20.75 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 46 monthly instalments, Effective Rate of interest 9.09% p.a.
Rupee Term Loan from Tata Motor Finance Ltd amounting to Rs. 16.73 lakhs (March 31, 2018 : Rs Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 7.95% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. 12.69 lakhs (March 31, 2018 : Rs Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 9.00% p.a.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. 7.23 lakhs (March 31, 2018 : Rs Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 60 monthly instalments, Effective Rate of interest 8.61% p.a.
Rupee Term Loan from HDFC Bank Limited amounting to Rs. Nil (March 31, 2018: Rs.0.78 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 10.23% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. Nil (March 31, 2018 : Rs. 0.98 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 10.50% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. Nil (March 31, 2018 : Rs. 0.65 lakhs) secured by the vehicles purchased from the loan proceeds.	Repayable in 35 monthly instalments, Effective Rate of interest 10.00% p.a.

Note 18 : Non-Current Provisions

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Provision for Employee Benefits:		
Provision for Gratuity (Refer Note 44)	50.66	42.16
Total	**50.66**	**42.16**

Note 19 : Deferred Tax Liabilities (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:		
Property, Plant and Equipment including Intangible Assets - Depreciation	2,103.85	1,438.16
Gratuity	(19.47)	(3.39)
Allowances for credit losses	(45.91)	(20.24)
Loans	-	-
Deferred Tax Liabilities (net)	**2,038.47**	**1,414.53**

Movement in Deferred Tax Liabilities/ (Assets) **(INR in Lakhs)**

Particulars	**Loans**	**ECL**	**Depreciation**	**Gratuity**	**Total**
As at April 1, 2017	**0.09**	**(33.75)**	**1,101.81**	**(12.46)**	**1,055.69**
Charged/ (Credited):					
To Profit or Loss	(0.09)	13.51	336.35	-	349.77
To Other Comprehensive Income	-	-	-	9.07	9.07
As at March 31, 2018	**-**	**(20.24)**	**1,438.16**	**(3.39)**	**1,414.53**
Charged/ (Credited):					
To Profit or Loss	-	(25.67)	665.69	(16.79)	623.23
To Other Comprehensive Income	-	-	-	0.71	0.71
As at March 31, 2019	**-**	**(45.91)**	**2,103.85**	**(19.47)**	**2,038.47**

Note 20 : Other Non-Current Liabilities

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Security Deposit from Customers	46.00	13.90
Total	**46.00**	**13.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 21 : Current Financial Liabilities - Borrowings

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured Loans (Repayable on demand)		
Working Capital Loans from Banks (Refer Notes below)		
Loans From Banks	243.32	1,977.52
Acceptances from Banks	855.62	2,098.79
Total	**1,098.94**	**4,076.31**

Notes:

1) Working capital loans from State Bank of India Rs. 250.04 lakhs (March 31, 2018: Rs. 1,511.81 lakhs) carries interest rate @ 9.20% (March 31, 2018: 9.20% p.a.) and are secured as under:
   a) Primary Security:
      i) Hypothecation of the entire current assets of the company on paripassu basis with IDBI Bank and Axis Bank.
   b) Collateral Security:
      i) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at B-102, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      ii) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at B-103, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      iii) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at D-25, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      iv) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at B-97, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      v) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at D-18, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      vi) Hypothecation charges on pari-passu basis over Plant & Machinary, Office Equipments, Furniture & Fixtures & all other fixed assets located at B-102/103, D-25, B-97 & D-18, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
   c) Personal Guarantee of Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the company.
2) Working capital loans from IDBI Bank Limited Rs. (7.12) lakhs (March 31, 2018: Rs. (31.94) lakhs) carries interest rate @ 8.95% p.a. (March 31, 2018: 8.75% p.a.) and are secured as under:
   a) Primary Security:
      i) Hypothecation of the entire current assets of the company on paripassu basis with State Bank Of India and Axis Bank .
   b) Collateral Security:
      i) Equitable mortgage by way of pari-passu (with State Bank Of India & Axis Bank) on Land & Building located at B-102, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      ii) Equitable mortgage by way of pari-passu (with State Bank Of India & Axis Bank) on Land & Building located at B-103, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      iii) Equitable mortgage by way of pari-passu (with State Bank Of India & Axis Bank) on Land & Building located at D-25, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      iv) Equitable mortgage by way of pari-passu (with State Bank Of India & Axis Bank) on Land & Building located at B-97, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      v) Equitable mortgage by way of pari-passu (with State Bank Of India & Axis Bank) on Land & Building located at D-18, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
      vi) Hypothecation charges on pari-passu basis over Plant & Machinary, Office Equipments, Furniture & Fixtures & all other fixed assets located at B-102/103, D-25, B-97 & D-18, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

c) Personal Guarantee of Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the company.

3) Working capital loans from Axis Bank Ltd. Rs. 0.40 lakhs (March 31, 2018: Rs. 497.66 lakhs) carries interest rate @ 8.85% p.a. (March 31, 2018: 8.20% p.a.) and are secured as under:

a) Primary Security:

i) First Pari-passu charge on the entire current assets of the company.

ii) First Pari-passu charge on Land & Building located at B-97, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.

iii) Second Pari-passu charge on Land & Building located at B-102/103, D-25, D-18, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.

iv) Second Pari-passu charge on Plant & Machinery located at B-102/103, D-25, D-18, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.

b) Personal Guarantee of Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the company.

4) Details of the aggregate of each loan guaranteed by directors or others, each head-wise.

All the loans repayable on demand from banks amounting to Rs. 243.32 lakhs (March 31, 2018: Rs.1,977.52 lakhs) guaranteed by Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the company.

5) Details of continuing default in the repayment of loans and interest, specifying the period and amount separately in each case.

There has been no default in the repayment of loans or interest thereon as on date.

Note 22 : Current Financial Liabilities - Trade Payables

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payable		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	80.90	56.27
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	3,554.11	3,858.55
Total	**3,635.01**	**3,914.82**

Note: Disclosure for micro and small enterprises:

Particulars	As at March 31, 2019	As at March 31, 2018
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal	80.90	49.78
- Interest due thereon	0.45	6.49
(b) Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		
- Principal	978.99	334.25
- Interest	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	9.37	6.02
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	16.31	6.49
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note: The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 23 : Current Financial Liabilities - Others

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturities of Long-Term Debt:		
Rupee Term Loans from Banks (Refer Note 17 above)	7.38	13.69
Rupee Term Loans from Others (Refer Note 17 above)	33.51	24.24
Interest accrued but not due on borrowings	0.50	0.50
Unpaid Dividend*	3.45	-
Total	**44.84**	**38.43**

* There is no amount due & outstanding to be credited to Investor Education and Protection Fund as at March 31, 2019.

Note 24 : Other Current Liabilities

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Dues Payable (Including Provident Fund, Tax Deducted at Source and other Indirect taxes)	76.62	36.24
Advance from Customers	292.22	167.47
Employee related Liabilities	65.09	59.75
Total	**433.93**	**263.46**

Note 25 : Current Provisions

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Employee benefits:		
Provision for Gratuity (Refer Note 44)	5.06	3.19
Total	**5.06**	**3.19**

Note 26 : Current Tax Liabilities (Net)

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Income Tax (net of advance tax and TDS Rs. 772.12 lakhs)	482.88	991.14
Total	**482.88**	**991.14**

The gross movement in the current income tax liability/ (asset) for the year ended March 31, 2019 and March 31, 2018 is as follows:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Net current income tax liability/ (asset) at the beginning	991.14	771.07
Add : Current income tax expense	1,255.00	1,290.00
Less : Adjustments for current tax of prior periods	(455.09)	-
Less: Income tax paid (net of refund, if any)	(1,308.17)	(1,069.93)
Net current income tax liability/ (asset) at the end	**482.88**	**991.14**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 2018:

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Accounting profit before tax from continuing operations	5,068.37	4,965.66
Accounting profit before income tax	**5,068.37**	**4,965.66**
Tax at India's statutory income tax rate of 34.944% (March 31, 2018: 34.608%)	1,771.09	1,718.52
Adjustments of tax effect of allowable and non-allowable income and expenses:		
Difference in Depreciation and Amortisation	(241.05)	(316.08)
Deduction u/s 32AC (1A)	-	(129.98)
Gratuity	4.26	3.54
Corporate Social Responsibility Expenditure	17.72	2.44
Other Items	8.75	11.56
Deductions under chapter VI-A	(305.77)	-
Current tax expense reported in Statement of profit and loss	**1,255.00**	**1,290.00**
Deferred tax expense reported in Statement of profit and loss	623.23	359.08
Tax adjustment for Earlier years	(455.09)	-
Income Tax Expense	**1,423.14**	**1,649.08**

Note 27 : Revenue from Operations

(INR in Lakhs)

Particulars	**For the Year ended March 31, 2019**	**For the Year ended March 31, 2018**
Sale of Products:		
Finished Goods	39,406.94	37,305.38
Less: Excise Duty	-	(572.48)
	39,406.94	**36,732.90**
Other Operating Revenue:		
Export Incentives	612.61	283.18
Total	**40,019.55**	**37,016.08**
Products-wise Sales		
Chemicals, Dyes and Dyes Intermediates	34,024.40	31,610.08
Fertilizer and Allied Products	4,783.35	5,085.78
Cattle Feeds	599.19	609.52
Total	**39,406.94**	**37,305.38**

Note:- The amount of revenues are exclusive of indirect taxes (value added tax, goods and service tax, etc.).

Note 28 : Other Income

(INR in Lakhs)

Particulars	**For the Year ended March 31, 2019**	**For the Year ended March 31, 2018**
Interest Income on		
- Fixed Deposits with Banks	215.97	139.42
- Others	25.15	6.26
Dividend Received	-	2.11
Balances written back	-	21.43
Profit/ (Loss) from investment through portfolio services	(2.72)	8.88
Fair value adjustment on financial instrument carried at fair value through profit and loss	0.03	(8.33)
Miscellaneous Income	3.62	0.07
Total	**242.05**	**169.84**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 29 : Cost of Materials Consumed

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Raw Materials Consumed:		
Inventories at the beginning of the year	2,447.42	967.92
Add: Purchases during the year	25,272.34	29,413.71
	27,719.76	**30,381.63**
Less: Inventories at the end of the year	1,705.56	2,447.42
	26,014.20	**27,934.21**
Details of Raw Materials Consumed:		
Rock Phosphate	1,141.72	1,565.50
Sulpher	1,497.31	1,096.30
Caustic Soda	2,238.27	2,063.18
Soda Ash	574.32	525.25
Others	20,562.58	22,683.98
	26,014.20	**27,934.21**

Note 30 : Change in Inventories of Finished Goods and Work-in-Progress

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Changes in Inventories of Finished Goods and Work-in-Progress:		
Inventories at the end of the year		
Work in Process	1,727.11	1,971.72
Finished Goods	955.31	2,079.50
	2,682.42	**4,051.22**
Inventories at the beginning of the year		
Work in Process	1,971.72	1,030.45
Finished Goods	2,079.50	914.80
	4,051.22	**1,945.25**
Total	**1,368.80**	**(2,105.97)**

Note 31 : Employee Benefit Expenses

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Salaries, Wages and Bonus	2,622.97	1,653.77
Contributions to Provident and Other Funds (Refer Note 44)	17.16	12.30
Gratuity Expenses (Refer Note 44)	12.19	10.23
Staff Welfare Expenses	21.06	22.32
Total	**2,673.38**	**1,698.62**

Note 32 : Depreciation and Amortisation Expenses

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Depreciation on tangible assets (Refer Note 3)	821.44	691.20
Total	**821.44**	**691.20**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 33 : Finance Costs

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest Expense		
- On Bank Loans	106.40	79.31
- On Others	44.34	87.34
Bank Charges and Commission	50.20	61.37
Total	**200.94**	**228.02**

Note 34 : Other Expenses

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Manufacturing Expenses		
Consumption of Stores and Spares	369.66	594.51
Packing Material	288.81	333.98
Power and Fuel	1,571.81	1,426.54
Water Charges	27.03	29.43
Repairs and Maintenance	273.48	216.18
Insurance Premium	22.46	23.47
Excise Duty on Finished Goods	-	(75.36)
Other Administrative & Selling Expenses		
Selling and Distribution Expenses	831.75	770.37
Travelling and Conveyance Expenses	78.20	82.30
Communication Expenses	16.46	24.03
Legal and Professional Expenses	108.78	88.81
Rent, Rates and Taxes	97.85	95.67
Printing and Stationery	7.84	6.01
Bad debts written off	221.94	-
Electricity Expenses	8.95	8.12
Payments to Auditors:		
- Audit Fees	3.50	3.50
- Tax Audit Fees	1.00	1.00
Miscellaneous Expenses	145.02	71.71
Donations	12.59	9.87
Corporate Social Responsibility Expenditure (Refer Note 46)	50.70	7.06
Allowance for credit losses	(23.36)	56.98
Total	**4,114.47**	**3,774.18**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 35 : Earnings Per Share

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
(a) Net Profit after tax attributable to Equity Shareholders for Basic EPS	3,645.23	3,316.58
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	3,645.23	3,316.58
(b) Weighted average number of Equity Shares (In Lakhs) outstanding during the year		
For Basic EPS	306.70	302.19
For Diluted EPS	308.37	304.20
(c) Face Value per Equity Share (INR)	10	10
Basic EPS (INR)	11.89	10.98
Diluted EPS (INR)	11.82	10.90
(d) Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS		
Weighted average no. of shares used for calculating Basic EPS	306.70	302.19
Add: Potential equity shares	1.67	2.00
Weighted average no. of shares used for calculating Diluted EPS	308.37	304.20

Note 36 : Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current Financial Assets		
Others	379.67	145.68
Current Financial Assets		
Trade Receivables	7,938.98	7,243.77
Cash and Cash Equivalents	37.22	30.41
Other bank balances	3,930.13	1,895.29
Loans	26.77	23.47
Others	143.67	107.67
Total	**12,456.44**	**9,446.29**

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 37 : Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current Financial Liabilities		
Borrowings	30.32	33.42
Current Financial Liabilities		
Borrowings	1,139.83	4,114.24
Trade Payables	3,635.01	3,914.82
Other Financial Liabilities	3.95	0.50
Total	**4,809.11**	**8,062.98**

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 38 : Financial Assets at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current Financial Assets		
Investments	5.25	48.38
Total	**5.25**	**48.38**

Note: The above investments are quoted instruments in active markets and the same is recognised at fair value. Fair value measurement is done considering the Level -1 of Fair Value Hierarchy as per the Ind-AS 113.

Note 39 : Financial Risk Management Objectives and Policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial instruments, Fixed Deposit with Banks, financial assets measured at amortised cost.	Aging analysis and Credit ratings	Diversification of Existing credit limits Unutilised from Consortium Bankers.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - foreign exchange	Future commercial transactions. Recognised financial liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting and Sensitivity analysis	Forward foreign exchange contracts.
Market Risk - interest rate	Long-Term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

Credit Risk

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

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The Company is in the business of manufacturing and trading of Chemical, Fertilisers and Dyes intermediate. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts as illustrated in Note 9.

Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and unsecured loans. The Company has access to a sufficient variety of sources of funding which can be rolled over with existing lenders. The Company believes that the working capital is sufficient to meet its current requirements.

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2019 & March 31, 2018:

(INR in Lakhs)

Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2019					
Secured Loans	8.54	1,131.12	30.49	-	1,170.15
Unsecured Loans	-	-	-	-	-
Trade Payables	3,635.01	-	-	-	3,635.01
Others	3.95	-	-	-	3.95
Year ended March 31, 2018					
Secured Loans	9.69	4,104.24	33.73	-	4,147.66
Unsecured Loans	-	-	-	-	-
Trade Payables	3,914.82	-	-	-	3,914.82
Others	0.50	-	-	-	0.50

Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings and deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to keep balance between its borrowings at fixed rates of interest. The difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The exposure of the Company to interest rate changes at the end of the reporting period are as under:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Variable Rate Borrowing	243.32	1,977.52
Fixed Rate Borrowing	71.21	71.35
Total	**314.53**	**2,048.87**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(INR in Lakhs)

Particulars	Increase/ Decrease in basis points	Effect on Profit before Tax
March 31, 2019	+ 1%	(2.43)
	- 1%	2.43
March 31, 2018	+ 1%	(19.78)
	- 1%	19.78

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. The Company manages its foreign currency risk by hedging the payables when considered necessary. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The Company hedges its exposure to fluctuations on the translation into INR of its foreign payables in foreign currencies and by using foreign currency option or forward contracts.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(INR in Lakhs)

Particulars	Change in USD Rate	Effect on Profit before Tax
March 31, 2019	+ 5%	(6.07)
	- 5%	6.07
March 31, 2018	+ 5%	(51.20)
	- 5%	51.20

Equity price risk

The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as previous GAAP carrying value (i.e. cost of acquisition). The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

Note 40 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(INR in Lakhs)

Particulars		As at March 31, 2019	As at March 31, 2018
A) Net Debt			
Borrowings (Current and Non-Current)		1,170.65	4,148.16
Cash and Cash Equivalents		(37.22)	(30.41)
	Net Debt (A)	**1,133.43**	**4,117.75**
B) Equity			
Equity share capital		3,072.43	3,021.94
Other Equity		24,591.64	20,350.59
	Total Equity (B)	**27,664.07**	**23,372.53**
Gearing Ratio (Net Debt / Capital) i.e. (A / B)		4.10%	17.62%

Note 41 : Contingent Liabilities (to the extent not provided for):

(a) (INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Claims against the company not acknowledged as debts*		
Disputed Liabilities in respect of Value Added Tax and Central Sales Tax	202.26	120.83
Disputed Liabilities in respect of Income Tax	1,038.51	534.04
Total	**1,240.77**	**654.87**

Cases pending before appellate authorities in respect of which the Company has filed appeals.

