



Alkyl Amines Chemicals Limited

Corporate Office: 207A, Kakad Chambers, 132, Dr. Annie Besant Road, Worli, Mumbai - 400 018 INDIA
Tel.: 91-22-2493 1385, 6748 8200 • Fax: 91-22-2493 0710 • CIN No. L99999MH1979PLC021796



Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

July 21, 2020

To,
BSE Ltd.
P. J. Towers,
Dalal Street,
Mumbai—400 001.
SCRIP CODE: 506767

The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051.
SYMBOL: ALKYLAMINE

Sub.: Submission of 40th Annual Report of the Company

Dear Sirs,

Pursuant to Regulation 30 and 34 (1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed the 40th Annual Report of the Company alongwith the Notice of AGM, for the financial year 2019-2020, as circulated to the members of the Company through electronic mode today. The Annual Report of the Company is also available on the website of the Company at www.alkylamines.com.

Kindly take the same on your records.

Thanking you,

Yours faithfully,
For **ALKYL AMINES CHEMICALS LTD.**

CHINTAMAN | Digitally signed by
CHINTAMANI
DATTATRAYA
DATTATRAY | THATTE
A THATTE | Date: 2020.07.21
21:27:00 +05'30'

Chintamani D. Thatte
General Manager (Secretarial) & Company Secretary
& Compliance Officer

Encl.: As above



Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY



Alkyl Amines Chemicals Limited

40th Annual Report
2019-20

FINANCIAL HIGHLIGHTS

₹ in lakhs

Year Ending	31.03.2016	31.03.2017*	31.03.2018	31.03.2019	31.03.2020
Gross Revenue	53,797.46	55,712.94	69,576.86	95,557.04	114,943.68
Revenue Growth %	1.48%	3.56%	24.88%	37.34%	20.29%
Net Sales	47,260.79	48,862.45	60,500.14	83,221.85	97,304.95
EBIDTA**	9,340.63	9,627.37	11,959.45	16,720.97	26,403.14
% EBIDTA to Gross Revenue	17.36%	17.28%	17.19%	17.50%	22.97%
EBIDTA Growth (%)	5.56%	3.07%	24.22%	39.81%	57.90%
Profit before Tax (Rs)	7,248.06	7,393.19	9,577.36	13,019.49	25,970.93
PBT Growth (%)	8.33%	2.00%	29.54%	35.94%	99.48%
Profit After Tax (Rs)	4,985.48	5,035.80	6,428.90	8,374.45	21,528.12
PAT Growth (%)	9.76%	1.01%	27.66%	30.26%	157.07%
Net Fixed Assets	20,327.66	25,484.58	37,357.13	41,957.92	46,835.95
Net Current Assets	11,962.62	6,444.81	5,882.65	6,318.11	14,032.33
Equity Share Capital	1,020.61	1,020.61	1,020.61	1,020.61	1,020.61
Reserve & Surplus (excl. Deferred Tax)/Other Equity	18,739.90	23,535.95	28,694.75	35,478.71	52,639.07
Book Value	96.88	120.40	145.69	178.95	263.08
Earning per Share - Basic (Rs.)	24.44	24.69	31.52	41.06	105.55
Earning per Share - Diluted (Rs.)	24.44	24.69	31.52	40.95	105.27
Equity Dividend (%)	200.00	100.00	140.00	160.00	400.00
Net Sales to Gross Fixed Assets (%)***	147.09	133.10	117.12	148.64	154.89
Return on Capital Employed (%)	32.98	26.30	25.64	32.65	51.80
Return on Net worth (%)	25.23	20.51	21.63	22.94	46.24
PAT to Net Sales (%) **	10.55	10.31	10.63	10.06	22.12

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

** For calculating EBIDTA to Gross Revenue ratio and PAT to Net Sales ratio, Exceptional item has not been considered.

*** For ratio of Net Sales to Gross Fixed Asset, Capital Work-in-Progress has not been considered

BOARD OF DIRECTORS

Yogesh M. Kothari	<i>Chairman & Managing Director</i>
Hemendra M. Kothari (upto 21.05.2019)	<i>Non-Executive Director</i>
Dilip G. Piramal	<i>Independent Director</i>
Shyam B. Ghia	<i>Independent Director</i>
Shobhan M. Thakore	<i>Independent Director</i>
Premal N. Kapadia	<i>Non-Executive Director</i>
Leja Hattiangadi	<i>Independent Director</i>
Chandrashekhar R. Gupte (w.e.f. 21.05.2019)	<i>Independent Director</i>
Kirat Patel	<i>Executive Director</i>
Suneet Kothari	<i>Executive Director</i>

Chintamani D. Thatte *General Manager
(Secretarial) & Company Secretary*

Rahul J. Mehta *General Manager - Finance & Accounts
(Chief Financial Officer)*

Auditors

N.M. Raiji & Co.
Chartered Accountants
Mumbai

Bankers

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

Registrar & Transfer Agents

Sharex Dynamic (India) Private Limited
C-101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai - 400 083
Tel No.: +91 22 2851 5644 / 5606 | Fax : + 91 22 2851 2885
Email : support@sharexindia.com | Website : www.sharexindia.com

Registered Office :

401-407, Nirman Vyapar Kendra,
Plot No. 10, Sector 17, Vashi,
Navi Mumbai - 400 703
Tel.: 022 6794 6618
Fax : 022 6794 6666
E-mail : legal@alkylamines.com
CIN: L99999MH1979PLC021796

Manufacturing Sites :

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

Kurkumbh Plant :

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

Dahej Plant :

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

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 40th Annual General Meeting of **ALKYL AMINES CHEMICALS LIMITED** will be held on Friday, August 14, 2020 at 2.30 PM IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following business:

ORDINARY BUSINESS:

- To consider and adopt:
 - the audited standalone financial statements of the Company for the financial year ended March 31, 2020, together with the reports of the Board of Directors and Auditors thereon; and
 - the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon.
- To confirm interim dividend of Rs. 10/- per share paid in March, 2020 and to declare final dividend of Rs. 10/- per share recommended by the Board of Directors for the year 2019-20.
- To appoint a Director in place of Mr. Kirat Patel (DIN 00019239) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

Re-appointment of Mr. Suneet Kothari as an Executive Director

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force and subject to any approval as may be necessary, the Company hereby approves the terms of re-appointment and remuneration of Mr. Suneet Kothari (holding DIN 00021421) as Executive Director of the Company for a further period of five years from January 1, 2020 to December 31, 2024, on terms and conditions as set out in the Explanatory Statement annexed hereto including the remuneration to be paid in the event of inadequacy of profits in any financial year, which are hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment as may be agreed between the Board and Mr. Suneet Kothari.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

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

Re-appointment of Mr. Kirat Patel as an Executive Director

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force and subject to any approval as may be necessary, the Company hereby approves the terms of re-appointment and remuneration of Mr. Kirat Patel (holding DIN 00019239) as Executive Director of the Company for a further period of five years from January 1, 2020 to December 31, 2024, on terms and conditions as set out in the Explanatory Statement annexed hereto including the remuneration to be paid in the event of inadequacy of profits in any financial year, which are hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment as may be agreed between the Board and Mr. Kirat Patel.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

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

Re-appointment of Mr. Yogesh M. Kothari as Chairman and Managing Director

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force and subject to any approval as may be necessary, the Company hereby approves the terms of re-appointment and remuneration of Mr. Yogesh M. Kothari (holding DIN 00010015) as Chairman and Managing Director of the Company for a further period of five years from April 1, 2020 to March 31, 2025, on terms and conditions as set out in the Explanatory Statement annexed hereto including

the remuneration to be paid in the event of inadequacy of profits in any financial year, which are hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment as may be agreed between the Board and Mr. Yogesh M. Kothari.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s) and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

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

Ratification of Remuneration to Cost Auditor

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), remuneration as set out in the Explanatory Statement annexed to this notice, to be paid to M/s. Hemant Shah & Associates, Cost Accountants, (Firm Registration No. 394), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2021, be and is hereby ratified.”

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

NOTES:

- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and aforesaid MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue of the AGM will be the Registered Office of the Company.
- An Explanatory Statement setting out all material facts relating to Special Business to be transacted at AGM at Item Nos. 4 to 7 is annexed herewith.
The Board of Directors have considered and decided to include Item Nos. 4 to 7 given above, as Special Business in the AGM, being unavoidable.
- Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website, websites of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of National Securities Depository Limited (NSDL).
- For receiving all communication (including Annual Report) from the Company electronically: a) Members holding shares in physical mode and who have not registered / updated their email address with the Company can temporarily register / update their email address by clicking on the link https://shareindia.com/Email_Register.html b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
- Register of Members and Share Transfer Books will remain closed from Saturday, August 8, 2020 to Friday, August 14, 2020 (both days inclusive) for the purpose of Annual General Meeting.
- Members seeking any information with regard to the accounts or any document to be placed at the AGM, are requested to write to the Company on or before Monday, August, 10, 2020 through email on legal@alkylamines.com. The same will be replied / made available by the Company suitably.
- (a) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF. Please note that pursuant to provisions of Section 124, 125 of the Companies Act, 2013 all unclaimed/unpaid dividends up to 2011-12 have been transferred to the IEPF . The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on August 6, 2019 (date of last Annual General Meeting) on the website of the Company (www.alkylamines.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in). In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
(b) 22800 equity shares are lying in the unclaimed suspense account. Concerned shareholders have been reminded to claim their shares.

10. We have been offering the facility of electronic credit of dividend directly to the respective bank accounts of our shareholders, through National Electronic Clearing Service (NECS) and National Automated Clearing House (NACH). Shareholders who would like to avail of the ECS facility (if not done earlier) are requested to communicate with Company's Registrar and Transfer Agents at support@sharexindia.com. Further, the shareholders holding shares in physical form, for receiving dividend electronically can also temporarily register/ update their bank account details at the earliest by clicking on the link: https://sharexindia.com/Bank_Register.html, provided by the Company's Registrar and Transfer Agent. Kindly note that shareholders holding shares in dematerialised form would receive their dividend directly to the bank account nominated by them to their Depository Participant, as per SEBI directives. Dividend warrants/ demand drafts will be dispatched to the registered address of the Shareholders who have not registered/updated their bank account details, after lifting of lockdown and normalisation of postal services.
11. The members are requested to notify change of address, if any, to the Company's Registrar and Transfer Agent.
12. The members may note that the Company's Equity Shares are listed on the BSE Ltd. and the National Stock Exchange Ltd. and the listing fees to the stock exchanges have been paid.
13. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
14. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
15. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company's Registrar and Transfer Agent (in case of shares held in physical mode) and with relevant depository participant (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by clicking on the link <https://sharexindia.com/submission-of-form-15g-15h.html> on or before Friday, 31st July 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by submitting these declarations / documents on the link <https://sharexindia.com/submission-of-form-15g-15h.html>. The aforesaid declarations and documents need to be submitted by the shareholders latest by July 31, 2020.

16. Members of the Company had approved the appointment of M/s. N.M. Raiji & Co., Chartered Accountants, Mumbai as Statutory Auditors at the 39th Annual General Meeting of the Company for a balance term of 3 years in their first term of 5 years. Accordingly, M/s. N.M. Raiji & Co., shall be the Statutory Auditors of the Company for the FY 2020-21.

17. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS.

A. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- II. The remote e-voting period commences on Sunday, August 9, 2020 (9:00 a.m. IST) and ends on Thursday, August 13, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, August 7, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- III. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday, August 7, 2020.
- IV. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, i.e. August 7, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- V. The Company has appointed Mr. Prashant S. Mehta, Practising Company Secretary (Membership No. A5814), as the Scrutinizer to scrutinize the voting during AGM and remote e-voting process in a fair and transparent manner.
- VI. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsd.com/>

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under “Shareholders” section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below

	Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is as under :
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if EVEN is 123456 and folio number is 001*** then user ID is 123456001*

5. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you by NSDL. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii) In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned below in this notice.
6. If you are unable to retrieve or have not received the ‘initial password’ or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, click on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-voting will open

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company which is 113160.

4. Now you are ready for e-voting as the Voting page opens
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

THE PROCEDURE FOR E-VOTING ON THE DAY OF THE AGM IS SAME AS THE INSTRUCTIONS MENTIONED ABOVE FOR REMOTE E-VOTING.

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available throughout the proceedings of the AGM. This facility will be available for Members on first come first served basis.
3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / toll free number 1800-222-990 or contact Mr. Sanjeev Yadav, Assistant Manager- NSDL at sanjeevy@nsdl.co.in / 022-42165335.
4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at legal@alkylamines.com from Friday, August 7, 2020 (9:00 a.m. IST) to Monday, August 10, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM for smooth conduct of the AGM

C. GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to acs.pmehta@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on <https://www.evoting.nsdl.com> to reset the password.
3. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

In case of any grievances connected with facility for e-voting, please contact Ms. Sarita Mote, Assistant Manager, NSDL, 4th Floor, ‘A’ Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in/saritam@nsdl.co.in, Tel: 91 22 2499 4890/ 1800-222-990

18. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.alkylamines.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

By order of the Board

CS CHINTAMANI D. THATTE
General Manager (Secretarial)
& Company Secretary

Registered Office:

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

Date: June 23, 2020

ANNEXURE TO THE NOTICE

I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

At the 35th Annual General Meeting held on July 7, 2015 the shareholders had approved re-appointment of Mr. Suneet Kothari as Executive Director for a period of 5 years from January 1, 2015 to December 31, 2019. The Board of Directors, on the recommendation of Nomination and Remuneration Committee and subject to the approval of the Shareholders of the Company, at its meeting held on November 6, 2019 has re-appointed Mr. Suneet Kothari as Executive Director for a further period of 5 years from January 1, 2020 to December 31, 2024 upon the terms and conditions including remuneration as set out hereunder.

The appointment of Mr. Suneet Kothari as an Executive Director and the remuneration proposed to be paid or granted to him are in conformity with the provisions and requirements Companies Act, 2013, Schedule V and Rules thereunder and are subject to the approval of the Members in the General meeting. Accordingly, no approval of the Central Government is required to be obtained for the appointment of Mr. Suneet Kothari as an Executive Director. Further, as per Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compensation payable to Executive Directors who are Promoters or members of the promoter group, shall be subject to approval of the members by a special resolution if the aggregate annual remuneration to such directors, where there is more than one such directors, exceeds 5 per cent of the net profits of the listed entity. Mr. Yogesh Kothari and Mr. Suneet Kothari are Promoter and member of the Promoter group respectively. Accordingly, the approval of the Members is sought for the re-appointment and remuneration of Mr. Suneet Kothari as an Executive Director.

Mr. Suneet Kothari is working with us since January 15, 2001. He is incharge of Marketing and Procurement. Mr. Suneet Y. Kothari, aged 43 years, is a Chemical Engineer and Chemistry / Biochemistry Graduate from Cornell University, U.S.A. He has successfully completed one year MBA (Masters in Business Administration) course at INSEAD, France / Singapore. Prior to employment with us, he has one and half years' experience with Diamond Technology Partners, U.S.A. as a Management Strategy Consultant. During his tenure with us since January 2001, he played a significant role in setting up the new product development effort and seeing it started off successfully and developing export market.