* On the basis of current status of individual case for respective years and as per legal advice obtained by the Company, wherever applicable, the Company is confident of winning the above cases and is of the view that no provision is required in respect of above cases.

(b) Bank guarantee given by the banks on behalf of the Company amounting to Rs. 305.83 lakhs (March 31, 2018: 328.19 lakhs) to suppliers of goods and services, the Electricity Board and Customs Authority.

(c) A customer, Huntsman International (India) Private Limited, of the Holding Company had filed Civil suit with the Hon'ble High Court of Delhi at New Delhi for Injunction and Damages for Rs. 300.00 lakhs against Abiss Textile Solutions Private Limited (a company promoted by two promoters of the Company), the Company and its promoters for allegedly using confidential and proprietary information of the customer for manufacturing, marketing and selling Dye products and for other consequential relief. The Hon'ble High Court of Delhi had granted an ex-parte interim injunction in this matter till the next date of hearing to Huntsman International (India) Private Limited vide its order dated May 24, 2016.

On the other hand, the Company has also filed Summary Suit with Hon'ble Bombay High Court on July 20, 2016 for recovery of unpaid dues against Huntsman International (India) Private Limited, Damage and Defamation suit with Hon'ble Bombay High Court on September 8, 2016 for claim of Rs. 25,000 lakhs for malafide intention behind damaging and defaming image of the Company against Huntsman International (India) Private Limited and also filed Criminal Cheating case against Huntsman International (India) Private Limited and its directors and officers.

The Company's management was of the view that the claim of Huntsman International (India) Private Limited is not justifiable and will not sustain as the Company and Huntsman International (India) Private Limited are Mumbai-based parties and they will not be covered under the jurisdiction of Delhi High Court. The same view has been enumerated in the judgement order passed by the Hon'ble High Court of Delhi vide its order dated February 21, 2018. The suit filed by Huntsman International (India) Private Limited has been dismissed / the plaint returned to plaintiff for filing in the Court of appropriate territorial jurisdiction. With the dismissal of this suit, the ex-parte interim order for injunction in this matter stands vacated and thus there is no case against the company by Huntsman International (India) Private Limited. Therefore, there are no contingent liabilities as on date in this respect which needs to be reported.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 42 : Capital and Other Commitments

Capital Commitments

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Capital Commitments:		
Capital Commitment for Acquisition of Property, Plant & Equipment	365.00	280.00
(b) Other Commitments:		
Corporate Guarantees given by the Company (Refer note below)	3,808.64	3,236.89
Total	**4,173.64**	**3,516.89**

Note:

1. The Company has issued Corporate Guarantees aggregating to Rs. 511 lakhs as at year end (March 31, 2018: Rs. 511 lakhs) on behalf of Mrs. Bhanu Makharia, a relative of director. Liabilities outstanding for which Corporate Guarantees have been issued aggregates Rs. 108.64 lakhs as on March 31, 2019 (March 31, 2018: Rs. 136.89 lakhs).

2. The Company has issued Corporate Guarantees aggregating to Rs. 3,800.00 lakhs as at year end (March 31, 2018: Rs. 3,100.00 lakhs) on behalf of Subsidiary M/s Kisan Phosphates Private Limited. Liabilities outstanding for which Corporate Guarantees have been issued aggregates Rs. 3,700.00 lakhs as on March 31, 2019 (March 31, 2018: Rs. 3,100.00 lakhs).

Note 43 : Segment Information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Considering the nature of business and integrated manufacturing process of the Company, the Company considers its products under one segment only i.e. Chemicals & Fertilisers. Accordingly, Segment Reporting in accordance with Indian Accounting Standard - 108 "Operating Segment" issued by the Institute of Chartered Accountants of India and adopted by Companies (Accounting Standard) Rules, 2015 is not applicable to the Company.

Note 44 : Employee Benefits

The Company has classified the various benefits provided to employees as under:

I. Defined Contribution Plans

a. Employers' Contribution to Provident Fund and Employee’s Pension Scheme

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

	Year ended March 31, 2019 (INR in Lakhs)	Year ended March 31, 2018 (INR in Lakhs)
Employers' Contribution to Provident Fund and Employee’s Pension Scheme	17.16	12.30
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 31)	**17.16**	**12.30**

II. Defined Benefit Plan

Gratuity Fund

a. Major Assumptions	**(% p.a.)**	**(% p.a.)**
Discount Rate	7.76%	7.86%
Salary Escalation Rate*	5.00%	5.00%
* The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.		
Expected Rate of Return	7.76%	7.86%
Employee Turnover	5.00%	5.00%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

b.	**Change in Present Value of Obligation**	**(INR in Lakhs)**	**(INR in Lakhs)**
	Present Value of Obligation as at the beginning of the year	49.30	39.01
	Current Service Cost	8.60	8.34
	Past Service Cost	-	0.40
	Interest Cost	4.09	3.11
	Benefit paid	(0.73)	-
	Remeasurements - Actuarial (Gain)/ Loss on Obligations	(1.55)	(1.56)
	Present Value of Obligation as at the end of the year	**59.71**	**49.30**

c.	**Change in Fair value of Plan Assets**		
	Fair value of Plan Assets, Beginning of Period	3.95	3.01
	Expected Return on Plan Assets	0.31	1.78
	Actual Company Contributions	-	-
	Actual Plan Participants' Contributions	-	-
	Changes in Foreign Currency Exchange Rates	-	-
	Actuarial Gains/(Losses)	0.47	(0.84)
	Benefit Paid	(0.73)	-
	Fair value of Plan Assets at the end of the year	**4.00**	**3.95**

d.	**Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets**	**(INR in Lakhs)**	**(INR in Lakhs)**
	Present Value of Obligation	59.71	49.30
	Fair Value of Plan Assets	4.00	3.95
	Funded Status	(55.71)	(45.35)
	Present Value of Unfunded Obligation	55.71	45.35
	Unfunded Net Liability recognised in the Balance Sheet disclosed under Non Current Provision and Current Provision (Refer Note 18 and 25)	55.71	45.35

e.	**Expenses Recognised in the Statement of Profit and Loss**	**(INR in Lakhs)**	**(INR in Lakhs)**
	Current Service Cost	8.60	8.34
	Past Service Cost	-	0.40
	Interest Cost	4.09	3.11
	Expected Return on Plan Assets	(0.31)	(1.78)
	Actuarial Losses / (Gains) Recognised in the year	(2.02)	(0.72)
	Total expenses recognised in the Statement of Profit and Loss (Refer Note 31)	**10.36**	**9.35**

f.	**Expense Recognised in the Statement of Other Comprehensive Income**	**(INR in Lakhs)**	**(INR in Lakhs)**
	Remeasurements of the net defined benefit liability		
	Actuarial (gains) / losses obligation	(1.55)	(1.56)
		(1.55)	**(1.56)**
	<u>Actuarial (gains) / losses on Obligation</u>		
	Due to Demographic Assumption #	-	-
	Due to Financial Assumption	0.83	(3.24)
	Due to Experience	(2.38)	1.67
	Total Actuarial (Gain)/Loss	**(1.55)**	**(1.57)**

This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

g. **Amounts recognised in the Balance Sheet**	**(INR in Lakhs)**	**(INR in Lakhs)**
Present Value of Obligation as at year end	(59.71)	(49.30)
Fair Value of Plan Assets as at year end	4.00	3.95
Unfunded Net Liability recognised in the Balance Sheet disclosed under Non Current Provision and Current Provision (Refer Note 18 and 25)	**55.71**	**45.35**

III. Sensitivity Analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

a. Gratuity

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 and March 31, 2018 are as shown below:

Particulars	Change in Discount Rate	Increase/ (Decrease) in Defined Benefit Obligation (INR in lakhs)	Change in Salary Escalation Rate	Increase/ (Decrease) in Defined Benefit Obligation (INR in lakhs)
March 31, 2019	+ 1%	(7.47)	+ 1%	8.21
	- 1%	8.31	- 1%	(7.25)
March 31, 2018	+ 1%	(6.17)	+ 1%	6.77
	- 1%	6.86	- 1%	(5.99)

IV. Expected Cash Flows for the next 10 years

The following payments are projected benefits payable in future years from the date of reporting from the fund:

(INR in Lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Within the next 12 months (next annual reporting period)	5.25	3.31
Following year 2-5	21.95	15.60
Sum of years 6-10	29.14	23.51
Total expected payments	**56.34**	**42.42**

V. Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed:

Interest risk	A decrease in the market yields in the government bond will increase the plan liability.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 45 : Related Party Disclosure

a. Details of Related Parties

Description of Relationship	Names of Related Parties
Key Management Personnel (KMP) and their relatives	Mr. Punit Makharia - Chairman & Managing Director Mr. Gautam Makharia - Joint Managing Director Mrs. Ranjana Makharia - Director Mr. Ramakant Nayak - Independent Director Mr. Dinesh Modi - Independent Director Mr. Nirmal Kedia - Independent Director (upto 04.12.2017 and w.e.f. 07.08.2018) Mr. Satpal Kumar Arora - (w.e.f. 05.11.2018) Mr. Ratan Jha - Chief Financial Officer Mr. Satish Chavan - Company Secretary
Relative of key management personnel with whom the Company has entered into transactions	Mr. Gopikishan Makharia - Father of C.M.D/J.M.D Mrs. Bhanu Makharia - Mother of C.M.D/J.M.D Mrs. Aradhana Makharia - Wife of J.M.D Mr. Raghav Makharia - Son of C.M.D Ms. Radhika Makharia - Daughter of C.M.D.
Enterprises over which Key Managerial Personnel are able to exercise significant influence	Shree Pushkar Foundation (w.e.f. 24.07.2018)
Subsidiary Company (Holding - 100%)	Kisan Phosphates Private Limited (w.e.f. 08.10.2017)

Notes:

1) The list of related parties above has been limited to entities with which transactions have taken place during the year.

2) Related party transactions have been disclosed till the time the relationship existed.

b. Details of Related Party transactions during the year ended March 31, 2019

(INR in Lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Directors Remuneration		
Mr. Punit Makharia	94.00	42.00
Mr. Gautam Makharia	94.00	42.00
	188.00	**84.00**
Directors' Commission		
Mr. Punit Makharia	187.51	-
Mr. Gautam Makharia	187.50	-
	375.00	**-**
Directors' Sitting Fees		
Mr. Ramakant Nayak	2.85	1.85
Mr. Dinesh Modi	2.65	1.30
Mr. Nirmal Kedia	-	0.20
Mrs. Ranjana Makharia	0.60	-
Mr. Satpal Kumar Arora	0.60	-
	6.70	**3.35**
Salary to Key Management Personnel (KMP)		
Mr. Ratan Jha	15.90	14.70
Mr. Satish Chavan	5.00	4.77
	20.90	**19.47**
Salary to Relatives of Key Management Personnel (KMP)		
Mr. Raghav Makharia	9.24	7.44
Mrs. Aradhana Makharia	10.80	7.87
	20.04	**15.31**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Sale of Finished Goods		
Kisan Phosphates Private Limited	-	6.25
	-	**6.25**
Rent Paid		
Mrs. Bhanu Makharia	60.00	60.00
	60.00	**60.00**
Share Application against purchase of equity shares of Kisan Phosphates Private Limited		
Mr. Punit Makharia	-	225.61
Mr. Gautam Makharia	-	225.61
Mrs. Ranjana Makharia	-	82.42
Mr. Raghav Makharia	-	151.85
Mr. Gopikishan Makharia	-	44.12
Mrs. Bhanu Makharia	-	90.41
Mrs. Aradhana Makharia	-	82.42
	-	**902.43**
Share Application Money Pending Allotment		
Mr. Punit Makharia	-	200.00
Mr. Gautam Makharia	-	200.00
	-	**400.00**
Issue of Equity Shares		
Mr. Punit Makharia	425.61	-
Mr. Gautam Makharia	425.61	-
Mrs. Ranjana Makharia	82.42	-
Mr. Gopikishan Makharia	44.12	-
Mrs. Bhanu Makharia	90.41	-
	1,068.16	**-**
Investment in Compulsorily Convertible Debentures of Subsidiary		
Kisan Phosphates Private Limited	-	1,229.99
	-	**1,229.99**
Donation & CSR Expenses		
Shree Pushkar Foundation	45.00	-
	45.00	**-**
Warrant Application Money Pending Allotment		
Mr. Punit Makharia	12.50	-
Mr. Raghav Makharia	1.25	-
Mrs. Aradhana Makharia	32.50	-
Mr. Gautam Makharia	520.00	-
Mrs. Bhanu Makharia	32.50	-
Mrs. Ranjana Makharia	32.50	-
Mr. Gopikishan Makharia	12.50	-
Ms. Radhika Makharia	1.25	-
	645.00	**-**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

c. Closing Balances of the Related Parties

(INR in Lakhs)

Particulars	Balances as at March 31, 2019	Balances as at March 31, 2018
Directors' Remuneration and Salary Payable		
Mr. Punit Makharia	1.96	1.80
Mr. Gautam Makharia	1.96	1.79
	3.92	**3.59**
Salary to Key Management Personnel (KMP)		
Mr. Ratan Jha	0.96	1.22
Mr. Satish Chavan	0.42	0.42
	1.38	**1.64**
Salary to Relatives of Key Management Personnel (KMP)		
Mr. Raghav Makharia	0.56	0.62
Mrs. Aradhana Makharia	0.71	0.76
	1.27	**1.38**
Deposits given		
Mr. Punit Makharia	8.55	8.55
Mrs. Bhanu Makharia	76.45	76.45
	85.00	**85.00**
Share Application against purchase of equity shares of Kisan Phosphates Private Limited		
Mr. Punit Makharia	-	225.61
Mr. Gautam Makharia	-	225.61
Mrs. Ranjana Makharia	-	82.42
Mr. Raghav Makharia	151.85	151.85
Mr. Gopikishan Makharia	-	44.12
Mrs. Bhanu Makharia	-	90.41
Mrs. Aradhana Makharia	82.42	82.42
	234.27	**902.43**
Share Application Money Pending Allotment		
Mr. Punit Makharia	-	200.00
Mr. Gautam Makharia	-	200.00
	-	**400.00**
Investment in equity shares		
Kisan Phosphates Private Limited	902.43	902.43
	902.43	**902.43**
Investment in Compulsorily Convertible Debentures of Subsidiary		
Kisan Phosphates Private Limited	1,229.99	1,229.99
	1,229.99	**1,229.99**
Warrant Application Money Pending Allotment		
Mr. Punit Makharia	12.50	-
Mr. Raghav Makharia	1.25	-
Mrs. Aradhana Makharia	32.50	-
Mr. Gautam Makharia	520.00	-
Mrs. Bhanu Makharia	32.50	-
Mrs. Ranjana Makharia	32.50	-
Mr. Gopikishan Makharia	12.50	-
Ms. Radhika Makharia	1.25	-
	645.00	**-**
Corporate Guarantee Given		
Mrs. Bhanu Makharia	108.64	136.89
M/s Kisan Phosphates Private Limited	3,700.00	3,100.00
	3,808.64	**3,236.89**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 46 : Expenditure on Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The Company is spending amount for these activities, which are specified in Schedule VII of the Companies Act, 2013.

(a) Gross amount required to be spent by the Company during the year - Rs. 83.77 lakhs (March 31, 2018: Rs. 65.72 lakhs)

(b) Amount spent during the year on:

Particulars	In Cash/Bank Rs in Lakhs.	Yet to be paid in Cash/Bank Rs in Lakhs.	Total Rs in Lakhs.
(i) Construction/ acquisition of any asset	- (-)	- (-)	- (-)
(ii) On purposes other than (i) above	50.70 (7.06)	- (-)	50.70 (7.06)

(Figures in brackets represent amount for previous year)

Note 47 : FOB Value of Exports

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
FOB Value of Exports of Finished Goods	8,541.82	3,151.92

Note 48 : CIF Value of Imports

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
CIF value of Imports of Raw Material	3,277.74	3,853.22
CIF value of Imports of Capital Goods	27.47	317.91

Note 49 : Expenditure in Foreign Currency

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Foreign Travelling Expenses	3.89	7.20

Note 50 : Previous Years' Figures

The Company has re-grouped, re-classified and/or re-arranged figures for previous year, wherever required to confirm with current year's classification.

The Notes referred to above are an integral part of these financial statements.
As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 20, 2019

For and on behalf of the Board of Directors

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer
Place: Mumbai
Date: May 20, 2019

Satish Chavan
Company Secretary
Place: Mumbai
Date: May 20, 2019

INDEPENDENT AUDITORS' REPORT

To the Members of Shree Pushkar Chemicals & Fertilisers Limited,

Report on the Audit of Consolidated Ind-AS Financial Statements

Opinion

We have audited the consolidated Ind-AS financial statements of Shree Pushkar Chemicals & Fertilisers Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, their consolidated profit, their consolidated changes in equity and the consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Revenue from contracts with customers (described in Note 2 (K) of the consolidated Ind AS financial statements)	
Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company is engaged in manufacturing of dye and dye intermediaries through its various plants. It has developed procedures to record the revenue on the basis of the movement of the goods and revenue accrues as per Indian accounting standard 115. Due to different terms with different customers and transaction price, there is a risk that the revenue or discounts or rebates; and export incentives thereon might not be recorded correctly Revenue is a key parameter to ascertain the Company's performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it has been considered to be a key audit matter in our audit of these financial statements.	We assessed the Company's process to identify the impact of adoption of new revenue accounting standard. We assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates. We performed sample tests of individual sales transaction and traced to related documents, considering the terms of dispatch. We tested cut-off procedures with respect to year-end sales transactions made. We also performed monthly analytical procedures of revenue by streams to identify any unusual trends. Based on our combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls, we have concluded that the revenue has been recognized in accordance with the relevant accounting standards.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements for the year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of a subsidiary whose Ind AS financial statements reflect total assets of Rs. 7,020.97 lakhs as at March 31, 2019, total revenues of Rs. 5,172.25 lakhs and net cash flows amounting to Rs. 913.69 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditor whose report has been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and the consideration of the report of the other auditor on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph 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 of the aforesaid consolidated Ind AS financial statements;

   b) In our opinion, proper books of account as required by law related to the preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books and reports of other auditor;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of the consolidated Ind AS financial statements;

   d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e) On the basis of the written representations received from the directors of the Holding company as on March 31, 2019 taken on record by the Board of Directors of the Holding company and the reports of the statutory auditor of its subsidiary company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company refer to our separate Report in "Annexure A" to this report;

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated Ind AS financial statements disclose the impact of pending litigations as at March 31, 2019 on the consolidated financial position of the Group - Refer to Note 41 to the consolidated Ind AS financial statements.

         ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2019.

         iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in india during the year ended March 31, 2019.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : May 20, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Shree Pushkar Chemicals & Fertilisers Limited

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

1. We have audited the internal financial controls over financial reporting of Shree Pushkar Chemicals & Fertilisers Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India as of March 31, 2019 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

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements of the Company and its subsidiary incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India (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 with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these financial statements of the Company and its subsidiary incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these consolidated financial statements

6. A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that

    i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

    ii. 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

iii. 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 With Reference to these Financial Statements

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies 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 S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : May 20, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(INR in Lakhs)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I	**ASSETS**			
	1. Non-Current Assets			
	(a) Property, Plant and Equipment	3	16,734.89	16,140.11
	(b) Capital Work-In-Progress	3	1,047.08	341.51
	(c) Goodwill	4	486.82	486.82
	(d) Intangible assets under development	4	0.92	0.82
	(e) Financial Assets			
	(i) Investments	5	5.25	48.38
	(ii) Others	6	419.05	164.99
	(f) Other Non-Current Assets	7	918.47	820.10
			19,612.48	**18,002.73**
	2. Current Assets			
	(a) Inventories	8	6,230.35	8,228.67
	(b) Financial Assets			
	(i) Trade Receivables	9	9,829.62	8,595.96
	(ii) Cash and Cash Equivalents	10	51.21	39.79
	(iii) Bank Balances other than Cash and Cash Equivalents	11	3,930.13	1,895.29
	(iv) Loans	12	27.55	24.62
	(v) Others	13	145.75	114.99
	(c) Other Current Assets	14	1,004.63	1,065.95
			21,219.24	**19,965.27**
	Total Assets		**40,831.72**	**37,968.00**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share Capital	15	3,072.43	3,021.94
	(b) Other Equity	16	25,369.30	20,688.90
			28,441.73	**23,710.84**
	LIABILITIES			
	1. Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	735.54	272.18
	(b) Provisions	18	52.55	42.96
	(c) Deferred Tax Liabilities (Net)	19	1,964.64	1,370.97
	(d) Other Non-Current Liabilities	20	46.00	13.90
			2,798.73	**1,700.01**
	2. Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	21	3,931.45	6,191.59
	(ii) Trade Payables	22		
	(a) total outstanding dues of micro enterprises and small enterprises		80.90	56.27
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,407.71	4,991.14
	(iii) Other Financial Liabilities	23	44.84	41.33
	(b) Other Current Liabilities	24	534.14	275.51
	(c) Provisions	25	5.07	3.19
	(d) Current Tax Liabilities (Net)	26	587.15	998.12
			9,591.26	**12,557.15**
	Total Equity and Liabilities		**40,831.72**	**37,968.00**
	Summary of Significant Accounting Policies	2		

The Notes referred to above are an integral part of these financial statements.
As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 20, 2019

For and on behalf of the Board of Directors

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer

Satish Chavan
Company Secretary

Place: Mumbai
Date: May 20, 2019

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

(INR in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I	**Revenue**			
	Revenue from Operations	27	45,191.80	39,527.19
	Other Income	28	242.05	172.06
	Total Income		**45,433.85**	**39,699.25**
II	**Expenses**			
	Cost of Materials Consumed	29	29,003.72	29,588.93
	Changes in Inventories of Finished Goods and Work-in-Progress	30	1,260.25	(2,380.07)
	Employee Benefit Expenses	31	3,012.71	1,868.59
	Depreciation and Amortization Expenses	32	996.17	779.50
	Finance Costs	33	371.38	285.93
	Other Expenses	34	5,206.12	4,334.66
	Total Expenses		**39,850.35**	**34,477.54**
III	**Profit before tax (I- II)**		**5,583.50**	**5,221.71**
IV	**Less: Tax Expense:**			
	Current Tax		1,361.05	1,355.93
	Tax for Earlier years		(455.09)	-
	Deferred Tax		592.96	210.89
	Total Tax Expense		**1,498.92**	**1,566.82**
V	**Profit for the Year (III-IV)**		**4,084.58**	**3,654.89**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit obligations		2.02	0.72
	Tax effect on above		(0.71)	(0.25)
	Other Comprehensive Income for the year, net of tax		1.31	0.47
VII	**Total Comprehensive Income for the year (V+VI)**		**4,085.89**	**3,655.36**
VIII	**Earnings Per Share (Face Value INR 10 Per Equity Share):**	35		
	Basic (INR)		13.32	12.09
	Diluted (INR)		13.25	12.02

The Notes referred to above are an integral part of these financial statements.
As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 20, 2019

For and on behalf of the Board of Directors

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer

Satish Chavan
Company Secretary

Place: Mumbai
Date: May 20, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(INR in Lakhs)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A.	**Cash Flow from Operating Activities**		
	Net profit before tax	5,583.50	5,221.71
	Adjustments for:		
	Depreciation and amortisation	996.17	779.50
	Finance costs	371.38	285.93
	Other Income	2.69	(0.12)
	Interest Income	(241.12)	(180.27)
	Allowances for Credit Losses	(23.36)	56.98
	Profit on sale of Property, Plant & Equipment	(3.62)	-
	Fair value gain / (loss) on quoted equity instruments	-	8.88
	Operating profit/(loss) before working changes	**6,685.64**	**6,172.61**
	Movement in working capital		
	Decrease/(Increase) in Inventories	1,998.33	(5,046.15)
	Decrease/(Increase) in Trade Receivables	(1,210.30)	(2,552.09)
	Increase/(Decrease) in Trade Payables	(558.80)	2,798.77
	Increase/(Decrease) in Other Non-Current Liabilities	32.10	0.10
	Increase/(Decrease) in Other Current Liabilities	258.63	(590.88)
	Increase/(Decrease) in Other Current Financial Liabilities	3.51	(109.29)
	Decrease/(Increase) in Other Current Financial Assets	(30.76)	(108.61)
	Decrease/(Increase) in Other Current Assets	61.32	(331.23)
	Decrease/(Increase) in Other Non Current Assets	(98.37)	429.28
	Increase/(Decrease) in Long Term Provisions	11.61	10.01
	Increase/(Decrease) in Short Term Provisions	1.88	(74.50)
	Decrease/(Increase) in Other Non Current Financial Assets	(254.06)	(38.86)
	Decrease/(Increase) in Financial assets - Loans	(2.93)	(0.35)
	Cash Generated From Operations	**6,897.80**	**558.81**
	Income taxes paid (net of refunds)	(1,316.94)	(1,024.74)
	Net cash flow generated from / (used in) operating activities (A)	**5,580.86**	**(465.93)**
B.	**Cash Flow from Investing Activities**		
	Consolidation Effects	-	(486.82)
	Purchase or Construction of Property, Plant & Equipment (including capital work-in-progress)	(2,296.52)	(4,948.08)
	Purchase of Intangible asset under development	(0.10)	(0.82)
	(Investment in)/ Realisation of Fixed Deposits and Margin Money	(2,034.84)	313.04
	Investments in quoted equity instruments	-	(52.04)
	Proceeds from sale of Property, Plant & Equipment	3.62	-
	Proceeds from sale of Investments	40.44	-
	Interest Income Received	241.12	180.27
	Net Cash used in Investing Activities (B)	**(4,046.28)**	**(4,994.45)**
C.	**Cash Flow from Financing Activities**		
	Share Application Money Receipts	645.00	1,302.43
	Proceeds from/ (Repayment of) Financial Borrowings (net)	(1,796.78)	4,988.38
	Dividend Paid (Including Dividend Distribution Tax)	-	(545.57)
	Finance costs	(371.38)	(285.93)
	Net Cash flow (used in) from Financing Activities (C)	**(1,523.16)**	**5,459.31**
	Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	**11.42**	**(1.06)**
	Cash and cash equivalents at the beginning of the year	39.79	40.85
	Cash and cash equivalents at the end of the year	51.21	39.79
	Net cash Increase/(decrease) in cash and cash equivalents	**11.42**	**(1.06)**

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

The Notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 20, 2019

For and on behalf of the Board of Directors

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer

Satish Chavan
Company Secretary

Place: Mumbai
Date: May 20, 2019

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

A : Equity Share Capital (Equity shares of INR 10 each issued, subscribed and fully paid)

Particulars	Note No.	Numbers in Lakhs	Amount in Lakhs
Balance as at April 1, 2017		**302.19**	**3,021.94**
Changes in share capital during the year 2017-2018		-	-
Balance at the March 31, 2018	15	**302.19**	**3,021.94**
Preferential allotment of Equity Shares to Promoter & Promoter Group		5.05	50.49
Balance at the March 31, 2019	15	**307.24**	**3,072.43**

B : Other Equity

(INR in Lakhs)

Particulars	Note No.	Share Application money pending allotment	Money received against share warrants	Reserve and Surplus			Total Other Equity
				Securities Premium	Capital Equity Reserve	Retained Earnings	
Balance as at April 1, 2017		**-**	**-**	**5,646.33**	**29.23**	**10,601.12**	**16,276.68**
Profit for the year		-	-	-	-	3,654.89	3,654.89
Other Comprehensive Income		-	-	-	-	0.47	0.47
Share Application money pending allotment		1,302.43	-	-	-	-	1,302.43
Dividends (including Dividend Distribution Tax)		-	-	-	-	(545.57)	(545.57)
Balance as at March 31, 2018	**16**	**1,302.43**	**-**	**5,646.33**	**29.23**	**13,710.91**	**20,688.90**
Profit for the year		-	-	-	-	4,084.58	4,084.58
Other Comprehensive Income		-	-	-	-	1.31	1.31
Reserve created on account of Shares allotted to Promoter & Promoter Group on Preferential basis during the year		-	-	1,017.67	-	-	1,017.67
Allotment of Shares during the year		(1,068.16)	-	-	-	-	(1,068.16)
Received on account of exercise of Options under the Equity Share Warrants		-	645.00	-	-	-	645.00
Balance as at March 31, 2019	**16**	**234.27**	**645.00**	**6,664.00**	**29.23**	**17,796.80**	**25,369.30**

The Notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer

Satish Chavan
Company Secretary

Place: Mumbai
Date: May 20, 2019

Place: Mumbai
Date: May 20, 2019

SHREE PUSHKAR CHEMICALS AND FERTILISERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 1: Group Overview

Shree Pushkar Chemicals & Fertilisers Limited (the "Company") is a Public Limited Company domiciled in India and incorporated on March 29, 1993 under the provisions of Companies Act, 1956. The registered office of the Company is located at 301-302, 3rd Floor, Atlanta Center, Sonawala Road, Goregaon (East), Mumbai – 400063.

The company has a subsidiary in the name of "Kisan Phosphates Private Limited" together referred as the "Group" hereinafter. The Group is engaged in the business of manufacturing and trading of Chemicals, Dyes and Dyes Intermediate, Cattle Feeds, Fertilisers and Soil Conditioner. The equity shares of the Company are listed on The National Stock Exchange of India Limited and BSE Limited.

The consolidated financial statements are authorized for issue in accordance with a resolution of the Board of Directors on May 20, 2019.

Note 2 : Summary of Significant Accounting Policies

A. **Basis of preparation of financial statements**

(i) Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind-AS") under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (`Act') (to the extent notified). The Ind-AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group has adopted the Indian Accounting standards in accordance with Ind-AS 101 "First time adoption of Indian Accounting Standards" during the year ended March 31, 2018.

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

(ii) Basis of consolidation

The Group consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Group and its subsidiary Kisan Phosphates Private Limited. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The Subsidiary Company is consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/ loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

(iii) Basis of preparation

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

- certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- assets held for sale- measured at fair value less cost to sell;
- defined benefit plans- plan assets measured at fair value; and

The functional currency of the Group is the Indian Rupee. These financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise stated.

(iv) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period and cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

B. **Use of estimates**

The preparation of the financial statements in conformity with Ind-AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note C below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. **Critical accounting estimates**

(i) Income taxes

The Group's major tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. Also refer to note 26.

(ii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefits 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 for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. 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 44.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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. See Note 36-39 for further disclosures.

(v) Revenue from contracts with customers

The Group's contracts with customers include promises to provide the goods & services to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either fixed amount of customer consideration or variable consideration with elements such as schemes, incentives, cash discounts etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of the each period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Group's past experience regarding returns and rebate entitlements may not be representative of customer's actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

D. **Property, Plant and Equipment**

Land (including Land Developments) is carried at historical cost. All other items of property, plant and equipment are stated in the balance sheet at historical cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and land developments) less their residual values over the useful lives, using the straight- line method ("SLM"). Management believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Estimated useful lives
Buildings	30 years
Leasehold lands	95 years
Computers and Printers, including Computer Peripherals (including server and networking)	3 -6 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Motor Vehicles (including busses and trucks)	8-20 years
Plant and Machinery	15-20 years

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions.

Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

E. **Investment properties**

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Group, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated impairment loss, if any.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

F. **Intangible Assets**

Intangible asset including intangible assets under development are stated at cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible assets in case of computer software are amortised on straight-line basis over a period of 3 years, based on management estimate. The amortization period and the amortisation method are reviewed at the end of each financial year.

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

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

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. An impairment loss is recognized in the profit or loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. A reversal of an impairment loss is recognised immediately in profit or loss.

H. **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

Part I - Financial Assets

a) **Initial recognition and measurement**

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

b) **Subsequent measurement**

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

Financial Assets at amortised cost:

A Financial Assets is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income)

A Financial Assets is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

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

Financial Assets at FVTPL (Fair Value through Profit or Loss)

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

In addition, the Group may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any financial instrument as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

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

c) De-recognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

d) Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance;
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind-AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 18 (referred to as 'contractual revenue receivables' in these financial statements)
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group uses the remaining contractual term of the financial instrument; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is grouped under the head ‘other expenses’. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as ‘accumulated impairment amount’ in the OCI.

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

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Part II - Financial Liabilities

a) Initial recognition and measurement

The Group’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the profit or loss as finance cost.