He is Director of the following Companies:

1. Purjeeko Trading & Investment Pvt. Ltd
2. Atreya Innovations Pvt. Ltd.

He is a member of Risk Management Committee of the Company.

Present remuneration of Mr. Suneet Kothari, as approved by the shareholders is Rs. 6,15,000 per month plus other perquisites like HRA, Medical Reimbursement, LTA, Mediclaim, Provident Fund, Gratuity, etc. He is also entitled for 1% commission on net profits.

The material terms of his remuneration are as under:

a) Basic Salary :

In the range of Rs.8,00,000/- per month to Rs.14,00,000/- per month with effect from April 2020 with annual increment of Rs.1,50,000/-. His present basic salary and House Rent Allowance will continue till March 2020.

Other Perquisites with effect from 1.4.2020:

- b) House Rent Allowance : 60% of basic salary
- c) Medical reimbursement: Reimbursement of actual medical expenses incurred for self and family.
- d) Leave Travel Concession: Reimbursement of actual expenses for self and family once in a year to and fro to any place.
- e) Premium on Mediclaim Policy for self and family, at actuals. This perquisite will be effective with immediate effect from January 1, 2020.
- f) Use of company cars and re-imburement of driver's salary.
- g) Telephone facilities
- h) Provident Fund: Company's contribution to Provident Fund
- i) Education allowance: Rs. 12,000/- per annum
- j) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- k) Benefit of three clubs.
- l) Commission: One percent commission on net profit as calculated under the applicable provisions of the Companies Act, 2013.
- m) The Executive Director shall be entitled on full pay and allowance, as per rules of the company, not more than 30 days' leave per annum.

The leave accumulated but not availed of can be encashed by him.

- n) The Executive Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including travelling, entertainment, etc.) for and on behalf of the company.
- o) In the event of loss or inadequacy of profits, he shall be paid the above remuneration, except commission on profits.

The remuneration payable to Mr. Suneet Kothari is in consonance with the remuneration being paid by the other companies of similar size in the industry to their managerial personnel.

Mr. Suneet Kothari is son of Mr. Yogesh M. Kothari, who is the Promoter of the Company. He holds 1,53,324 equity shares constituting 0.75% of the equity capital of the Company. They along with their relatives and entities controlled by them hold 1,51,32,788 equity shares constituting 74.19% of the equity capital of the company.

Except Mr. Suneet Y. Kothari himself and his father Mr. Yogesh M. Kothari, Chairman and Managing Director, no other Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution as set out in Item No. 4 of the notice. The Board recommends the special resolution set out at Item No. 4 of the Notice for approval by the Members.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

ITEM NO. 3 and 5:

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

At the 35th Annual General Meeting held on July 7, 2015 the shareholders had approved re- appointment of Mr. Kirat Patel as Executive Director for a period of 5 years from January 1, 2015 to December 31, 2019. The Board of Directors, on the recommendation of Nomination and Remuneration Committee and subject to the approval of the Shareholders of the Company, at its meeting held on November 6, 2019 has reappointed Mr. Kirat Patel as Executive Director for a further period of 5 years from January 1, 2020 to December 31, 2024 upon the terms and conditions including remuneration as set out hereunder.

The appointment of Mr. Kirat Patel as an Executive Director and the remuneration proposed to be paid or granted to him are in conformity with the provisions and requirements of the Companies Act, 2013, Schedule V and Rules thereunder and are subject to the approval of the Members in the General meeting. Accordingly, no approval of the Central Government is required to be obtained for the appointment of Mr. Kirat Patel as an Executive Director.

Mr. Kirat Patel, aged 67, is B.Tech., Mechanical Engineering from Indian Institute of Technology, Mumbai, and M.M.S. (Finance) from Jamnalal Bajaj Institute of Management, Mumbai, and has been working with the Company since its inception. He is a Director of Kaira Can Company Limited and is a member of their Audit Committee.

He is also director of the following Companies:

- 1) Purjeeko Trading & Investment Private Limited
- 2) Anjyko Investments Private Limited
- 3) Foundation for CfHE

He is also a member of Corporate Social Responsibility Committee and Chairman of Risk Management Committee of the Company.

Present remuneration of Mr. Kirat Patel, as approved by the shareholders, is Rs. 6,50,000 per month plus other perquisites like HRA, Medical Reimbursement, LTA, Mediclaim, Provident Fund, Gratuity, etc. He is also entitled for 1% commission on net profits.

The material terms of his remuneration are as under :

- a) Basic Salary :
- In the range of Rs.8,50,000/- per month to Rs.14,50,000/- per month with effect from April 2020 with annual increment of Rs.1,50,000/-. His present basic salary and house rent allowance will continue till March 2020.
- Other Perquisites with effect from 1.4.2020:
- b) House Rent Allowance : 60% of basic salary
 - c) Medical reimbursement: Reimbursement of actual medical expenses incurred for self and family.
 - d) Leave Travel Concession: Reimbursement of actual expenses for self and family once in a year to and fro to any place.
 - e) Premium on Mediclaim Policy for self and family, at actuals. This perquisite will be effective with immediate effect from January 1, 2020.
 - f) Use of company cars and re-imburement of driver's salary.
 - g) Telephone facilities
 - h) Provident Fund: Company's contribution to Provident Fund
 - i) Education allowance: Rs.12,000/- per annum
 - j) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - k) Benefit of three clubs.

- l) Commission: One percent commission on net profit as calculated under the applicable provisions of The Companies Act, 2013.
- m) The Executive Director shall be entitled on full pay and allowance, as per rules of the company, not more than 30 days' leave per annum.

The leave accumulated but not availed of can be encashed by him.

- n) The Executive Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including travelling, entertainment, etc.) for and on behalf of the company.
- o) In the event of loss or inadequacy of profits, he shall be paid the above remuneration, except commission on profits.

The remuneration payable to Mr. Kirat Patel is in consonance with the remuneration being paid by the other companies of similar size in the industry to their managerial personnel.

He holds 55,000 equity shares constituting 0.27% equity share capital of the Company. He along with his relatives holds 79,000 equity shares constituting 0.39% of the equity capital of the company. He is not related to any director on the Board.

Except Mr. Kirat Patel, no other Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution as set out in Item No. 5 of the notice. The Board recommends the special resolution set out at Item No. 5 of the Notice for approval by the Members.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

ITEM NO. 6:

At the 35th Annual General Meeting held on July 7, 2015 the shareholders had approved appointment of Mr. Yogesh M. Kothari as Chairman & Managing Director for a period of 5 years from April 1, 2015 to March 31, 2020. The Board of Directors, on the recommendation of Nomination and Remuneration Committee and subject to approval of shareholders of the Company, at its meeting held on November 6, 2019 has reappointed Mr. Yogesh M. Kothari as Chairman & Managing Director for a further period of 5 years from April 1, 2020 to March 31, 2025 upon the terms and conditions including remuneration as set out hereunder.

The appointment of Mr. Yogesh M. Kothari as Chairman & Managing Director and the remuneration proposed to be paid or granted to him are in conformity with the provisions and requirements of the Companies Act, 2013, Schedule V and Rules thereunder and are subject to the approval of the members in the General meeting. Accordingly, no approval of the Central Government is required to be obtained for the appointment of Mr. Yogesh Kothari as Chairman and Managing Director. Further, as per Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compensation payable to Executive Directors who are Promoters or members of the promoter group, shall be subject to approval of the members by a special resolution if the aggregate annual remuneration to such directors, where there is more than one such director, exceeds 5 per cent of the net profits of the listed entity. Mr. Yogesh Kothari and Mr. Suneet Kothari are Promoter and member of the Promoter group respectively. Accordingly, the approval of the Members is sought for the re-appointment and remuneration of Mr. Yogesh Kothari as Chairman and Managing Director.

The information required to be disclosed to the shareholders as per Schedule V to the Companies Act, 2013 (with respect of the reappointment of the Chairman & Managing Director and Executive Directors) is as under:

The Company is engaged in the manufacture of Aliphatic Amines, Amines Derivatives and other Specialty Chemicals.

The Company started commercial production in 1982. During the financial year ended 31st March, 2020, the total income was Rs.999.89 crores and the Company made a profit before tax of Rs.215.28 crores. The Company has achieved the export sales of Rs.161.50 crores (FOB) during the Financial Year ended on 31st March, 2020.

For more details about the operations of the company, please refer to the Management Discussion and Analysis Report attached to Directors' Report.

There are no foreign collaborations. The foreign shareholders are non-resident Indians and portfolio investors, details of which are given on page No. 37 in the Corporate Governance Report.

Shri Yogesh M. Kothari aged 71 years is a Chemical Engineer from Institute of Chemical Technology, Mumbai. He is also Master of Management Science and Master of Science-Chemical Engineering, from the University of Massachusetts, Lowell, U.S.A. He promoted this company in 1979. He has more than 40 years of experience in chemical industry. He is ex-President of Indian Chemical Council.

He is on the Board of Anjyko Investments Pvt. Ltd.

He is Chairman of Corporate Social Responsibility Committee and also a member of Stakeholder Relationship Committee.

In 1998, he was awarded the prestigious Lalit Doshi Memorial Award being promoter of the best SICOM assisted company for the year 1996-97 in Chemicals and Plastics set up by a first generation entrepreneur.

Mr. Yogesh M. Kothari, being Chairman and Managing Director, is in-charge of overall management of the company. Considering his rich and vast experience in business, the Board of Directors considered it desirable to re-appoint him as Managing Director of the Company for a further period of 5 years.

Present remuneration of Mr. Yogesh Kothari, as approved by the shareholders, is Rs. 11,00,000 per month plus other perquisites like HRA, Medical reimbursement, LTA, Mediclaim, Provident Fund, Gratuity, etc. He is also entitled for commission on net profits so that total remuneration shall not exceed 5% of the net profits.

The material terms of his remuneration are as under:

- a. Basic Salary: In the range of Rs.14,00,000/- to Rs.22,00,000/- per month with annual increment of Rs.2,00,000/-.
- b. Housing 1: Expenditure incurred by the company on hiring unfurnished accommodation will be subject to the ceiling namely 60% of the salary;
Housing 2: In case the accommodation is owned by the company, 10% of the salary shall be salary shall be deducted by the Company;
Housing 3: In case no accommodation is provided by the Company, a house rent allowance subject to the ceiling laid down in Housing 1 above shall be paid;
- c. The Company shall also pay for actual expenses incurred on gas, electricity, water, furnishings and perquisites value of which shall be valued as per Income-tax Rules 1962;
- d. Medical reimbursement: Reimbursement of actual medical expenses for self and family;
- e. Leave Travel Concession: Reimbursement of actual expenses for self and family once in a year to and fro to any place;
- f. Club fees: Fees of clubs subject to a maximum of 3 clubs will be allowed;
- g. Premium on personal accident insurance, premium on Life Insurance Policy and premium on Mediclaim policy for self and family;
'family' means the spouse and the dependent children
- h. Free use of cars and driver;
- i. Telephone facilities
- j. Provident Fund: Company's contribution to Provident Fund/Public Provident Fund not exceeding 27% of the salary.
- k. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
- l. The Company shall pay commission on net profits at such percent to the Managing Director, provided that the total remuneration shall not exceed 5% of the net profits;
- m. In the event of loss or inadequacy of profits in any particular financial year, he shall be paid the above remuneration except commission on profits.
- n. The Chairman & Managing Director shall be entitled, on full pay and allowances, as per rules of the company not more than 30 days leave per annum. The leave accumulated but not availed of can be encashed by him at the end of his tenure.
- o. The Chairman & Managing Director shall be entitled to be reimbursed in respect of all expenses incurred by him (including travelling, entertainment etc.) for and on behalf of the Company.

The remuneration payable to Mr. Yogesh M. Kothari is in consonance with the remuneration being paid by the other companies of similar size in the industry to their Chief Executive Officers.

Mr. Yogesh M. Kothari is the Promoter of the Company and holds 1,22,06,622 equity shares constituting 59.85% of the equity capital in the Company. As on March 31, 2020 he along with his relatives and entities controlled by him holds 1,51,32,788 equity shares constituting 74.19% of the equity capital of the company.

Except Mr. Yogesh M. Kothari himself and his son Mr. Suneet Kothari, Executive Director, no other Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the passing of the above resolution as set out in Item No. 6 of the notice. The Board recommends the special resolution set out at Item No. 6 of the Notice for approval by the Members.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

ITEM NO. 7

At the last Annual General Meeting, the shareholders had approved appointment and payment of remuneration of Messrs. Hemant Shah & associates for the year ended March 31, 2020. The Board of Directors has reappointed them to conduct cost audit for the year ending March 31, 2021. The remuneration as recommended by the Audit Committee and approved by the Board of Directors is Rs.1,48,500/- (exclusive of GST) plus out-of-pocket expenses. The members are requested to pass the resolution for ratification of remuneration payable to M/s. Hemant Shah & associates, as set out at item no.7 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives, is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no.7 of the Notice. The Board recommends the special resolution set out at Item No. 7 of the Notice for approval by the Members.

By order of the Board

CS CHINTAMANI D. THATTE
General Manager (Secretarial)
& Company Secretary

Registered Office:

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

Date: June 23, 2020

DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders,

Your Directors take pleasure in presenting the 40th Annual Report on the business and operations of your Company together with Audited Financial Statements for the financial year ended March 31, 2020.

1. FINANCIAL RESULTS:

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

	2019-20 Rs. In Lakhs	2018-19 Rs. In Lakhs
Revenue from operations	99288	84640
Other Income	701	395
Total Income	99989	85035
Profit before interest, depreciation & taxation	26403	16830
Interest & financial expenses	1025	1477
Depreciation	2691	2334
Profit before exceptional item	22687	13019
Exceptional Items	3284	0
Profit before tax	25971	13019
Provision for tax	4443	4645
Net Profit after tax	21528	8374
Other Comprehensive Income	(130)	(69)
Total Comprehensive Income	21398	8306
Opening balance in retained earnings	30728	24143
Profit available for appropriations	52126	32449
Interim Dividends paid/Dividends paid	3671	(1428)
Tax on dividends	755	(293)
Closing balance in retained earnings	47700	30728

2. PERFORMANCE HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS:

During the year under review, total Income increased from Rs.85035 lakhs to Rs.99989 lakhs, an increase of 18%. Profit before tax for the year was Rs 25971 lakhs compared to Rs.13019 lakhs of the previous year (an increase of 99%) and Profit after tax was Rs. 21528 lakhs as against Rs.8374 lakhs of the previous year (an increase of 157%). Your Directors do not propose to transfer any amount to the Reserves. Further details of operations are given in the Management Discussion and Analysis Report annexed (Annexure 1). There has been no change in the nature of business of the Company.

3. IMPACT OF THE COVID-19 PANDEMIC ON THE OPERATIONS AND BUSINESS:

In view of the lockdown due to COVID-19 pandemic across the country from end March, 2020, the manufacturing facilities of the Company were working partially after the first week of April, 2020. As the Company is in the manufacture and sale of pharmaceuticals intermediaries, after discussing with authorities and sorting out the bottlenecks, the Company gradually ramped up its operations over the next several days till April end and despite manpower issues and demand, made efforts to achieve optimum capacity production in May, 2020. The offices and Technical Centre have been closed through April and May and those employees have been working from home, wherever possible. However, there was no significant impact on the business of the Company for the year ended March 31, 2020.