Financial guarantee contracts

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

c) De-recognition

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

d) Offsetting of financial instruments

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

I. **Derivative financial instruments and hedge accounting**

Initial recognition and subsequent measurement:

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

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

J. **Inventories**

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

K. **Revenue from contracts with customers**

The Group derives revenues primarily from manufacturing and trading of Chemicals, Dyes and Dyes Intermediate and other allied products.

Ind AS 115 “Revenue from Contracts with Customers” provides a control- based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognize revenue when or as an entity satisfies performance obligations

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognized when no significant uncertainty exists as to its realization or collection.

The amount recognised as revenue in its Statement of Profit and Loss is exclusive of Goods and Service Tax and is net of discounts.

Contract balances

Trade receivables

A receivable represents the Group’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (h) Financial Instruments.

Contract liabilities

A contract liability is the obligation to perform the services as agreed with the customer for which the Group has received consideration (or an amount of consideration is due) from the customer. A contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

L. **Other Income**

Dividend income from investments is recognised when the shareholder’s right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

M. **Provisions and Contingent Liabilities**

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

N. **Accounting for Taxation of Income**

(i) Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

(ii) Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

O. **Fair value measurement**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

P. **Foreign Currency-Transactions and Balances**

The Group's functional currency is INR and accordingly, the financial statements are presented in INR.

Transactions in foreign currencies are initially recorded by the Group in their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting period. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Q. **Borrowing Costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

R. **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance Lease as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

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

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

Operating Lease as a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred

S. **Employee Benefits**

a) 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 recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. 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 on government bonds that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet, if the Group 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.

c) Post- employment obligations

The Group operates the following post-employment schemes:

(i) Defined benefit plans such as gratuity

(ii) Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Group pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Group has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

T. **Earnings Per Share**

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

Diluted earnings per share adjusts 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
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

U. **Cash and Cash Equivalents**

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

V. **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

W. **Segment Reporting**

The Group identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

X. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2019:

Ind AS 116 - Leases

Ind AS 12 - Appendix C, Uncertainty over Income Tax Treatments

Amendment to Ind AS 12 – Income taxes

Amendment to Ind AS 19 – plan amendment, curtailment or settlement

Ind AS 116 Leases:

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The standard permits two possible methods of transition:

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

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

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

a. Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application

b. An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

The Group is in the process of evaluating the impact of the standard.

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

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

The standard permits two possible methods of transition:

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

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

Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The effect on adoption would be insignificant in the financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group does not have any impact on account of this amendment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 3 : Property, Plant and Equipment

(INR in Lakhs)

Particulars	Freehold Land	Leasehold Land	Factory Building	Plant and Machinery	Furniture and Fixtures	Computers Equipments	Motor Vehicles	Office Equipments	Total	Capital Work-in Progress
Gross Carrying Amount as at April 1, 2017	**-**	**431.16**	**2,565.62**	**11,489.18**	**166.21**	**22.02**	**308.74**	**8.02**	**14,990.95**	**-**
Adjustments on account of acquisition of subsidiary	130.21	-	899.28	1,504.43	7.05	7.35	7.34	3.39	2,559.05	-
Additions / Transfer	-	-	-	2,503.81	0.12	2.92	50.96	0.33	2,558.14	341.51
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**130.21**	**431.16**	**3,464.90**	**15,497.42**	**173.38**	**32.29**	**367.04**	**11.74**	**20,108.14**	**341.51**
Additions / Transfer	11.36	308.00	6.92	1,188.10	36.54	2.48	36.78	0.76	1,590.95	1,888.28
Disposals	-	-	-	-	-	-	(9.00)	-	(9.00)	(1,182.70)
As at March 31, 2019	**141.57**	**739.16**	**3,471.82**	**16,685.52**	**209.92**	**34.77**	**394.82**	**12.50**	**21,690.09**	**1,047.08**
Accumulated depreciation as at April 1, 2017	**-**	**24.09**	**377.24**	**2,074.94**	**29.52**	**20.25**	**145.88**	**5.99**	**2,677.91**	**-**
Adjustments on account of acquisition of subsidiary	-	-	96.35	400.09	3.15	7.21	1.99	1.83	**510.62**	-
Depreciation charge during the year	-	5.93	95.58	617.82	16.44	3.33	38.49	1.91	**779.50**	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	**-**	-
As at March 31, 2018	**-**	**30.02**	**569.17**	**3,092.85**	**49.11**	**30.79**	**186.36**	**9.73**	**3,968.03**	**-**
Depreciation charge during the year	-	8.63	109.85	809.16	18.82	3.01	45.26	1.46	996.18	-
Accumulated depreciation on deletions	-	-					(9.00)		(9.00)	-
As at March 31, 2019	**-**	**38.65**	**679.02**	**3,902.01**	**67.93**	**33.80**	**222.62**	**11.19**	**4,955.21**	**-**
Net carrying amount as at March 31, 2019	141.57	700.51	2,792.80	12,783.51	141.99	0.98	172.20	1.31	16,734.88	1,047.08
Net carrying amount as at March 31, 2018	130.21	401.14	2,895.73	12,404.57	124.27	1.50	180.68	2.01	16,140.11	341.51
Net carrying amount as at April 1, 2017	-	407.07	2,188.38	9,414.24	136.69	1.77	162.86	2.03	12,313.04	-

1 **Asset under construction**

Capital Work In Progress as at March 31, 2019 comprises expenditure for capacity enhancement of Proposed Unit V situated at Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra.

2 **Property, Plant and Equipments pledged/ mortgaged as security**

All Property, Plant and Equipment are subject to a first charge/ collateral to secure the loans taken by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 4 : Goodwill and Intangible Assets under development

(INR in Lakhs)

Particulars	Goodwill	Intangible assets under development
Cost		
As at April 1, 2017	**-**	**-**
Additions	-	0.82
Disposals	-	-
Acquisition of subsidiary	486.82	-
As at March 31, 2018	**486.82**	**0.82**
Additions	**-**	0.10
Disposals	**-**	**-**
As at March 31, 2019	**486.82**	**0.92**
Accumulated amortisation and impairment		
As at April 1, 2017	**-**	**-**
Amortisation charge during the year	-	-
Disposals	-	-
As at March 31, 2018	**-**	**-**
Amortisation charge during the year	**-**	**-**
Disposals	**-**	**-**
As at March 31, 2019	-	-
Net carrying amount as at March 31, 2019	**486.82**	**0.92**
Net carrying amount as at March 31, 2018	**486.82**	**0.82**
Net carrying amount as at April 1, 2017	-	-

Note:

Intangible asset comprise of the Trade mark and Patent (logo of the company) under development.

Note 5 : Non-Current Financial Assets - Investments

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
a) Quoted		
Investment carried at Fair Value through Profit or Loss Account (FVTPL)		
Investment in Mutual Funds (Refer Note (i))		
776.061 units of SBI - Magnum Equity Fund of Rs. 10/- each fully paid up (March 31, 2018: 776.061 units)	0.25	0.22
Investment through Portfolio Management Services		
Nil Equity Shares of 3i Infotech Limited of Rs. 10 each fully paid up (March 31, 2018: 11,420 Equity Shares)	-	0.57
Nil Equity Shares of Andhra Bank of Rs. 10 each fully paid up (March 31, 2018: 4,500 Equity Shares)	-	1.87
Nil Equity Shares of Bata India Limited of Rs. 5 each fully paid up (March 31, 2018: 130 Equity Shares)	-	0.95
Nil Equity Shares of Bhansali Engineering Polymers Limited of Rs. 1 each fully paid up (March 31, 2018: 500 Equity Shares)	-	0.85
Nil Equity Shares of Cipla Limited of Rs. 2 each fully paid up (March 31, 2018: 320 Equity Shares)	-	1.74
Nil Equity Shares of Housing & Urban Development Corporation Limited of Rs. 10 each fully paid up (March 31, 2018: 1,160 Equity Shares)	-	0.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Nil Equity Shares of ITC Limited of Rs. 2 each fully paid up (March 31, 2018: 886 Equity Shares)	-	2.26
Nil Equity Shares of JK Tyre & Industries Limited of Rs. 2 each fully paid up (March 31, 2018: 580 Equity Shares)	-	0.94
Nil Equity Shares of Kabra Extrusion Technik Limited of Rs. 5 each fully paid up (March 31, 2018: 735 Equity Shares)	-	0.87
Nil Equity Shares of Kwality Limited of Rs. 1 each fully paid up (March 31, 2018: 2,115 Equity Shares)	-	1.25
Nil Equity Shares of LIC Housing Finance Limited of Rs. 2 each fully paid up (March 31, 2018: 330 Equity Shares)	-	1.76
Nil Equity Shares of Lupin Limited of Rs. 2 each fully paid up (March 31, 2018: 227 Equity Shares)	-	1.67
Nil Equity Shares of Marksans Pharma Limited of Rs. 1 each fully paid up (March 31, 2018: 6,380 Equity Shares)	-	2.02
Nil Equity Shares of MCX Limited of Rs. 10 each fully paid up (March 31, 2018: 205 Equity Shares)	-	1.37
Nil Equity Shares of Mercator Limited of Rs. 1 each fully paid up (March 31, 2018: 6,270 Equity Shares)	-	2.17
Nil Equity Shares of Oil & Natural Gas Corporation Limited of Rs. 5 each fully paid up (March 31, 2018: 1,480 Equity Shares)	-	2.63
Nil Equity Shares of RBL Bank Limited of Rs. 10 each fully paid up (March 31, 2018: 285 Equity Shares)	-	1.36
Nil Equity Shares of Sun Pharmaceutical Industries Limited of Rs. 1 each fully paid up (March 31, 2018: 345 Equity Shares)	-	1.71
Nil Equity Shares of Swelect Energy Systems Limited of Rs. 10 each fully paid up (March 31, 2018: 800 Equity Shares)	-	2.84
Nil Equity Shares of Texmaco Rail & Engineering Limited of Rs. 1 each fully paid up (March 31, 2018: 1,750 Equity Shares)	-	1.46
Nil Equity Shares of Thyrocare Technologies Limited of Rs. 20 each fully paid up (March 31, 2018: 373 Equity Shares)	-	2.23
Nil Equity Shares of Ujjivan Financial Services Limited of Rs. 10 each fully paid up (March 31, 2018: 260 Equity Shares)	-	0.90
Nil Equity Shares of Aurobindo Pharma Limited of Rs. 1 each fully paid up (March 31, 2018: 65 Equity Shares)	-	0.36
Nil Equity Shares of Axis Bank Limited of Rs. 2 each fully paid up (March 31, 2018: 70 Equity Shares)	-	0.36
Nil Equity Shares of Britannia Industries Limited of Rs. 2 each fully paid up (March 31, 2018: 7 Equity Shares)	-	0.35
Nil Equity Shares of HDFC Bank Limited of Rs. 2 each fully paid up (March 31, 2018: 20 Equity Shares)	-	0.38
Nil Equity Shares of Heidelberg Cement India Limited of Rs. 10 each fully paid up (March 31, 2018: 331 Equity Shares)	-	0.47
Nil Equity Shares of Hindalco Industries Limited of Rs. 1 each fully paid up (March 31, 2018: 167 Equity Shares)	-	0.36
Nil Equity Shares of Hindustan Unilever Limited of Rs. 1 each fully paid up (March 31, 2018: 28 Equity Shares)	-	0.37
Nil Equity Shares of ICICI Bank Limited of Rs. 2 each fully paid up (March 31, 2018: 124 Equity Shares)	-	0.35
Nil Equity Shares of Indian Oil Corporation Limited of Rs. 10 each fully paid up (March 31, 2018: 208 Equity Shares)	-	0.37
Nil Equity Shares of Indraprastha Gas Limited of Rs. 2 each fully paid up (March 31, 2018: 168 Equity Shares)	-	0.47

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Nil Equity Shares of Jindal Steel Power Limited of Rs. 1 each fully paid up (March 31, 2018: 220 Equity Shares)	-	0.48
Nil Equity Shares of JK Lakshmi Cement Limited of Rs. 5 each fully paid up (March 31, 2018: 119 Equity Shares)	-	0.55
Nil Equity Shares of Larsen Toubro Limited of Rs. 2 each fully paid up (March 31, 2018: 29 Equity Shares)	-	0.38
Nil Equity Shares of Mahindra & Mahindra Limited of Rs. 5 each fully paid up (March 31, 2018: 52 Equity Shares)	-	0.38
Nil Equity Shares of Maruti Suzuki India Limited of Rs. 5 each fully paid up (March 31, 2018: 4 Equity Shares)	-	0.35
Nil Equity Shares of Navneet Education Limited of Rs. 2 each fully paid up (March 31, 2018: 365 Equity Shares)	-	0.52
Nil Equity Shares of Petronet LNG Limited of Rs. 10 each fully paid up (March 31, 2018: 159 Equity Shares)	-	0.37
Nil Equity Shares of Rallis India Limited of Rs. 1 each fully paid up (March 31, 2018: 217 Equity Shares)	-	0.51
Nil Equity Shares of Sadbhav Engineering Limited of Rs. 1 each fully paid up (March 31, 2018: 134 Equity Shares)	-	0.52
Nil Equity Shares of State Bank of India of Rs. 1 each fully paid up (March 31, 2018: 148 Equity Shares)	-	0.37
Nil Equity Shares of Tata Steel Limited of Rs. 10 each fully paid up (March 31, 2018: 60 Equity Shares)	-	0.34
Nil Equity Shares of Yes Bank Limited of Rs. 2 each fully paid up (March 31, 2018: 119 Equity Shares)	-	0.36
b) Unquoted		
Investment in Equity Instruments		
Investment carried at Fair Value through Profit or Loss Account (FVTPL)		
50,000 Equity Shares of Abhyudaya Co-Operative Bank Limited of Rs.10 each fully paid up (March 31, 2018: 50,000)	5.00	5.00
Total	**5.25**	**48.38**

Note: (i) The fair value of quoted mutual fund units are based on quoted net asset value at the reporting date.

(ii) Investment at fair value through profit and loss reflect investment in quoted and unquoted equity securities and quoted mutual fund units.

Note 6 : Non-Current Financial Assets - Others

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Carried at amortised cost		
Security Deposits	419.05	164.99
Total	**419.05**	**164.99**

Deposits include Rs. 85.00 lakhs (March 31, 2018 : Rs.61.05 lakhs) given to related parties towards office premises taken on rent.

Note 7 : Other Non-Current Assets

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	844.51	814.10
Balance with Statutory Authorities	73.96	6.00
Total	**918.47**	**820.10**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 8 : Inventories

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Material	2,444.19	3,204.33
Work-in-Process	2,431.21	2,683.66
Finished Goods	1,091.49	2,099.29
Packing Material	42.77	25.65
Stores and Spares	204.96	205.94
Power and Fuel	15.73	9.80
Total	**6,230.35**	**8,228.67**
Included above, goods in transit :		
Raw Material	432.82	1,322.47
Stores and Spares	-	-
	432.82	**1,322.47**
Details of Work-in-Progress:		
Chemicals & Dyes Intermediates	1,579.00	1,725.34
Fertilizer & Allied Products	841.52	951.83
Cattle Feeds	10.69	6.49
TOTAL	**2,431.21**	**2,683.66**
Details of Finished Goods:		
Chemicals & Dyes Intermediates	608.07	1,658.94
Fertilizer & Allied Products	478.72	435.16
Cattle Feeds	4.70	5.19
TOTAL	**1,091.49**	**2,099.29**

Inventories are valued at lower of cost or net realisable value on FIFO basis which is in accordance with Ind AS-2

Note 9 : Current Financial Assets - Trade Receivables

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	9,829.62	8,595.96
Trade Receivables which have significant increase in Credit Risk	131.37	155.18
Less: Allowance for credit losses	(131.37)	(155.18)
Trade Receivables - credit impaired	-	-
Total	**9,829.62**	**8,595.96**

Trade Receivables are non interest bearing and terms are generally from 60 to 90 days

Trade Receivables includes dues which are outstanding for a period exceeding six months, mainly related to dues from Huntsman International (India) Private Limited, Rs. 575.00 lakhs (March 31, 2018 : Rs. 796.94 lakhs).

The Holding Company had filed a summary suit in the Hon'ble Bombay High Court against it for recovery of its unpaid dues. The said suit is pending for trial in the said Court.

Huntsman International (India) Private Limited has also filed suit against the Holding Company, wherein the Hon'ble High Court of Delhi had awarded the order in favour of the Holding Company on February 21, 2018 wherein the suit had been dismissed / the plaint returned to plaintiff for filing in the Court of appropriate territorial jurisdiction. Accordingly, the Holding Company's management is very confident for recovery of these unpaid dues and an order in the Holding Company's favour. However, the Holding Company has written off amounts of Rs. 221.94 lakhs during the current year, out of the above dues, considering the principle of prudence and presentation of assets at the values they are expected to recover.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 10 : Current Financial Assets - Cash and Cash Equivalents

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank Balances		
- In current accounts	18.94	12.87
Cash-in-hand	32.27	26.92
Total	**51.21**	**39.79**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the applicable short-term deposit bank rates.