The Company is ensuring compliance with the directives issued by the Central Government, State Governments and local government. All the manufacturing facilities have been sanitized so that our employees are safe and secure. All safety protocols are adhered to very stringently.

Your Company is in a comfortable financial position to meet its commitments and will be able to meet all its debts obligations as they come up. Internal financial reporting and control are adequate and operating effectively. Though the Company is not in a position to gauge with certainty, the future impact on its operations, the Company expects that the demand for its products from pharmaceuticals sector will continue and as such, barring unforeseen circumstances there will not be a significant impact of COVID-19 on the operations of the Company for the financial year 2020-21.

4. DIVIDENDS:

The Directors are pleased to inform that the Company is now amongst the Top 500 listed Companies on the Stock Exchanges, on the basis of market capitalization as on March 31, 2020. In terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations) the Company has formulated a Dividend Distribution Policy. The policy is given in Annexure 7 to this Report and it is also available on the Company's website.

In terms of Dividend Policy, your Directors are pleased to recommend for your approval final dividend of Rs. 10/- per Equity Share of Rs.5/- each for the year ended March 31, 2020 (Previous Year: Dividend of Rs.8/- per equity share of Rs.5/- each). The total amount of final dividend thereon amounts to Rs. 2040 lakhs (Previous Year Rs.1721 lakhs). The dividend payable shall be subject to deduction of tax at source, as applicable. You are requested to approve the same. The total dividend for 2019-20 aggregates to Rs. 20/- per equity share which includes interim dividend of Rs. 10/- per equity share paid on 2nd March, 2020.

5. SHARE CAPITAL:

The Company has, as on March 31, 2020, paid up share capital of Rs. 10,19,81,960/- consisting of 2,03,96,392 Equity Shares of Rs 5/- each fully paid up.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

7. NEW PROJECTS:

At our Dahej plant, derivatives production capacities were enhanced in the year 2019-20.

Our new Projects include:

1. Setting up new Acetonitrile plant with utilities at Dahej.
2. Hydrogenation facilities are being expanded at Kurkumbh. The project is expected to be completed in Q2 FY 2021-22.
3. Some capex projects for upgrading the equipment and expansion of capacities, at all productions sites are being undertaken.

8. SUBSIDIARY/ASSOCIATE COMPANIES

Diamines & Chemicals Limited, Vadodara:

During the year, on November 18, 2019, the Company has disposed of its entire shareholding of 29,77,996 equity shares representing 30.44% stake held in its associate Diamines and Chemicals Limited at a consideration of Rs. 3,428.27 lakhs and earned a profit of Rs. Rs. 3,284.16 lakhs. Consequently, with effect from November 18, 2019, Diamines and Chemicals Limited has ceased to be an Associate Company of Company.

As required in terms of SEBI LODR Regulations and pursuant to IND AS 110, Consolidated Financial Statements presented by the Company include the financial results of associate Diamines and Chemicals Ltd for the year ended March 31, 2020, but considered for the period upto November 18, 2019, being the date on which it ceased to be as associate.

The company does not have any subsidiary company or any joint venture company.

9. RESPONSIBLE CARE®:

Responsible Care is a voluntary initiative of International Council of Chemical Associations, implemented in India by Indian Chemical Council to safely handle the products from inception in the research laboratory, through manufacture and distribution, to ultimate reuse, recycle and disposal, and to involve the public in the decision making processes. We have got our company recertified for Responsible Care® in September, 2017, several programs and studies related to safety, environment and health have been taken up and are being implemented. The recertification is valid till September 2020.

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

9.1. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

9.2. SAFETY, HEALTH AND ENVIRONMENT:**A) SAFETY:**

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

Safety promotional activities such as celebration of National safety week, world environment day, fire service day are celebrated with active participation of employees and contract workers. Competitions are held and prizes are awarded to successful participants. Persons from neighbouring industries; schools; villagers and Govt. officers are invited during the week and for the closing safety week ceremony.

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

The company has a Disaster Management Plan. We provide risk information to the community as a part of our social and environmental responsibility. The company has also made an information booklet and a video clip to improve community awareness. The booklet and video clip covers detailed information related to our operations at Kurkumbh, end use of our products and safety control measures taken during design, operations and in the supply chain. This will give confidence to the local community and avoid a panic situation in case of an emergency. It is proposed to do something similar for the community at the other two locations too.

During FY19-20 we have implemented the safety violation handling procedure to support the enforcement of the cardinal Safety Critical Rules that are expected to be followed at all the sites. The reported violations are reviewed in the employee health and safety review meeting with the top management.

Lost Time Injury/Near Miss Incidents are investigated thoroughly and necessary corrections and corrective actions implemented. All the incidents are recorded and investigated regularly. Walkthrough rounds by senior managers are conducted every month and each area of the factory is visited regularly. Observations are recorded and closed immediately. Special budget is allocated to the Site Head for this activity. With a view to improve the safety culture measurable KPI's on safety health and environment are set.

B) HEALTH & HYGIENE:

Health of employees is of utmost importance to us. Periodic medical check-up of employees is done to monitor their health. Regular work area monitoring to check concentration of chemicals, noise level, and quality of ambient air is carried out based on National Ambient Air Quality Standard. We also have well equipped Occupation Health Center with a Doctor, appropriate staff and our own ambulance vehicle at all our manufacturing sites. We have a team of employees trained as FIRST AIDERS who use their acquired skills while on duty or off duty to serve the society. Addressing Occupational Health and Safety issues to meet expectations continue to be a focal point for your company.

New employees undergo pre-employment medical check-up before appointment. Training programs are arranged on lifestyle diseases by eminent doctors. Health camps are arranged. Drivers are provided training on understanding the hazards of transported chemicals and their impacts on health. Occupational health centers have been upgraded and modern equipment are provided. This year too we have initiated Health promotional activities such as celebrating International Yoga day and conducting Yoga training of our employees and contractors at all our sites.

Your company has also engaged a professional consulting doctor to upgrade our existing Occupational Health and Hygiene system. With his professional advice, guidance and actionable solutions we hope to achieve our desired goal of improving the health and wellbeing of our employees and stakeholders.

C) ENVIRONMENT:

Environment protection and adherence to pollution control norms is of high concern for our company.

- i) Air Emissions – We monitor regularly emissions from various sources and are very particular about compliance with statutory requirement. Projects are undertaken for reduction of emissions. During FY19-20, in Patalganga plant, we have provided a hydrogen recovery plant to reduce emissions.
- ii) Liquid Waste Treatment – We have an integrated Effluent Treatment Plant and we maintain outlet standards within the prescribed limits. We recycle 50% of our effluent at Kurkumbh. Sewage Treatment Plant Water of Kurkumbh and Dahej is recycled for gardening purpose.
- iii) Solid Waste Management – Solid wastes are disposed of at secured landfill or sent for incineration at the Authorized Hazardous waste disposal facility. We have a program in place for waste management using reduction/ recycle/ reuse/ recovery techniques. These programs are continuously reviewed for monitoring their progress and effectiveness.

- iv) Green belt – Tree plantation inside and outside the factory premises is given utmost importance and is done on a regular basis.
- v) Solar Water heaters have been installed at the staff colony. Use of water from the Sewage Treatment Plant for gardening, and number of GO GREEN activities were undertaken at the plant and staff colony.

D) SAFETY, HEALTH AND ENVIRONMENT (SHE) EVENTS:

During FY19-20, there were two SHE events happened at our manufacturing locations;

- 1) There was a flooding on 4th and 22nd August, 2019 during the monsoon at our Patalganga site. Due to flooded situation in the plant, our ground level equipment were damaged. The loss due to the flood was assessed at Rs. 92 lakhs and the Company has filed the claim with the insurance company for the said amount
- 2) There was an incident of fire at our Kurkumbh site on 14th August 2019. The fire was brought under control within two hours by our emergency response team with some external support. The fire was initiated at our work in progress drum storage area. The drums were stored at a corner of the plot. The fire was restricted to one farthest corner of the site the area of which measured less than 1% of the total site area and there was no loss of life or injury to anyone. All other areas of the site were unaffected. The loss due to the fire was assessed at Rs. 191 lakhs and the Company has filed the claim with the insurance company for the said amount.

10. CORPORATE SOCIAL RESPONSIBILITY:

Your Company works with a deep sense of social commitment and contributes towards the welfare of the society that it is part of. The Company has formulated a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, which has been approved by the CSR Committee and the Board. Your Company's concerns are focused on Environment Sustainability & Rural Development, Health/Women Empowerment, Education/Sports and others. In the year 2019-20, there was a shortfall in CSR expenditure by Rs. 9.00 lakhs as some projects could not be completed due to Covid-19 pandemic. In order to support the measures taken by Central Government and State Governments to prevent and contain the spread of Corona Virus (COVID 19), the Company has undertaken various relief projects to help those affected by COVID-19 and lockdown.

The Annual Report on CSR activities is annexed herewith as "Annexure 3". The CSR Policy can be viewed on the website of the Company.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Kirat Patel, Executive Director, retires by rotation at the Annual General Meeting and, being eligible, has offered himself for re-appointment.

The Shareholders, at the 39th Annual General Meeting held on August 6, 2019, have re-appointed Mr. Dilip. G. Piramal, Mr. Shyam. B. Ghia and Mr. Shobhan M. Thakore as Independent Directors for a period of 5 years from August 6, 2019 upto August 5, 2024 and have appointed Ms. Leja Hattiangadi and Mr. Chandrashekhar R. Gupte as Independent Directors for a period of 5 years from November 1, 2018 upto October 31, 2023 and from May 21, 2019 upto May 20, 2024 respectively. All the independent directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

In terms of provisions of Section 150 of the Companies Act, 2013 read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Amendment Rules, 2019 Independent Directors are required to take requisite steps towards the inclusion of their names in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). Accordingly, all the Independent Directors of the Company have been issued the Certificate of Registration by IICA. All the Independent Directors have given declaration regarding compliance with these Rules.

The Board of Directors have, on the recommendation of Nomination & Remuneration Committee and subject to approval of shareholders at the General Meeting, at their meeting held on November 6, 2019, re-appointed Mr. Kirat Patel and Mr. Suneet Kothari, as Executive Directors and Mr. Yogesh M. Kothari as Chairman & Managing Director for a further period of five years, the details of which are given in the notice convening the meeting. The Board recommends their re-appointment.

Mr. Hemendra M. Kothari resigned as Director (Non-Executive Non-Independent Director) of the Company with effect from May 21, 2019 as at his age of 73 years indicating that he would like someone to take it further to add value to the company. He was associated with the Company as a Director for almost 40 years, since October, 1980 and also as Chairman of the Board of Directors upto September, 1995. He had been a great support, a source of encouragement and inspiration for the Company through out. During his tenure, the Board received very valuable guidance and advice from him on various business aspects including financing for various projects. The Board of Directors has placed on record its sincere appreciation for his outstanding contribution during his tenure as a Director.

The following are the Key Managerial Personnel of the Company in terms of the provisions of the Act read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. Yogesh M Kothari, Chairman & Managing Director
- Mr. Kirat Patel, Executive Director

- Mr. Suneet Y Kothari, Executive Director
- Mr. Rahul J. Mehta, General Manager (Finance & Accounts) as Chief Financial Officer
- Mr. Chintamani D. Thatte, General Manager (Secretarial) & Company Secretary (and as Compliance Officer)

11.1 Board Evaluation

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

11.2 Remuneration Policy

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

11.3 Meetings

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

11.4. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

No material changes or commitments have occurred between the end of the financial year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

12. RISK MANAGEMENT

The Company has an elaborate Risk Management reporting system, which is designed to enable risks to be identified, assessed and mitigated appropriately. The Board has constituted Risk Management Committee to identify elements of risk in different areas of operations and has formulated a Risk Management Policy for actions associated to mitigate the risks. The Board oversees the Risk Management Report detailing all the risks that the Company faces such as Marketing, Supply Chain, Commercial, Operations and Safety, Human Resource, Compliance and Financial and there is an adequate risk management infrastructure in place, capable of addressing those risks.

13. INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are an integrated part of the risk management reporting system, addressing financial and financial reporting risks. Assurance on the effectiveness of internal financial controls is obtained through management reviews and continuous monitoring by functional experts. We believe that these checks provide reasonable assurance that our internal financial controls are designed effectively, are adequate and are operating as intended.

14. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a Vigils Mechanism/Whistle Blower Policy for Directors and Employees to report their genuine concerns. The Mechanism provides for adequate safeguards against victimization of director(s)/ employee(s) who can avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

15. RELATED PARTY TRANSACTIONS

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

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

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

16. CODE OF CONDUCT:

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

17. INSIDER TRADING POLICY:

As required under the Insider Trading Policy Regulations of SEBI, your Directors have framed and approved Insider Trading Policy for the Company i.e. 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Conduct of Conduct for Regulating Monitoring and Reporting of Trading by Designated Persons/Insiders'. The Policy is available on the company's website.

18. FIXED DEPOSITS:

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

19. INSURANCE:

The Properties and Assets of the Company are adequately insured.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

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

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

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

22. AUDITORS:**22.1 Statutory Auditors**

M/s. N.M. Rajji & Co., Chartered Accountants, Mumbai (Firm Registration Number 108296W) were appointed as Statutory Auditors of the Company at the 39th Annual General Meeting held on August 6, 2019 to hold office from the conclusion of the said meeting till the conclusion of the 42nd Annual General Meeting. The Auditor's Report for financial year 2019-20 does not contain any qualification, reservation, disclaimer or adverse remark. There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder. The Auditor's Report is enclosed with the financial statements in this Annual Report.

22.2 Cost Auditors

In terms of the Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

The Board of Directors has, on the recommendation of Audit Committee, re-appointed Messrs. Hemant Shah & Associates, as Cost Auditor for the year 2020-21 under Section 148 of the Act read with The Companies (Cost Records and Audit) Amendment Rules 2014.

The remuneration payable to the Cost Auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, Resolution seeking Members' ratification for the remuneration payable for their re-appointment as Cost Auditor for the year 2020-21 is sought under Item No. 7 of the Notice convening the Annual General Meeting.

22.3 Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (LODR) Regulations, as amended, the Board of Directors has, on the recommendation of Audit Committee, re-appointed Mr. Prashant Mehta, Practising Company Secretary, to undertake the Secretarial Audit of the Company for the financial year ending 31st March, 2021.

The Auditor's Report for financial year 2019-20 does not contain any qualification, reservation, disclaimer or adverse remark except the delayed compliance relating to prior intimation to stock exchanges in the matter of declaration of interim dividend for the FY 2019-20, the details of which are given in Corporate Governance Report under para 6(iii). The Report of the Secretarial Auditor for the financial year ending 31st March, 2020 is annexed herewith as "Annexure 4".

23. CORPORATE GOVERNANCE

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

24. BUSINESS RESPONSIBILITY REPORT

A separate section on Business Responsibility Reporting forms part of this Annual Report as required under Regulation 34(2) (f) of the Listing Regulations.