Note 11 : Current Financial Assets - Other Bank Balances

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposits with maturity period of more than 3 months but less than 12 months		
- in Fixed Deposits	3,893.82	1,838.78
- in Fixed Deposits (under lien against bank guarantee and LCs)	32.86	56.51
Earmarked balances in unclaimed dividend account	3.45	-
Total	**3,930.13**	**1,895.29**

Note 12 : Current Financial Assets - Loans

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to Employees	27.55	24.62
Total	**27.55**	**24.62**
Sub-classification of Loans		
Loan Receivables considered good - Secured	-	-
Loan Receivables considered good - Unsecured	27.55	24.62
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables - Credit Impaired	-	-

Note 13 : Current Financial Assets - Others

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Other Receivables	145.75	114.99
Total	**145.75**	**114.99**

Note 14 : Other Current Assets

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances other than capital advances:		
Advance payment to vendors	447.40	366.05
Excise Duty Receivable	0.70	0.70
Balance with Custom, Excise and GST authorities	547.80	684.71
Prepaid Expenses	8.73	14.49
Total	**1,004.63**	**1,065.95**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 15 : Share Capital

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Capital		
3,20,00,000 (March 31, 2018: 3,20,00,000) Equity shares of Rs. 10 each	3,200.00	3,200.00
	3,200.00	**3,200.00**
Issued, Subscribed and Paid up Capital		
3,07,24,310 (March 31, 2018: 3,02,19,435) Equity shares of Rs. 10/- each fully paid up	3,072.43	3,021.94
Total	**3,072.43**	**3,021.94**

(a) Terms / rights attached to:

Equity Shares

The Holding Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts in proportion to their share holding.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares (in Lakhs)	Amount (INR in Lakhs)	Number of shares (in Lakhs)	Amount (INR in Lakhs)
Balance as at the Beginning of the year	302.19	3,021.94	302.19	3,021.94
Add: Shares allotted to Promoter & Promoter Group on Preferential basis	5.05	50.49	-	-
Balance as at the end of the year	**307.24**	**3,072.43**	**302.19**	**3,021.94**

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares:

Equity Shares

Shares held by	As at March 31, 2019		As at March 31, 2018	
	Number of Shares (in Lakhs)	%	Number of Shares (in Lakhs)	%
Punit Makharia	125.72	40.92%	123.71	40.94%
Gautam Makharia	57.81	18.81%	51.41	17.01%
Reliance Capital Trustee Co. Ltd.	16.16	5.26%	16.16	5.35%

As per the records of the Holding Company, including its register of the members and other declarations received from the shareholder regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

Note 16 : Other Equity

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	29.23	29.23
Securities Premium	6,664.00	5,646.33
Retained Earnings	17,796.80	13,710.91
Share Application Money Pending Allotment	879.27	1,302.43
Total	**25,369.30**	**20,688.90**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(i) Capital Reserve

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as at the beginning of the year	29.23	29.23
Add : Additions during the year	-	-
Balance as at the end of the year	**29.23**	**29.23**

Amount standing in the Capital Reserve account pertains to the money received by the Holding Company against share warrants amounting to Rs. 29.23 lakhs that was transferred to Capital Reserve during the financial year 2012-13 due to non-allotment of equity shares.

(ii) Securities Premium:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as at the beginning of the year	5,646.33	5,646.33
Add : Additions during the year	1,017.67	-
Balance as at the end of the year	**6,664.00**	**5,646.33**

The amount standing in the Securities Premium account pertains to the premium received on issue of shares during the previous years. During the current financial year, an amount of Rs.1,017.67 lakhs credited to securities premium account against issuance of 5,04,875 shares at a premium of Rs. 201.57 each.

(iii) Retained Earnings:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as at the beginning of the year	13,710.91	10,601.12
Add: Profit for the year	4,084.58	3,654.89
Add: Items of Other Comprehensive Income recognised directly in Retained Earnings	1.31	0.47
Re-measurement gains/ (losses) on defined benefit obligations (net of tax)	-	
Less : Dividend Paid	-	(453.29)
Less : Dividend Distribution Tax	-	(92.28)
Balance as at the end of the year	**17,796.80**	**13,710.91**

(iv) Share Application money pending allotment:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as at the beginning of the year	1,302.43	-
Add : Consideration for Preferential allotment of equity shares	-	400.00
Add : Consideration for Issue of Convertible warrants on Preferential Basis to Promoter & Promoter Group	645.00	-
Add : Consideration Payable for Acquisition of M/s Kisan Phosphates Private Limited	-	902.43
Less : Allotment of Share in current year	(1,068.16)	-
Balance as at the end of the year	**879.27**	**1,302.43**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

During the year, the Holding Company has received an amount of Rs. 645.00 lakhs as application money for issue of convertible warrants on preferential basis to the promoter and promoter group for which the allotment is pending as on March 31, 2019.

Further, out of the consideration received other than in cash during previous year for acquisition of Kisan Phosphates Private Limited, the allotment of 1,12,356 equity shares to the shareholders of Kisan Phosphates Private Limited is pending as on March 31, 2019.

Note 17 : Non-Current Financial Liabilities - Borrowings

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured Term Loans (Refer Note (a) below)		
Rupee Term Loans from Banks (Also Refer Note 23)	705.22	245.97
Rupee Term Loans from Others	30.32	26.21
Total Non-Current Borrowings	**735.54**	**272.18**

Notes:

(a) Nature of security and terms of repayment for Secured Borrowings :

Nature of Security	Terms of Repayment
Rupee Term Loan from HDFC Bank Limited amounting to Rs 1.29 lakhs (March 31, 2018 : Rs.8.60 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 35 monthly instalments, Effective Rate of interest 10.24% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. 8.44 lakhs (March 31, 2018 : Rs 17.76 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 9.46% p.a.
Rupee Term Loan from Axis Bank Ltd amounting to Rs. 6.09 lakhs (March 31, 2018 : Rs11.69 lakhs) secured by the Equipment purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 8.82% p.a.
Rupee Term Loan from Tata Motor Finance Ltd amounting to Rs. 3.88 lakhs (March 31, 2018 : Rs 11.05 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 35 monthly instalments, Effective Rate of interest 10.52% p.a.
Rupee Term Loan from Tata Motor Finance Ltd amounting to Rs. 14.63 lakhs (March 31, 2018 : Rs 20.75 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 46 monthly instalments, Effective Rate of interest 9.09% p.a.
Rupee Term Loan from Tata Motor Finance Ltd amounting to Rs. 16.73 lakhs (March 31, 2018 : Rs Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 7.95% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. 12.69 lakhs (March 31, 2018 : Rs Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 9.00% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. 7.23 lakhs (March 31, 2018 : Rs Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 60 monthly instalments, Effective Rate of interest 8.61% p.a.
Rupee Term Loan from HDFC Bank Limited amounting to Rs. Nil (March 31, 2018 : Rs.0.78 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 10.23% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. Nil (March 31, 2018 : Rs. 0.98 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Effective Rate of interest 10.50% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. Nil (March 31, 2018 : Rs. 0.65 lakhs) secured by the vehicles purchased from the loan proceeds.	Repayable in 35 monthly instalments, Effective Rate of interest 10.00% p.a.
Rupee Term Loan from Axis Bank Ltd. amounting to Rs. 705.22 Lakhs (March 31, 2018 : Rs. 238.75 lakhs) secured by the Hypothecation of assets created by said term Loan.	Repayable in 12 quarterly instalments, after moratorium period of 18 months, Effective Rate of interest 8.65% p.a.
Rupee Term Loan from HDFC Bank Ltd amounting to Rs. Nil (March 31, 2018 : Rs. 2.90 lakhs) secured by the Equipment purchased from the loan proceeds.	Repayable in 47 monthly instalments, Effective Rate of interest 11.00% p.a.

Note 18 : Non-Current Provisions

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Provision for Employee Benefits:		
Provision for Gratuity (Refer Note 44)	52.55	42.96
Total	**52.55**	**42.96**

Note 19 : Deferred Tax Liabilities (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:		
Property, Plant and Equipment including Intangible Assets - Depreciation	2,103.85	1,438.16
Unabsorbed Depreciation Loss	58.63	(17.15)
Gratuity	(19.47)	(3.39)
Allowances for credit losses	(45.91)	(20.24)
Loans	-	-
MAT Credit	(132.46)	(26.41)
Deferred Tax Liabilities (net)	**1,964.64**	**1,370.97**

Movement in Deferred Tax Liabilities/ (Assets) **(INR in Lakhs)**

Particulars	**Loans**	**ECL**	**Depreciation**	**MAT Credit**	**Unabsorbed Depreciation Loss**	**Gratuity**	**Total**
As at April 1, 2017	**0.09**	**(33.75)**	**1,101.81**	**(16.68)**	121.31	**(12.46)**	**1,160.32**
Charged/ (Credited):							
To Profit or Loss	(0.09)	13.51	336.35	(9.73)	(138.46)	-	201.58
To Other Comprehensive Income	-	-	-			9.07	9.07
As at March 31, 2018	**-**	**(20.24)**	**1,438.16**	**(26.41)**	**(17.15)**	**(3.39)**	**1,370.97**
Charged/ (Credited):							
To Profit or Loss	-	(25.67)	665.69	(106.05)	75.78	(16.79)	592.96
To Other Comprehensive Income	-	-	-	-	-	0.71	0.71
As at March 31, 2019	**-**	**(45.91)**	**2,103.85**	**(132.46)**	**58.63**	**(19.47)**	**1,964.64**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 20 : Other Non-Current Liabilities

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposit from Customers	46.00	13.90
Total	**46.00**	**13.90**

Note 21 : Current Financial Liabilities - Borrowings

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured Loans (Repayable on demand)		
Working Capital Loans from Banks (Refer Notes below)		
Loans From Banks	1,650.05	2,958.22
Acceptances from Banks	1,572.85	2,506.59
Unsecured Loans (Repayable on demand)		
Loan from Others and Inter Corporate Deposits (Interest Free)	708.55	726.78
Total	**3,931.45**	**6,191.59**

Notes:

1) Working capital loans from State Bank of India Rs. 250.04 lakhs (March 31, 2018: Rs. 1,511.81 lakhs) carries interest rate @ 9.20% (March 31, 2018 : 9.20% p.a.) and are secured as under:

a) Primary Security:

i) Hypothecation of the entire current assets of the Holding Company on paripassu basis with IDBI Bank and Axis Bank .

b) Collateral Security:

i) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at B-102, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

ii) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at B-103, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

iii) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at D-25, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

iv) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at B-97, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

v) Equitable mortgage by way of pari-passu (with IDBI Bank & Axis Bank) on Land & Building located at D-18, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

vi) Hypothecation charges on pari-passu basis over Plant & Machinery, Office Equipments, Furniture & Fixtures & all other fixed assets located at

B-102/103, D-25, B-97 & D-18, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

c) Personal Guarantee of Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the Company.

2) Working capital loans from IDBI Bank Limited Rs. (7.12) lakhs (March 31, 2018: Rs. (31.94) lakhs) carries interest rate @ 8.95% p.a.(March 31, 2018 : 8.75% p.a.) and are secured as under:

a) Primary Security:

i) Hypothecation of the entire current assets of the Holding Company on paripassu basis with State Bank of India and Axis Bank.

b) Collateral Security:

i) Equitable mortgage by way of pari-passu (with State Bank of India & Axis Bank) on Land & Building located at B-102, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

ii) Equitable mortgage by way of pari-passu (with State Bank of India & Axis Bank) on Land & Building located at B-103, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

iii) Equitable mortgage by way of pari-passu (with State Bank of India & Axis Bank) on Land & Building located at D-25, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

iv) Equitable mortgage by way of pari-passu (with State Bank of India & Axis Bank) on Land & Building located at B-97, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

v) Equitable mortgage by way of pari-passu (with State Bank of India & Axis Bank) on Land & Building located at D-18, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

vi) Hypothecation charges on pari-passu basis over Plant & Machinery, Office Equipments, Furniture & Fixtures & all other fixed assets located at B-102/103, D-25, B-97 & D-18, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

c) Personal Guarantee of Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the Company.

3) Working capital loans from Axis Bank Ltd. Rs. 0.40 lakhs (March 31, 2018: Rs. 497.66 lakhs) carries interest rate @ 8.85% p.a.(March 31, 2018: 8.20% p.a.) and are secured as under:

a) Primary Security:

i) First Pari-passu charge on the entire current assets of the Holding Company.

ii) First Pari-passu charge on Land & Building located at B-97, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

iii) Second Pari-passu charge on Land & Building located at B-102/103, D-25, D-18, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

iv) Second Pari-passu charge on Plant & Machinery located at B-102/103, D-25, D-18, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of Holding Company.

b) Personal Guarantee of Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the Company.

4) Working capital loans from Axis Bank Ltd. Rs. 1,399.61 lakhs (March 31, 2018: Rs. 980.64 lakhs) carries interest rate @ 8.65% p.a. (March 31, 2018 : 8.20% p.a.) and are secured as under:

a) Primary Security:

i) Second Charges on Plant and Machinery and other movable Fixed Assets of the Subsidiary company acquired out of Term Loan.

ii) Second Charges by way of equitable Mortgage of plot of the Subsidiary company admeasuring 8,425 acres located at Gavad Road, Village Gavad, Dist. Hissar, Haryana.

b) Personal Guarantee of Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the Company.

c) Corporate Guarantee of Shree Pushkar Chemicals and Fertilisers Limited.

5) Details of the aggregate of each loan guaranteed by directors or others, each head-wise.

All the loans repayable on demand from banks amounting to Rs. 1,650.05 lakhs (March 31, 2018: Rs. 2,958.22 lakhs) guaranteed by Mr. Punit Makharia and Gautam Makharia, Chairman and Joint Managing Director of the Company.

6) Details of continuing default in the repayment of loans and interest, specifying the period and amount separately in each case.

There has been no default in the repayment of loans or interest thereon as on date.

Note 22 : Current Financial Liabilities - Trade Payables

(INR in Lakhs)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Trade Payable		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	80.90	56.27
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	4,407.71	4,991.14
Total	**4,488.61**	**5,047.41**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note: Disclosure for micro and small enterprises:

Particulars	As at March 31, 2019	As at March 31, 2018
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal	80.90	49.78
- Interest due thereon	0.45	6.49
(b) Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		
- Principal	978.99	334.25
- Interest	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	9.37	6.02
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	16.31	6.49
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note: The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Note 23 : Current Financial Liabilities - Others

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturities of Long-Term Debt:		
Rupee Term Loans from Banks (Refer Note 17 above)	7.38	16.59
Rupee Term Loans from Others (Refer Note 17 above)	33.51	24.24
Interest accrued but not due on borrowings	0.50	0.50
Unpaid Dividend*	3.45	-
Total	**44.84**	**41.33**

* There is no amount due & outstanding to be credited to Investor Education and Protection Fund as at March 31, 2019.

Note 24 : Other Current Liabilities

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Dues Payable (Including Provident Fund, Tax Deducted at Source and other Indirect taxes)	86.13	39.63
Advance from Customers	370.02	168.07
Employee related Liabilities	77.99	67.81
Total	**534.14**	**275.51**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 25 : Current Provisions

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Employee benefits:		
Provision for Gratuity (Refer Note 44)	5.07	3.19
Total	**5.07**	**3.19**

Note 26 : Current Tax Liabilities (Net)

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Income Tax (net of advance tax and TDS Rs. 783.62 lakhs)	587.15	998.12
Total	**587.15**	**998.12**

The gross movement in the current income tax liability/ (asset) for the year ended March 31, 2019 and March 31, 2018 is as follows:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Net current income tax liability/ (asset) at the beginning	998.12	771.07
Add : Current income tax expense	1,361.05	1,355.93
Less : Adjustments for current tax of prior periods	(455.09)	-
Less: Income tax paid (net of refund, if any)	(1,316.93)	(1,128.88)
Net current income tax liability/ (asset) at the end	**587.15**	**998.12**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 2018:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Accounting profit before tax from continuing operations	5,583.50	5,221.70
Accounting profit before income tax	**5,583.50**	**5,221.70**
Tax at India's statutory income tax rate of 34.944% (March 31, 2018: 34.608%)	1,877.14	1,784.45
Adjustments of tax effect of allowable and non-allowable income and expenses:		
Difference in Depreciation and Amortisation	(241.05)	(316.08)
Deduction u/s 32AC (1A)	-	(129.98)
Gratuity	4.26	3.54
Corporate Social Responsibility Expenditure	17.72	2.44
Other Items	8.76	11.56
Deductions under chapter VI-A	(305.77)	-
Current tax expense reported in Statement of profit and loss	**1,361.06**	**1,355.93**
Deferred tax expense reported in Statement of profit and loss	592.96	210.89
Tax adjustment for Earlier years	(455.09)	-
Income Tax Expense	**1,498.92**	**1,566.82**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 27 : Revenue from Operations

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Sale of Products:		
Finished Goods	44,579.19	39,244.01
	44,579.19	**39,244.01**
Other Operating Revenue:		
Export Incentives	612.61	283.18
Total	**45,191.80**	**39,527.19**
Products-wise Sales		
Chemicals, Dyes and Dyes Intermediates	34,166.53	31,120.83
Fertilizer and Allied Products	9,091.08	7,205.28
Cattle Feeds	1,321.58	917.90
Total	**44,579.19**	**39,244.01**

Note:- The amount of revenues are exclusive of indirect taxes (value added tax, goods and service tax, etc.)