25. CONSOLIDATED FINANCIAL STATEMENTS

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

26. EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT 9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as Annexure 6.

27. EMPLOYEES

a) EMPLOYEE STOCK OPTION PLAN 2018 (ESOP 2018)

The ESOP Scheme, 'AACL - Employees Stock Option Plan 2018' approved by the shareholders in 2018, is in line with SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations). There were no changes in the Scheme during the year. The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Scheme. Out of 54,621 stock options granted under the Scheme in March, 2019, 16,319 stock options were vested in March, 2020. None of the Grantees have exercised the stock options during the year. The disclosures regarding stock options required to be made under the provisions of the Companies Act, 2013, SBEB Regulations, 2014 are available on the website of the Company at <http://alkylamines.com/investors/ESOP%20Disclosure.pdf>

A certificate from the Auditors of the Company that the Scheme has been implemented in accordance with SEBI Regulations and the resolution passed by the members, shall be placed in the ensuing Annual General Meeting for inspection of the members. A copy of the same will also be available for inspection at the Company's Registered Office.

b) DISCLOSURES UNDER SECTION 197 OF THE COMPANIES ACT, 2013

Disclosures pertaining to the remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 thereunder forms part of the Board's Report. The said disclosures, information and details in respect of employees of the Company required pursuant to said Section and the Rule will be provided upon request. Further a statement showing the names and particulars of employees drawing remuneration in excess of limits as set out under Rule 5(2) of the said Rules also forms part of this Report. However, in terms of Section 136 of the Companies Act 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the statement of particulars of employees and is available for inspection by the Members upon request. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard at legal@alkylamines.com.

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

The Company has formulated a comprehensive policy on prevention, prohibition and redressal against sexual harassment of women at workplace, which is in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH'). The said policy has been made available on the website of the Company.

In line with the requirements of POSH, the Company has set up Complaints Committees at its workplaces to look into complaints of sexual harassment received from any women employee. No complaints have been received during the year 2019-20.

29. CAUTIONARY STATEMENT

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

30. ACKNOWLEDGEMENTS

The Directors would like to take this opportunity to show their appreciation to all employees for their hard work, dedication and support which has helped us face all challenges and enable business continuity in these turbulent times of global coronavirus pandemic and lockdown.

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

For and on behalf of the Board

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

Place: Mumbai

Date: June 23, 2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE 1

INDUSTRY STRUCTURE AND DEVELOPMENTS

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

Our products have application in important industries like pharmaceuticals, agro-chemicals, water treatment chemicals, rubber chemicals, etc. We cater to both domestic and international market. We have competition both from local and international producers. For more details, please refer to our website www.alkylamines.com

OPPORTUNITIES AND THREATS

The Chemical Industry is critical for the economic development of our country providing products and enabling technical solutions in virtually all sectors of the economy. Our country is moving up the ranks as a global economic power and a business magnet for investment. The demand for our products is steadily increasing both in India and abroad. Key drivers for success in the chemical sector include proximity to strong growth markets, greater ease in doing business and the continued development of petroleum, chemicals and petrochemical investment.

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

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

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

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

OUTLOOK

For the year 2020-21, our focus will continue on sustainable growth by taking measures for increasing our market share of existing products.

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

During the year 2020-21, we expect our investments in various projects to add to both our topline and bottomline.

We will continue with our efforts for improving our bottom-line by expanding our product-range, while re-looking at business strategies and models, wherever necessary. Though we continue our efforts for improving efficiencies and margins, the results for the year 2020-21 to a great extent will depend upon after effects of ongoing COVID-19 Pandemic.

RISKS AND CONCERNS

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

the Company. The Company fulfils its legal requirements concerning emission, waste water and waste disposal. Improving work place safety continued to be top priority at all manufacturing sites.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

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

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE AND SEGMENT-WISE PERFORMANCE AND KEY FINANCIAL RATIOS

Total Income amounted to Rs. 99989 lakhs compared to Rs.85035 lakhs of the previous year. The profit before tax amounted to Rs.25971 lakhs compared to Rs.13019 lakhs reported last year.

The Company operated in one segment area i.e. Specialty Chemicals. During the year, our gross domestic sales amounted to Rs.93715 lakhs compared to Rs.78266 lakhs of the previous year. Exports increased from Rs.14738 lakhs (FOB) of the previous year to Rs.16150 lakhs (FOB) for the year 2019-20. The details of key financial ratios i.e., debtors' turnover, inventory turnover, interest coverage, current ratio, debt-equity ratio, operating profit margin, net profit margin and return on Net Worth are given in financial highlights and Note 41.1 to the Audited Accounts.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company believes that its employees are the key to driving sustainable performance and developing competitive advantage. The HR policies and procedures of your Company are geared towards nurturing and development of Human Capital. The Company had 547 employees as on March 31, 2020. Your Company has transparent processes for rewarding performance and retaining talent.

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

WHISTLE BLOWER POLICY

The Company has a whistleblower policy to deal with instances of fraud and mismanagement, if any. The details of the policy are explained in the Corporate Governance Report and also posted on the website of the Company.

For and on behalf of the Board of Directors

Yogesh M. Kothari

Chairman & Managing Director

DIN: 00010015

Place: Mumbai

Date: June 23, 2020

ANNEXURE 2

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

(A) ENERGY CONSERVATION:

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

Projects Implemented to conserve energy include:

1. Process improvement by addition of distillation column which helps operations from batch process to continuous process resulted in reduced steam consumption.
2. Process improvement by changing reciprocating type chilling compressor system to energy efficient screw type chilling compressor system resulted in improving power consumption norm.
3. VFD installation for cooling tower transfer pumps to reduce power consumption.
4. Reduction in heat load on the air conditioners of VFD rooms done and achieved power consumption on air conditioning.
5. Phase wise installing Energy Meters for each consumer resulted in monitoring the daily consumption and taking immediate action on abnormal change
6. Replacing old air-conditioners with new energy efficient non-CFC air conditioners as per Energy Management objective.
7. Replacing conventional motors by high efficiency motors and thereby improving energy efficiency.

(B) TECHNOLOGY ABSORPTION:

1. Specific areas in which R & D carried out by the company

R & D work is basically focused on two areas of research.

- a) Process development of new product:

The new product development work is initiated only after screening the hazard index of raw material, intermediates and product. The care is taken of atom economy of a process in order to minimize waste.

- b) Improvements in the existing process in terms of applying latest technology, better yields, less effluent & minimizing waste.

2. Benefits derived as a result of the above R & D

- a) A process is commercialized for an aliphatic amine used as an intermediate in pharmaceutical industry.

- b) Trials are being carried out for the isolation of a product from effluent stream of our existing product. This will be used for our captive consumption.

3. Future plans of action

- a) Process development of new products

- b) Commercial trials for the optimized process for new products

- c) Minimization of waste either at manufacturing step by improvement in the process or isolate value addition products from effluent stream.

4. Expenditure incurred on Research & Development

- a) Revenue Expenditure: Rs. 414 lakhs

- b) Capital Expenditure: Rs. 18 lakhs

Total Rs. 432 lakhs

Total R&D expenditure as a percentage of

total turnover 0.44%

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

	2019-20	2018-19
Foreign Exchange earned	Rs. 16150.24 lakhs	Rs. 14737.72 lakhs
Foreign Exchange used	Rs. 5465.70 lakhs	Rs. 8903.65 lakhs

ANNEXURE 3

ANNUAL REPORT ON CSR ACTIVITIES FORMING PART OF DIRECTORS' REPORT FOR THE YEAR 2019-20

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

CSR Policy is placed on the company's website : www.alkylamines.com

2. Composition of the CSR Committee:

Mr. Yogesh M. Kothari (Chairman) -- Chairman & Managing Director
 Ms. Leja Hattiangadi Member -- Independent Director
 Mr. Kirat Patel Member -- Executive Director

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

Average profit: Rs. 10725 lakhs

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

The Company is required to spend Rs. 214.50 lakhs towards CSR for the year 2019-20.