Note 28 : Other Income

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest Income on		
- Fixed Deposits with Banks	215.97	140.03
- Others	25.15	7.87
Dividend Received	-	2.11
Balances written back	-	21.43
Profit/ (Loss) from investment through portfolio services	(2.72)	8.88
Fair value adjustment on financial instrument carried at fair value through profit and loss	0.03	(8.33)
Miscellaneous Income	3.62	0.07
Total	**242.05**	**172.06**

Note 29 : Cost of Materials Consumed

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Raw Materials Consumed:		
Inventories at the beginning of the year	3,204.34	1,566.49
Add: Purchases during the year	28,243.57	31,226.78
	31,447.91	**32,793.27**
Less: Inventories at the end of the year	2,444.19	3,204.34
	29,003.72	**29,588.93**
Details of Raw Materials Consumed:		
Rock Phosphate	3,143.02	3,226.47
Sulpher	1,497.31	1,096.30
Caustic Soda	2,238.27	2,063.18
Soda Ash	574.32	525.25
Others	21,550.80	22,677.73
	29,003.72	**29,588.93**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 30 : Change in Inventories of Finished Goods and Work-in-Progress

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Changes in Inventories of Finished Goods and Work-in-Progress:		
Inventories at the end of the year		
Work in Process	2,431.21	2,683.66
Finished Goods	1,091.49	2,099.29
	3,522.70	**4,782.95**
Inventories at the beginning of the year		
Work in Process	2,683.66	1,468.56
Finished Goods	2,099.29	934.32
	4,782.95	**2,402.88**
Total	**1,260.25**	**(2,380.07)**

Note 31 : Employee Benefit Expenses

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Salaries, Wages and Bonus	2,954.24	1,820.01
Contributions to Provident and Other Funds (Refer Note 44)	20.48	15.12
Gratuity Expenses (Refer Note 44)	13.28	10.23
Staff Welfare Expenses	24.71	23.23
Total	**3,012.71**	**1,868.59**

Note 32 : Depreciation and Amortisation Expenses

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Depreciation on tangible assets (Refer Note 3)	996.17	779.50
Total	**996.17**	**779.50**

Note 33 : Finance Costs

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest Expense		
- On Bank Loans	198.48	136.03
- On Others	105.96	87.35
Bank Charges and Commission	66.94	62.55
Total	**371.38**	**285.93**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 34 : Other Expenses

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Manufacturing Expenses		
Consumption of Stores and Spares	508.73	694.55
Packing Material	341.51	383.72
Power and Fuel	1,956.30	1,628.54
Water Charges	32.30	31.22
Repairs and Maintenance	281.70	218.91
Insurance Premium	25.01	23.47
Excise Duty on Finished Goods	-	(75.36)
Other Administrative & Selling Expenses		
Selling and Distribution Expenses	1,273.61	957.05
Travelling and Conveyance Expenses	98.97	92.40
Communication Expenses	17.80	24.99
Legal and Professional Expenses	115.06	91.27
Rent, Rates and Taxes	122.32	96.71
Printing and Stationery	8.63	6.75
Bad debts written off	221.94	-
Electricity Expenses	8.95	8.12
Payments to Auditors:		
- Audit Fees	4.00	4.05
- Tax Audit Fees	1.15	1.15
Miscellaneous Expenses	148.21	73.21
Donations	12.59	9.87
Corporate Social Responsibility Expenditure (Refer Note 46)	50.70	7.06
Allowance for credit losses	(23.36)	56.98
Total	**5,206.12**	**4,334.66**

Note 35 : Earnings Per Share

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
(a) Net Profit after tax attributable to Equity Shareholders for Basic EPS	4,084.58	3,654.89
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	4,084.58	3,654.89
(b) Weighted average number of Equity Shares (In Lakhs) outstanding during the year		
For Basic EPS	306.70	302.19
For Diluted EPS	308.37	304.20
(c) Face Value per Equity Share (INR)	10	10
Basic EPS (INR)	13.32	12.09
Diluted EPS (INR)	13.25	12.02
(d) Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS		
Weighted average no. of shares used for calculating Basic EPS	306.70	302.19
Add: Potential equity shares	1.67	2.00
Weighted average no. of shares used for calculating Diluted EPS	308.37	304.20

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 36 : Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current Financial Assets		
Others	419.05	164.99
Current Financial Assets		
Trade Receivables	9,829.62	8,595.96
Cash and Cash Equivalents	51.21	39.79
Other bank balances	3,930.13	1,895.29
Loans	27.55	24.62
Others	145.75	114.99
Total	**14,403.31**	**10,835.64**

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 37 : Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current Financial Liabilities		
Borrowings	735.54	272.18
Current Financial Liabilities		
Borrowings	3,972.34	6,232.42
Trade Payables	4,488.61	5,047.41
Other Financial Liabilities	3.95	0.50
Total	**9,200.44**	**11,552.51**

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

Note 38 : Financial Assets at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current Financial Assets		
Investments	5.25	48.38
Total	**5.25**	**48.38**

Note: The above investments are quoted instruments in active markets and the same is recognised at fair value. Fair value measurement is done considering the Level -1 of Fair Value Hierarchy as per the Ind-AS 113.

Note 39 : Financial Risk Management Objectives and Policies

The Group's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations directly or indirectly. The Group's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

The Group is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial instruments, Fixed Deposit with Banks, financial assets measured at amortised cost.	Aging analysis and Credit ratings	Diversification of Existing credit limits Unutilised from Consortium Bankers.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - foreign exchange	Future commercial transactions. Recognised financial liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting and Sensitivity analysis	Forward foreign exchange contracts.
Market Risk - interest rate	Long-Term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

Credit Risk

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

Trade receivables

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. The Group is in the business of manufacturing and trading of Chemical, Fertilisers and Dyes intermediate. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9.

On account of adoption of Ind-AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Group's historical experience for customers.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's finance department in accordance with the Group's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts as illustrated in Note 9.

Liquidity Risk

The Group monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and unsecured loans. The Group has access to a sufficient variety of sources of funding which can be rolled over with existing lenders. The Group believes that the working capital is sufficient to meet its current requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2019 & March 31, 2018:

(INR in Lakhs)

Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2019					
Secured Loans	8.54	3,431.39	559.40	-	3,999.33
Unsecured Loans	-	708.55	-	-	708.55
Trade Payables	4,488.61	-	-	-	4,488.61
Others	3.95	-	-	-	3.95
Year ended March 31, 2018					
Secured Loans	10.77	5,494.56	272.49	-	5,777.82
Unsecured Loans	-	726.78	-	-	726.78
Trade Payables	5,047.41	-	-	-	5,047.41
Others	0.50	-	-	-	0.50

Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings and deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to keep balance between its borrowings at fixed rates of interest. The difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The exposure of the Group to interest rate changes at the end of the reporting period are as under:

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Variable Rate Borrowing	1,650.05	2,958.22
Fixed Rate Borrowing	776.43	313.01
Total	**2,426.48**	**3,271.23**

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(INR in Lakhs)

Particulars	Increase/ Decrease in basis points	Effect on Profit before Tax
March 31, 2019	+ 1%	(16.50)
	- 1%	16.50
March 31, 2018	+ 1%	(29.58)
	- 1%	29.58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. The Group manages its foreign currency risk by hedging the payables when considered necessary. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. The Group hedges its exposure to fluctuations on the translation into INR of its foreign payables in foreign currencies and by using foreign currency option or forward contracts.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(INR in Lakhs)

Particulars	Change in USD Rate	Effect on Profit before Tax
March 31, 2019	+ 5%	(33.95)
	- 5%	33.95
March 31, 2018	+ 5%	(98.19)
	- 5%	98.19

Equity price risk

The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as previous GAAP carrying value (i.e. cost of acquisition). The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Group.

Note 40 : Capital Management

For the purpose of the Group's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Holding Company. The primary objective of the Group's capital management is to maximise the value of the share and to reduce the cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group can adjust the dividend payment to shareholders, issue new shares, etc. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(INR in Lakhs)

Particulars		As at March 31, 2019	As at March 31, 2018
A) Net Debt			
Borrowings (Current and Non-Current)		4,708.38	6,505.10
Cash and Cash Equivalents		(51.21)	(39.79)
	Net Debt (A)	**4,657.17**	**6,465.31**
B) Equity			
Equity share capital		3,072.43	3,021.94
Other Equity		25,369.30	20,688.90
	Total Equity (B)	**28,441.73**	**23,710.84**
Gearing Ratio (Net Debt / Capital) i.e. (A / B)		16.37%	27.27%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 41 : Contingent Liabilities (to the extent not provided for):

(a) **(INR in Lakhs)**

Particulars	As at March 31, 2019	As at March 31, 2018
Claims against the company not acknowledged as debts*		
Disputed Liabilities in respect of Value Added Tax and Central Sales Tax	202.26	120.83
Disputed Liabilities in respect of Income Tax	1,038.51	534.04
Total	**1,240.77**	**654.87**

Cases pending before appellate authorities in respect of which the Company has filed appeals.

* On the basis of current status of individual case for respective years and as per legal advice obtained by the Group, wherever applicable, the Group is confident of winning the above cases and is of the view that no provision is required in respect of above cases.

(b) Bank guarantee given by the banks on behalf of the Group amounting to Rs. 505.83 lakhs (March 31, 2018: 328.19 lakhs) to suppliers of goods and services, the Electricity Board and Customs Authority.

(c) A customer, Huntsman International (India) Private Limited, of the Holding Company had filed Civil suit with the Hon'ble High Court of Delhi at New Delhi for Injunction and Damages for Rs. 300.00 lakhs against Abiss Textile Solutions Private Limited (a company promoted by two promoters of the Company), the Holding Company and its promoters for allegedly using confidential and proprietary information of the customer for manufacturing, marketing and selling Dye products and for other consequential relief. The Hon'ble High Court of Delhi had granted an ex-parte interim injunction in this matter till the next date of hearing to Huntsman International (India) Private Limited vide its order dated May 24, 2016.

On the other hand, the Holding Company has also filed Summary Suit with Hon'ble Bombay High Court on July 20, 2016 for recovery of unpaid dues against Huntsman International (India) Private Limited, Damage and Defamation suit with Hon'ble Bombay High Court on September 8, 2016 for claim of Rs. 25,000 lakhs for malafide intention behind damaging and defaming image of the Holding Company against Huntsman International (India) Private Limited and also filed Criminal Cheating case against Huntsman International (India) Private Limited and its directors and officers.

The Holding Company's management was of the view that the claim of Huntsman International (India) Private Limited is not justifiable and will not sustain as the Holding Company and Huntsman International (India) Private Limited are Mumbai-based parties and they will not be covered under the jurisdiction of Delhi High Court. The same view has been enumerated in the judgement order passed by the Hon'ble High Court of Delhi vide its order dated February 21, 2018. The suit filed by Huntsman International (India) Private Limited has been dismissed / the plaint returned to plaintiff for filing in the Court of appropriate territorial jurisdiction. With the dismissal of this suit, the ex-parte interim order for injunction in this matter stands vacated and thus there is no case against the holding company by Huntsman International (India) Private Limited. Therefore, there are no contingent liabilities as on date in this respect which needs to be reported.

Note 42 : Capital and Other Commitments

Capital Commitments

(INR in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Capital Commitments:		
Capital Commitment for Acquisition of Property, Plant & Equipment	365.00	280.00
(b) Other Commitments:		
Corporate Guarantees given by the Company (Refer note below)	3,808.64	3,236.89
Total	**4,173.64**	**3,516.89**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note:

1. The Holding Company has issued Corporate Guarantees aggregating to Rs. 511 lakhs as at year end (March 31, 2018: Rs. 511 lakhs) on behalf of Mrs. Bhanu Makharia, a relative of director. Liabilities outstanding for which Corporate Guarantees have been issued aggregates Rs. 108.64 lakhs as on March 31, 2019 (March 31, 2018 : Rs. 136.89 lakhs).

2. The Holding Company has issued Corporate Guarantees aggregating to Rs. 3,800.00 lakhs as at year end (March 31, 2018: Rs. 3,100.00 lakhs) on behalf of Subsidiary M/s Kisan Phosphates Private Limited. Liabilities outstanding for which Corporate Guarantees have been issued aggregates Rs. 3,700.00 lakhs as on March 31, 2019 (March 31, 2018: Rs. 3,100.00 Lakhs).

Note 43 : Segment Information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Considering the nature of business and integrated manufacturing process of the Group, the group considers its products under one segment only i.e. Chemicals & Fertilisers. Accordingly, Segment Reporting in accordance with Indian Accounting Standard - 108 "Operating Segment" issued by the Institute of Chartered Accountants of India and adopted by Companies (Accounting Standard) Rules, 2015 is not applicable to the Group.

Note 44 : Employee Benefits

The Group has classified the various benefits provided to employees as under:

I. Defined Contribution Plans

a. Employers' Contribution to Provident Fund and Employee's Pension Scheme

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

	Year ended March 31, 2019 (INR in Lakhs)	Year ended March 31, 2018 (INR in Lakhs)
Employers' Contribution to Provident Fund and Employee's Pension Scheme	20.48	15.12
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 31)	**20.48**	**15.12**

II. Defined Benefit Plan

Gratuity Fund

a. Major Assumptions	**(% p.a.)**	**(% p.a.)**
Discount Rate	7.76%	7.86%
Salary Escalation Rate*	5.00%	5.00%
* The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.		
Expected Rate of Return	7.76%	7.86%
Employee Turnover	5.00%	5.00%

b. Change in Present Value of Obligation	**(INR in Lakhs)**	**(INR in Lakhs)**
Present Value of Obligation as at the beginning of the year	50.10	39.81
Current Service Cost	9.33	8.34
Past Service Cost	-	0.40
Interest Cost	4.18	3.11
Benefit paid	(0.73)	-
Remeasurements - Actuarial (Gain)/ Loss on Obligations	(1.27)	(1.56)
Present Value of Obligation as at the end of the year	**61.61**	**50.10**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

c.	**Change in Fair value of Plan Assets**		
	Fair value of Plan Assets, Beginning of Period	3.95	3.01
	Expected Return on Plan Assets	0.31	1.78
	Actual Company Contributions	-	-
	Actual Plan Participants' Contributions	-	-
	Changes in Foreign Currency Exchange Rates	-	-
	Actuarial Gains/(Losses)	0.47	(0.84)
	Benefit Paid	(0.73)	-
	Fair value of Plan Assets at the end of the year	**4.00**	**3.95**

d.	**Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets**	**(INR in Lakhs)**	**(INR in Lakhs)**
	Present Value of Obligation	61.61	50.10
	Fair Value of Plan Assets	4.00	3.95
	Funded Status	(57.61)	(46.15)
	Present Value of Unfunded Obligation	57.61	46.15
	Unfunded Net Liability recognised in the Balance Sheet disclosed under Non Current Provision and Current Provision (Refer Note 18 and 25)	57.61	46.15

e.	**Expenses Recognised in the Statement of Profit and Loss**	**(INR in Lakhs)**	**(INR in Lakhs)**
	Current Service Cost	9.33	8.34
	Past Service Cost	-	0.40
	Interest Cost	4.18	3.11
	Expected Return on Plan Assets	(0.31)	(1.78)
	Actuarial Losses / (Gains) Recognised in the year	(1.74)	(0.72)
	Total expenses recognised in the Statement of Profit and Loss (Refer Note 31)	**11.46**	**9.35**

f.	**Expense Recognised in the Statement of Other Comprehensive Income**	**(INR in Lakhs)**	**(INR in Lakhs)**
	Remeasurements of the net defined benefit liability		
	Actuarial (gains) / losses obligation	(1.27)	(1.56)
		(1.27)	**(1.56)**
	Actuarial (gains) / losses on Obligation		
	Due to Demographic Assumption*	-	-
	Due to Financial Assumption	0.84	(3.24)
	Due to Experience	(2.12)	1.67
	Total Actuarial (Gain)/Loss	**(1.28)**	**(1.57)**

*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience

g.	**Amounts recognised in the Balance Sheet**	**(INR in Lakhs)**	**(INR in Lakhs)**
	Present Value of Obligation as at year end	(61.61)	(50.10)
	Fair Value of Plan Assets as at year end	4.00	3.95
	Unfunded Net Liability recognised in the Balance Sheet disclosed under Non Current Provision and Current Provision (Refer Note 18 and 25)	**57.61**	**46.15**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

III. Sensitivity Analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

a. Gratuity

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 and March 31, 2018 are as shown below:

Particulars	Change in Discount Rate	Increase/ (Decrease) in Defined Benefit Obligation (INR in lakhs)	Change in Salary Escalation Rate	Increase/ (Decrease) in Defined Benefit Obligation (INR in lakhs)
March 31, 2019	+ 1%	(7.60)	+ 1%	8.33
	- 1%	8.44	- 1%	(7.37)
March 31, 2018	+ 1%	(6.22)	+ 1%	6.83
	- 1%	6.92	- 1%	(6.04)

IV. Expected Cash Flows for the next 10 years

The following payments are projected benefits payable in future years from the date of reporting from the fund:

(INR in Lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Within the next 12 months (next annual reporting period)	5.26	3.31
Following year 2-5	22.07	15.62
Sum of years 6-10	30.21	23.93
Total expected payments	**57.54**	**42.86**

V. Risk Exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed:

Interest risk	A decrease in the market yields in the government bond will increase the plan liability.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Note 45 : Related Party Disclosure

a. Details of Related Parties

Description of Relationship	Names of Related Parties
Key Management Personnel (KMP) and their relatives	Mr. Punit Makharia - Chairman & Managing Director Mr. Gautam Makharia - Joint Managing Director Mrs. Ranjana Makharia - Director Mr. Ramakant Nayak - Independent Director Mr. Dinesh Modi - Independent Director Mr. Nirmal Kedia - Independent Director (upto 04.12.2017 and w.e.f. 07.08.2018) Mr. Satpal Kumar Arora - (w.e.f. 05.11.2018) Mr. Ratan Jha - Chief Financial Officer Mr. Satish Chavan - Company Secretary
Relative of key management personnel with whom the Company has entered into transactions	Mr. Gopikishan Makharia - Father of C.M.D/J.M.D Mrs. Bhanu Makharia - Mother of C.M.D/J.M.D Mrs. Aradhana Makharia - Wife of J.M.D Mr. Raghav Makharia - Son of C.M.D Ms. Radhika Makharia - Daughter of C.M.D.
Enterprises over which Key Managerial Personnel are able to exercise significant influence	Shree Pushkar Foundation (w.e.f. 24.07.2018)

Notes:

1) The list of related parties above has been limited to entities with which transactions have taken place during the year.

2) Related party transactions have been disclosed till the time the relationship existed.

b. Details of Related Party transactions during the year ended March 31, 2019

(INR in Lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Directors Remuneration		
Mr. Punit Makharia	94.00	42.00
Mr. Gautam Makharia	94.00	42.00
	188.00	**84.00**
Directors' Commission		
Mr. Punit Makharia	187.51	-
Mr. Gautam Makharia	187.50	-
	375.00	**-**
Directors' Sitting Fees		
Mr. Ramakant Nayak	2.85	1.85
Mr. Dinesh Modi	2.65	1.30
Mr. Nirmal Kedia	-	0.20
Mrs. Ranjana Makharia	0.60	-
Mr. Satpal Kumar Arora	0.60	-
	6.70	**3.35**
Salary to Key Management Personnel (KMP)		
Mr. Ratan Jha	15.90	14.70
Mr. Satish Chavan	5.00	4.77
	20.90	**19.47**
Salary to Relatives of Key Management Personnel (KMP)		
Mr. Raghav Makharia	9.24	7.44
Mrs. Aradhana Makharia	10.80	7.87
	20.04	**15.31**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Sale of Finished Goods		
Kisan Phosphates Private Limited	-	6.25
	-	**6.25**
Rent Paid		
Mrs. Bhanu Makharia	60.00	60.00
	60.00	**60.00**
Share Application against purchase of equity shares of Kisan Phosphates Private Limited		
Mr. Punit Makharia	-	225.61
Mr. Gautam Makharia	-	225.61
Mrs. Ranjana Makharia	-	82.42
Mr. Raghav Makharia	-	151.85
Mr. Gopikishan Makharia	-	44.12
Mrs. Bhanu Makharia	-	90.41
Mrs. Aradhana Makharia	-	82.42
	-	**902.43**
Share Application Money Pending Allotment		
Mr. Punit Makharia	-	200.00
Mr. Gautam Makharia	-	200.00
	-	**400.00**
Issue of Equity Shares		
Mr. Punit Makharia	425.61	-
Mr. Gautam Makharia	425.61	-
Mrs. Ranjana Makharia	82.42	-
Mr. Gopikishan Makharia	44.12	-
Mrs. Bhanu Makharia	90.41	-
	1,068.16	**-**
Donation & CSR Expenses		
Shree Pushkar Foundation	45.00	-
	45.00	**-**
Warrant Application Money Pending Allotment		
Mr. Punit Makharia	12.50	-
Mr. Raghav Makharia	1.25	-
Mrs. Aradhana Makharia	32.50	-
Mr. Gautam Makharia	520.00	-
Mrs. Bhanu Makharia	32.50	-
Mrs. Ranjana Makharia	32.50	-
Mr. Gopikishan Makharia	12.50	-
Ms. Radhika Makharia	1.25	-
	645.00	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

c. Closing Balances of the Related Parties

(INR in Lakhs)

Particulars	Balances as at March 31, 2019	Balances as at March 31, 2018
Directors' Remuneration and Salary Payable		
Mr. Punit Makharia	1.96	1.80
Mr. Gautam Makharia	1.96	1.79
Mrs. Ranjana Makharia	-	-
	3.92	**3.59**
Salary to Key Management Personnel (KMP)		
Mr. Ratan Jha	0.96	1.22
Mr. Satish Chavan	0.42	0.42
	1.38	**1.64**
Salary to Relatives of Key Management Personnel (KMP)		
Mr. Raghav Makharia	0.56	0.62
Mrs. Aradhana Makharia	0.71	0.76
	1.27	**1.38**
Deposits given		
Mr. Punit Makharia	8.55	8.55
Mrs. Bhanu Makharia	76.45	76.45
	85.00	**85.00**
Share Application against purchase of equity shares of Kisan Phosphates Private Limited		
Mr. Punit Makharia	-	225.61
Mr. Gautam Makharia	-	225.61
Mrs. Ranjana Makharia	-	82.42
Mr. Raghav Makharia	151.85	151.85
Mr. Gopikishan Makharia	-	44.12
Mrs. Bhanu Makharia	-	90.41
Mrs. Aradhana Makharia	82.42	82.42
	234.27	**902.43**
Share Application Money Pending Allotment		
Mr. Punit Makharia	-	200.00
Mr. Gautam Makharia	-	200.00
	-	**400.00**
Warrant Application Money Pending Allotment		
Mr. Punit Makharia	12.50	-
Mr. Raghav Makharia	1.25	-
Mrs. Aradhana Makharia	32.50	-
Mr. Gautam Makharia	520.00	-
Mrs. Bhanu Makharia	32.50	-
Mrs. Ranjana Makharia	32.50	-
Mr. Gopikishan Makharia	12.50	-
Ms. Radhika Makharia	1.25	-
	645.00	**-**
Corporate Guarantee Given		
Mrs. Bhanu Makharia	108.64	136.89
M/s Kisan Phosphates Private Limited	3,700.00	3,100.00
	3,808.64	**3,236.89**

Note 46 : Expenditure on Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Holding Company as per the Act. The Holding Company is spending amount for these activities, which are specified in Schedule VII of the Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(a) Gross amount required to be spent by the Company during the year - Rs. 83.77 lakhs (March 31, 2018: Rs. 65.72 lakhs)

(b) Amount spent during the year on:

Particulars	In Cash/Bank Rs in Lakhs.	Yet to be paid in Cash/Bank Rs in Lakhs.	Total Rs in Lakhs.
(i) Construction/ acquisition of any asset	- (-)	- (-)	- (-)
(ii) On purposes other than (i) above	50.70 (7.06)	- (-)	50.70 (7.06)

(Figures in brackets represent amount for previous year)

Note 47 : FOB Value of Exports

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
FOB Value of Exports of Finished Goods	8,541.82	3,151.92

Note 48 : CIF Value of Imports

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
CIF value of Imports of Raw Material	4,149.53	5,182.37
CIF value of Imports of Capital Goods	27.47	317.91

Note 49 : Expenditure in Foreign Currency

(INR in Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Foreign Travelling Expenses	3.89	7.20

Note 50 : Additional Information Required under Schedule III of the Companies Act, 2013:

Name of the Entity - Parent Subsidiaries Indian: Kisan Phosphates Private Limited - 100% Subsidiary		
Net Assets, i.e. total asset minus total liabilities as at March 31, 2019	As % of consolidated net assets **Amount (INR in Lakhs)**	8.52% 2,423.24
Share in profit / (loss) for the year ended on March 31, 2019	As % of consolidated Profit or Loss **Amount (INR in Lakhs)**	10.76% 439.35
Share in other comprehensive income for the year ended on March 31, 2019	As % of consolidated other comprehensive income **Amount (INR in Lakhs)**	NA -
Share in total comprehensive income for the year ended on March 31, 2019	As % of consolidated other comprehensive income **Amount (INR in Lakhs)**	10.75% 439.35

Note 51 : Previous Years' Figures

The Company has re-grouped, re-classified and/or re-arranged figures for previous year, wherever required to confirm with current year's classification.

The Notes referred to above are an integral part of these financial statements.

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 20, 2019

For and on behalf of the Board of Directors

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Ratan Jha
Chief Financial Officer

Satish Chavan
Company Secretary

Place: Mumbai
Date: May 20, 2019

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 or associate companies or joint ventures.

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Name of the subsidiary: Kisan Phosphates Private Limited
2. The date since when subsidiary was acquired: 12th October, 2017.
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period. 01/04/2018 to 31/03/2019
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. N.A.
5. Share capital – Rs. 271 Lacs
6. Reserves and surplus- 922.26 Lacs
7. Total assets –Rs. 7,079.61 Lacs
8. Total Liabilities- 5,886.34 Lacs
9. Investments- Nil
10. Turnover- Rs. 5,172.25 Lacs
11. Profit before taxation- 515.14 Lacs
12. Provision for taxation- 75.78 Lacs
13. Profit after taxation- 439.36 Lacs
14. Proposed Dividend-Nil
15. Extent of shareholding (in percentage)- 100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations- N.A.
2. Names of subsidiaries which have been liquidated or sold during the year.- N.A.

Part B Associates and Joint Ventures- N.A.

For and on behalf of the Board of Directors;

Shree Pushkar Chemicals & Fertilisers Ltd

Punit Makharia
Chairman & Managing Director
DIN : 01430764

Gautam Makharia
Joint Managing Director
DIN : 01354843

Ratan Jha
Chief Financial Officer

Satish Chavan
Company Secretary

Place: Mumbai

Date: May 20, 2019

NOTICE OF 26th ANNUAL GENERAL MEETING

Notice is hereby given that the **26th Annual General Meeting** of the members of the Company **Shree Pushkar Chemicals & Fertilisers Limited** will be held on **Monday** the **23rd September, 2019,** at **3.00 p.m.** at **Brijwasi Palace Hall, Brijwasi Estate, Sonawala Road, Goregaon (East), Mumbai – 400 063,** to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2019 and the Reports of the Auditors' and Directors' thereon;

2. To appoint a Director in place of Mr. Punit Gopikishan Makharia (DIN: 01430764), who retires by rotation and being eligible, offers himself for re-appointment;

3. To appoint a Director in place of Mr. Gautam Gopikishan Makharia (DIN: 01354843), who retires by rotation and being eligible, offers himself for re-appointment;

4. To Declare Final Dividend of Rs. 1.5/- per shares (i.e. 15% on Face value of share) for the year ended 31st March, 2019;

SPECIAL BUSINESS:

5. **Continuation of Appointment of Mr. Ramakant Nayak, Independent Director, till the Term Ends Pursuant To Reg. 17 of SEBI (LODR) 2015:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution.

   "RESOLVED THAT pursuant to the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, the consent of members of the Company be and is hereby accorded for continuation of Directorship of Shri Ramakant Nayak, who was reappointed as Independent Director of the Company for a period of 5 years at the 23rd Annual General Meeting of the Company held on 10th August, 2016, till conclusion of 28th Annual General Meeting by way of special resolutions and who will be attaining the age of 75 years for the remaining period of their existing term of Directorship as Independent Directors of the Company.

   RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

6. **To appoint Mr. Satpal Kumar Arora, (DIN:00061420) as a Non-Executive, Independent Director**:

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon the recommendation of the Nomination and Remuneration Committee, Shri Satpal Kumar Arora (DIN 00061420), be and is hereby appointed as an Independent Director of the Company to hold office for a further term of 5 (five) years from November 5th, 2018.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made there under [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Shri Satpal Kumar Arora be paid such fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time".

7. **To ratify remuneration of Mr. Dilip Bathija & Co., the Cost Auditor:**

   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(3) and such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014, as amended from time to time, the remuneration of Rs.70,000/- (Rupees Seventy Thousand Only) plus GST, out-of-pocket expenses incurred in connection with the audit, as recommended by the Audit Committee and approved by the Board, the remuneration payable to M/s Dilip Bathija & Co., Cost Accountants (Firm Registration No. 10904) as Cost Auditors, to conduct the Audit of the relevant Cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, for the financial year ending March 31, 2020, be and is hereby ratified and confirmed.

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

8. **To ratify the disclosure regarding the intention of promoters, Directors and Key management personnel to subscribe to the offer in compliance with regulation 163(1)(c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 :**

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

   "RESOLVED THAT pursuant to the regulation of 163(1) (c) and such other applicable regulations , if any, of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, the disclosure regarding the intention of promoters, directors and key management personnel to subscribe the preferential issue as mentioned for item no. 6&7 of explanatory statement in the notice of 25th annual general meeting was corrected by issuing corrigendum as per the instruction of Stock Exchange(s) the correction made under explanatory statement be and is hereby ratified and confirmed.

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

By Order of the Board
For Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764.

Place: Mumbai
Date: 13th August, 2019.

Registered Office:
301/302, 3rd Floor, Atlanta Center,
Near Udyog Bhavan,Sonawala Road,
Goregaon (East), Mumbai – 400063.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY**.
2. A person can act as a proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of Total Paid-up Share Capital of the Company. Any Member holding more than 10% of Total Paid-up Share Capital of the Company may appoint a single person as proxy and in such case, the said person shall not act as proxy for any other person or member. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting, duly stamped.
3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under **Item Nos. 5 to 8** of the Notice is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking appointment as Director under Item No. 5 of the Notice, is also annexed.
4. Corporate Members are requested to send to the registered office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
5. Members are requested to bring their admission slip along with copy of the report and accounts to Annual General Meeting.
6. Relevant documents referred to in the accompanying Notice would be available for inspection by the members at the Registered Office of the Company on all working days, except Saturday / Sunday & Public Holidays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from **16th September, 2019 to 23th September, 2019** (Both Days Inclusive) for the purpose of the Annual General Meeting.
8. Members are requested to notify immediately any changes, if any, in their registered addresses at an early date to the Registrar and Share Transfer Agent, quoting their folio numbers/client ID/ DP IN in all correspondence, so as to enable the Company to address any future communication at their correct address.
9. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting Venue.
10. Members desirous of seeking any information concerning the Accounts or operations of the Company is requested to address their queries in writing to the Company at an early date, so that the requested information can be made available at the time of the meeting.
11. Members holding shares in physical forms are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease in portfolio management. Member can contact the Company or the Company's Registrar and Transfer Agent, **Big Share Services Private Limited**, for assistance in this regard.
12. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
13. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members holding shares in single name are advised, in their own interest to avail of the nomination facility by filling form with Depository Participants. Members holding shares in the dematerialized form may contact their depository Participant for recording nomination in form may contact their depository Participant for recording nomination in respect of their shares.
14. Members holding shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports & other communications through electronic mode to those members whose email IDs are registered with the Company/Depository Participants(s). As per provisions of Section 20 of the Companies Act, 2013 read with Rules thereunder, a document may be served on any member by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office/home address or by such electronic mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to his/

her Depository Participants(s)/Company Share Transfer Agent from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he/she shall pay such fees as may be determined by the Company in its Annual General Meeting. For members who have not registered their email address with the Company, the service of documents will be affected by other modes of services as provided in Section 20 of the Companies Act, 2013 read with the relevant Rules there under. Printed copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Ballot Paper and Proxy Form is being sent to all members in the permitted mode.

17. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2019 will also be available on the Company's website www.shreepushkar.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. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: cosec@shreepushkar.com

18. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then they cannot vote by Physical Ballot or vice versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.

19. In terms of relevant provisions of SEBI (LODR) 2015, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to **Mr. Sanam Umbargikar,** Partner of **M/s. DSM & Associates**, **Company Secretaries**, Scrutinizer, C-502, Raylon Arcade, Ram Krishna Mandir Road, Next to Pidilite Industries, Kondivita, Andheri (East), Mumbai – 400 059; Tel/Mob.: 8108555704, Email: sanam.u@dsmcs.in so as to reach him on or before Sunday, 22nd September, 2019 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

20. Members can request for a Ballot Form at **Shree Pushkar Chemicals & Fertilisers Limited**, 301/302, 3rd Floor, Atlanta Center, Near Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai - 400063 or they may also address their request through E-mail to: **cosec@shreepushkar.com**, Contact No.: **022-42702525**.

21. The E-voting period for all items of business contained in this Notice shall commence from **Friday** the **20th September, 2019 at 9.00 a.m.** and will end on **Sunday** the **22nd September, 2019 at 5.00 p.m.** During this period equity shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date of **16th September, 2019**, may cast their vote electronically. The e-voting module shall be disabled by National Securities Depository Limited (NSDL) for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

    The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on **16th September, 2019.**

22. The board of directors has appointed **Mr. Sanam Umbargikar,** partner of **M/s. DSM & Associates, Company Secretaries,** (**Membership No. A26141 and COP No.9394**) as the Scrutinizer to Scrutinize the E-voting process in a fair and transparent manner (including the Ballot Form received from the members who do not have access to the e-voting process) in a fair and transparent manner.

23. The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make, not later than 3 days of conclusion of the meeting and after scrutinizing such votes received shall make a Scrutinizer's Report of the votes cast in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Chairman of the Company.

24. The Results declared along with Scrutinizer's report shall be placed on the website of the Company and thereafter shall also be communicated to the respective Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of Annual General Meeting.

25. The Route Map of the venue of the Annual General Meeting forms part of this Notice and is published elsewhere in the Annual Report of the Company.

26. **The instructions for shareholders voting electronically are as under:**

    I. In compliance with provisions of 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, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on 20th September, 2019 (9:00 am) and ends on 22nd September, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16th September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password.

(ii) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

(iii) Click on Shareholder - Login

(iv) Put User ID and password noted in step (1) above and Click Login.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+Client ID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

(v) After successful login, you can change the password with new password of your choice.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "Shree Pushkar Chemicals & Fertilisers Limited".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company through e-mail to cosec@shreepushkar.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

i) Member may obtain a User ID and password for casting his /her vote by remote e-voting by sending a request at evoting@nsdl.co.in or by contacting NSDL at the toll free no.: 1800-222-990" providing the details such as Demat account no. or Folio no., PAN no. etc.

(ii) Please note that In case Shareholders are holding shares in demat mode, User ID is the combination of (DPID+ Client ID) and in case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No + Folio No).

(iii) If you are already registered with NSDL for remote e-voting then you can use your existing User ID and password/PIN for casting your vote.

(iv) NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

(v) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

(vi) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

(vii) 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 of **16th September, 2019**.

(viii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **16th September, 2019**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using *"Forgot User Details/Password?" or "Physical User Reset Password?"* option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

(ix) 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.

(x) 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 as well as voting at the AGM through ballot paper.

(xi) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but those who have not cast their votes by availing the remote e-voting facility.

By Order of the Board
For Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764.

Place: Mumbai
Date: 13th August, 2019.

Registered Office:
301/302, 3rd Floor, Atlanta Center,
Near Udyog Bhavan,Sonawala Road,
Goregaon (East), Mumbai – 400063.

Explanatory Statement

The following explanatory statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), set out all material facts relating to the business mentioned at the **item No. 5 to 8** of the accompanying Notice:

Item No. 5:

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on June 7, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri Ramakant Nayak who was reappointed as an Independent Directors of the Company at the 23rd Annual General Meeting of the Company held on August 10, 2016 for a period of five years by way of special resolution will attained the age of 75 years before his term ends. In view of the said provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, N & R Committee discussed the matter and recommended the continuation of Directorship of the Shri Ramakant Nayak for the remaining period of their term.

Mr. Ramakant Nayak, a Resident Indian National, he holds a Bachelor's degree in Science from Karnataka University, a Bachelor's Degree in Law from University of Mumbai and a Diploma in Marketing and Advertising from Rajendra Prasad College of Mass Communications & Media. He is an associate member of The Indian Institute of Bankers. He has more than 40 years of extensive commercial banking experience; financial services industry, particularly commercial banking, manufacturing industry and realty industry. He brings an independent judgment on the Board's discussions especially on issues related to investments, acquisition, operational performance and risk management.

The Shri Ramakant Nayak is expert in his fields and experience and valuable guidance is beneficial to the Company. The Board, based on the recommendation of NR Committee and considering benefits of the expertise of independent Director, has recommended the resolution for approval of shareholders by way of special resolution.

Except the above Director, none of the other Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No.6

Pursuant to Section 161 (1) of the Companies Act, 2013 and Articles of Association of the Company Shri Satpal Kumar Arora, (DIN:00061420) was appointed as an Non Executive Independent Director at the Board Meeting held on November 5th, 2018.

Shri Satpal Kumar Arora, a Resident Indian National, who appointed as Non-Executive and Independent Director on the Board of our Company. He holds CAIIB (Both Parts) Indian Institute of Bankers along with he is stood with M.com CS, CMA, LLB, Insolvency Professional etc. He has more than 35 years of experience in corporate industry as a Director, Company Secretary, Headed Internal Audit, Corporate Advisory Department and Vigilance Department, Project financing, loan restructuring etc. also handled BIFR cases and litigation matters.

The Board, based on the experience and expertise of Shri Satpal Kumar, is of the opinion that he have the requisite qualification to act as a Non-Executive Independent Director of the Company. In terms of Section 161(1) of the Companies Act, 2013, if appointed, Shri Satpal Kumar Arora would hold office up to the 4th November, 2023.

Shri Satpal Kumar Arora is not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013 and their consent to act as director has been received by the Company.

The Company has received a declarations from Shri Satpal Kumar Arora, stating that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 read with schedule IV of the Companies Act, 2013 and under Reg. 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the proposed director fulfils the conditions for their appointment as an Independent Director as specified in the Act and the SEBI regulation.

Shri Satpal Kumar Arora possesses appropriate skills, experience and knowledge. Your Board of Directors is of the view that owing to the rich and varied experience of Shri Satpal Kumar Arora, association with him would be of immense benefit to the Company and it is desirable to avail services of Independent Director.

Accordingly, on the recommendation received from the Nomination and Remuneration Committee, the Board recommends the resolution for the appointment Shri Satpal Kumar Arora as an Independent Director for a term of 5 (five) years from 5th November, 2018 to 4th November, 2023 for the approval of the shareholder of the Company.

Shri Satpal Kumar Arora does not hold by himself or for through any other person, on a beneficial basis, shares more than two percent in the company as per declaration given by him.

The copy of the draft letter for appointment of Shri Satpal Kumar Arora as Independent Director of the Company would be made available, for inspection by the members without payment of any fee, at the Registered Office of the Company between 11.00 AM and 1.00 P.M. on all working days up to the date of the Annual General Meeting.

This Statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors, except whose appointment is proposed, or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution, except respective Directors seeking appointment.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Item No.7:

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the Company.

On the recommendation of the Audit Committee, the Board has considered and approved the appointment of Mr. Dilip Bathija & Co., Cost Accountants as the cost auditor for the financial year 2019-20 at a remuneration of Rs. 70,000/- (Rupees Seventy Thousand Only) per annum, plus applicable GST and reimbursement of out of pocket expenses.

The Board recommends this resolution set out at item no. 7 of the Notice for the approval of the Members

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

Item No.8:

Ratification of correction in explanatory statement of Notice calling 25th Annual General Meeting (AGM):

Attention of the members of the Company hereby brought to the item no. 6 & 7 of explanatory statement annexed to the notice of 25th Annual General Meeting of the Company, whereby it was inadvertently printed that "None of the Promoters, Director or Key Managerial Personnel, intend to *subscribe to any shares pursuant to this preferential issue of Equity Shares.*"

As the members had passed resolution to issue and allot shares on preferential basis to Promoters/Directors/KMPs, the Company had voluntarily released a corrigendum on 26th April, 2019 (the "**Corrigendum**") in the same newspapers in which AGM Notice announcement was made i.e. Business Standard and Mumbai Mitra, to rectify the above incorrect disclosure from the explanatory statement of that Notice.

Following factual information appearing in the explanatory statement of Item No. 6&7 was rectified through the Corrigendum:

Point 'vi. Intention of Promoters/Directors/ Key Managerial Personnel to subscribe the proposed preferential issue

"None of the Promoters, Directors or Key Managerial Personnel, intend to subscribe to any shares pursuant to this preferential issue of Equity Shares."

shall be read as follows:

"Except Mr. Punit Makharia, Mr. Raghav Makharia, Mrs. Aradhana Makharia, Mr. Gautam Makharia, Mr. Bhanu Makharia, Mrs. Ranjana Makharia, Mr. Gopi Makharia and Ms. Radhika Makharia none of the Promoters, Directors or Key Managerial Personnel, intend to subscribe to any shares pursuant to this preferential issue of Equity Shares"

All other particulars and details of the Notice remain unchanged. Thus, the Notice shall always be read with the Corrigendum.

The Board recommends the ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

By Order of the Board
For Shree Pushkar Chemicals & Fertilisers Limited

Punit Makharia
Chairman & Managing Director
DIN: 01430764.

Place: Mumbai
Date: 13th August, 2019.

Registered Office:
301/302, 3rd Floor, Atlanta Center,
Near Udyog Bhavan,Sonawala Road,
Goregaon (East), Mumbai – 400063.

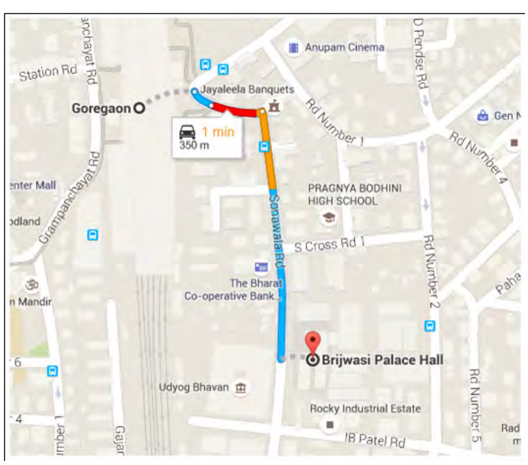
"Annexure - A "

Details of Director Seeking Appointment/Reappointment at the Annual General Meeting

Name	**Mr. Punit Gopikishan Makharia**	**Mr. Gautam Gopikishan Makharia**	**Mr. Satpal Kumar Arora**	**Mr. Ramakant Nayak**
DIN	01430764	01354843	00061420	00129854
Date of Birth	28/04/1970	06/09/1973	01/04/1958	30/06/1945
Age	49 Years	46 Years	61 years	74 years
Qualification	B.com	B.E. MBA	CMA, CS, LLB,	B.SC LLB, Diploma in Mass Communication, Associate of Indian Institute of Banking (I)
Experience	More than 26 years	More than 26 years	More than 35 years	More than 40 years
Date of appointment on the Board of the Company	29/03/1993	29/03/1993	05/11/2018	28/07/2016
Nature of expertise in specific functional Areas	He has vided expertise in the field of Finance &Accounts, Marketing, fertilisers and chemicals, Purchases, sales and administration.	He is an expert in the field of Accounts, Banking, Sales, project planning implementation, production, management and control.	He is expert in Internal Audit, Corporate Advisory Department and Vigilance Department, Project financing, loan restructuring etc. also in BIFR cases and litigation matters.	He has extensive commercial banking experience in several banks as position of General Manager and Chairman
Name(s) of other Companies in which Directorship held	Superior Lime Private Ltd Kleur Speciality Chemicals Pvt Ltd	Kisan Phosphates Pvt Ltd Kleur Speciality Chemicals Pvt Ltd	Som Distilleries And Breweries Limited, Shree Maheshwar Hydel Power Corporation Limited.	Poddar Housing and Development Limited, Sunteck Reality Limited
Name(s) of other Companies in which he/ she is Chairman / Member of the Committee(s)	NIL	Nil	Nil	Poddar Housing and Development Limited and Sunteck Reality Limited, Folksreise Tours Pvt. Ltd
No. of shares held of Rs.10/- each	12571759	5359004	0	1000
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Brother of Mr. Gautam Makharia, husband of Mrs. Ranjana Makharia and promoter.	Brother of Mr. Punit Makharia and Promoter.	N.A.	N.A.

Route Map for Annual General Meeting Venue:

Goregaon East (Local Train) Railway Station, Mumbai to Brijwasi Palace Hall:-



Or

On google map, type 'Brijwasi Palace Hall, Mumbai, MH.' for further direction.

NOTES

SHREE PUSHKAR CHEMICALS & FERTILISERS LIMITED

CIN: L24100MH1993PLC071376
Reg. Office: 301/302, 3rd Floor, Atlanta Center, Near Udyog Bhavan,
Sonawala Road, Goregaon (East), Mumbai - 400063. Tel: 022-42702525.
Email: cosec@shreepushkar.com, Fax No: 02228504242.
Website: www.shreepushkar.com

ATTENDANCE SLIP

(To be presented at the entrance)

Annual General Meeting of Company to be held on Monday, the 23rd September, 2019, at 3.00 p.m.
At Brijwasi Palace Hall, Brijwasi Estate, Sonawala Road, Goregaon (East), Mumbai – 400063.

Folio No.________________________________DP ID No.____________________________Client ID No______________________

Name of the Member____ Signature_____________________

Name of the Proxy holder ____ Signature______________

1. Only Member/Proxy holder can attend the Meeting
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

--**Tear Here**---

SHREE PUSHKAR CHEMICALS & FERTILISERS LIMITED

CIN: L24100MH1993PLC071376
Reg. Office: 301/302, 3rd Floor, Atlanta Center, Near Udyog Bhavan,
Sonawala Road, Goregaon (East), Mumbai - 400063. Tel: 022-42702525.
Email:cosec@shreepushkar.com, Fax No: 02228504242.
Website: www.shreepushkar.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(S): ………

Registered Address :………..……..……..

……Email –id:……………………………

Folio No./ Client ID: ……………………………………………………DP ID: ……………………………………………………………

I/We, being the member (s) of __________________________ number shares of the above named Company, hereby appoint

1) Name:……
Address:………....
………
Email-Id:………………………………………..Signature:………………………………………….....................
or failing him

2) Name:……
Address:………....
………
Email-Id:………………………………………..Signature:………………………………………….....................
or failing him

3) Name:……
Address:………....
………
Email-Id:………………………………………..Signature:………………………………………….....................

---**Tear Here**---

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of Shree Pushkar Chemicals & Fertilisers Limited be held on Monday the 23rd of September, 2019 at 3.00 p.m. at Brijwasi Palace Hall, Brijwasi Estate, Sonawala Road, Goregaon (East), Mumbai – 400 063 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No. [ ]

1		6	
2		7	
3		8	
4			
5			

Affix Revenue Stamp

Signed this…................................… day of…....................…… 2019

Signature of shareholder………………………..Signature of Proxy holder...........................…..

Notes:

1. 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.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.

KEY MILESTONES

2018

Launched 'Dyecol'
Our Range of Reactive Dyes

2017

Diversification of our fertilizers portfolio starting with manufacturing of SOP

100% Equity Acquisition of Kisan Phosphates Pvt Ltd.

2016

Forward Integration
Up the product value chain with the manufacture of dyestuff

2015

The company's shares successfully gets listed on the **National Stock Exchange and Bombay Stock Exchange**

2011

Started Manufacturing Single Super Phosphate (SSP) & Soil conditioner
Used in-house Acid thereby reduced effluents

2010

Set up our own Acid Complex
Started generating power for own captive consumption

2002

Backward integration
Started Manufacturing in-house raw material and gained cost efficiencies

2001

Dye Intermediate
Change of focus from Trading to Manufacturing

1993

Commenced Trading
Importing of chemical products and dye intermediates

SHREE PUSHKAR
CHEMICALS & FERTILISERS LTD.

If undelivered, please return to:

301/302, 3rd Floor, Atlanta Centre,
Near Udyog Bhawan, Sonawala Road,
Goregaon East, Mumbai – 400063, India.

+91-22-42702525

cosec@shreepushkar.com

info@shreepushkar.com

www.shreepushkar.com