5. Details of CSR spent during the financial year 2019-20:

- (a) Total amount spent for the financial year: Rs. 205.50 lakhs (Previous year: Rs. 167.39 lakhs)
 (b) Amount unspent, if any: Rs 9.00 lakhs
 (c) Manner in which the amount spent during the financial year is detailed below

(Rs in lakhs)

Sr. No.	Project Area/ Sector	Locations	Amount Outlay (Budget) Project or Program wise for the year	Amount spent on the project or programs for the year	Cumulative expenditure (1.4.2014 to 31.3.2020)	Amount spent: Direct or through implementing agency
1	Environment Sustainability & Rural Development	Amount spent in the local areas surrounding the plants and in other areas in state of Maharashtra and Gujarat	70.36	41.17	168.93	Both directly and through implementing agency
2	Health/ Woman Empowerment		30.02	38.02	174.75	Both directly and through implementing agency
3	Education/Sports		110.28	122.33	412.21	
4	Others		3.84	3.98	22.12	
	Total		214.50	205.50	778.01	

REASON FOR SHORTFALL OF CSR SPEND

The marginal shortfall of Rs.9.00 lakhs is because some jobs, though assigned, have not been completed by the parties concerned due to COVID-19 lockdown situation.

RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE:

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

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

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

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

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

June 23, 2020
 Mumbai

Yogesh M. Kothari
 Chairman - CSR Committee

Ms. Leja Hattiangadi
 Member

Kirat Patel
 Member

ANNEXURE 4
SECRETARIAL AUDIT REPORT

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

My Secretarial Audit report of even date is to be read along with the following:

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. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, I believe that the processes and practices, I followed provide reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company. I relied on the statutory report provided by the Statutory Auditor as well as Internal Auditor of the company for the financial year ending 31st March, 2020.
4. I have obtained the management representation wherever required about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit reports neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For P Mehta & Associates.
Practicing Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341
UDIN: A005814B000391540 (This UDIN is generated on June 27, 2020)

Date: June 23, 2020
Place: Mumbai

FORM NO. MR-3

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

For the financial year ended 31st March, 2020

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

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

Based on my 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, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable during the audit period)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time.
- (vi) I have relied on the representation and information provided by the management and its officers for systems and mechanism framed by the Company and having regard to the compliance system prevailing in the Company & on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws as specifically applicable to the Company:
 - a. Environment Protection Act 1986;
 - b. Water/Air (Prevention and control of pollution) Act, 1974;
 - c. Income Tax Act, 1961 and other Indirect Tax laws;
 - d. Factories Act, 1948;
 - e. All applicable Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, bonus, provident fund, ESIC, compensation etc;

- f. Maharashtra State Profession Tax Act, 1975 & Rules made thereunder;
- g. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013;
- h. GST Act & Rules made thereunder;
- i. Industrial Dispute Act;
- j. Hazardous Chemical Rules;
- k. Hazardous Waste Management Rules, 2016;
- l. Bombay Shops & Establishment Act;
- m. Food and Drug Administration (for poison licence);
- n. The National Environment Tribunal Act, 1995;
- o. The Batteries (Management and Handling) Rules, 2001;
- p. The Indian Boilers Act, 1923;
- q. The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with:
 - a. BSE Limited
 - b. National Stock Exchange of India Limited.

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

I further report that

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

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

Majority decisions are carried through while dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the year following special event had occurred:

1. Divesting company's entire 30.44% stake i.e. Selling 29,77,996 equity shares of face value of Rs. 10/- each, in listed associate company Diamines and Chemicals Limited;
2. To consider re-appointment of Mr. Yogesh Kothari Chairman and Managing Director, Mr. Kirat patel and Mr. Suneet Kothari, as Executive Directors for further period of 5 years;
3. Declared Interim Dividend;

The Company has received the notice from stock exchanges regarding delayed compliance with Regulation 29(2)/(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, relating to prior intimation of the board meeting held on February 06, 2020 in the matter of declaration of interim dividend for financial year 2019-20 and the Company has paid the fine amount to the stock exchanges for the same.

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

For P Mehta & Associates.
Practicing Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341
UDIN: A005814B000391540 (This UDIN is generated on June 27, 2020)

Date: June 23, 2020
Place: Mumbai

ANNEXURE 5

CORPORATE GOVERNANCE REPORT

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

2. BOARD OF DIRECTORS

i) Composition and category of Directors:

The Board of Directors of the Company consists of 9 Directors with required blend of Executive and Non-Executive Directors including Independent Directors and Woman Director, in line with the provisions of the Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) as amended from time to time. As on the date of the Report out of 9 Directors, one Director is the Chairman & Managing Director, two are Executive Directors, one is Non-Executive and Non-Independent Directors and rest of the 5 Directors are Independent and Non-Executive Directors, who bring a wide range of skills and experience to the Board. The number of Directorships, Committee Memberships/ Chairmanships of all the Directors is within the limits prescribed under the Act and the SEBI Listing Regulations. The Board of Directors of the Company as on 31st March, 2020 is as under:

Name	Designation / Category	No. of Directorships and Committee Memberships / Chairmanships in other Companies (excluding Pvt. Cos.)		
		Other Directorships	*Committee Memberships	*Committee Chairpersonships
Mr. Yogesh M. Kothari	Chairman & Managing Director (Promoter)	---	---	---
Mr. Dilip G. Piramal	Non-Executive Director (Independent)	Six	Two	---
Mr. Shyam B. Ghia	Non-Executive Director (Independent)	Two	Four	One
Mr. Shobhan M. Thakore	Non-Executive Director (Independent)	Six	Three	---
Mr. Premal N. Kapadia	Non-Executive Director (Non - Independent)	Two	One	---
Ms. Leja Hattiangadi	Non-Executive Director (Independent)	One	Two	One
Mr. Chandrashekhar R. Gupte	Non-Executive Director (Independent)	---	---	---
Mr. Kirat Patel	Executive Director	One	One	---
Mr. Suneet Kothari	Executive Director (Promoter)	---	---	---

*Membership/Chairmanships of Audit Committees and Stakeholders’ Relationship Committees.

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

Mr Suneet Kothari is son of Mr Yogesh Kothari

The shareholding of non-executive directors is given in this report. The Company has not issued any non-convertible instruments.

Weblink where details of familiarization programmes imparted to independent directors is disclosed: www.alkylamines.com

The Company has identified general experience in industry, corporate management, general management, experience in chemicals and specialty chemicals industry, finance, project execution, legal and general commercial expertise as the skills sets, expertise and competencies required in the context of Company’s business.

The Board of Directors comprises of professionals of eminence and stature from diverse fields as stated below and they collectively bring to the fore a wide range of skills and experience to the Board, which elevates the quality of the Board’s decision making process

Name of Director	Expertise in specific functional areas	Names of listed entities where other Directorships held	Category of Directorship
Mr. Yogesh M. Kothari	Industrialist, Chemical Industry, Corporate Management	NIL	NA
Mr. Shyam B. Ghia	Vast experience in Industry and Corporate Management	Futura Polyesters Limited; Sonata Software Limited;	Executive : Independent;
Mr. Shobhan M. Thakore	Solicitor and Legal	Bharat Forge Limited; Prism Johnson Limited; Sharda Cropchem Limited	Independent
Mr. Dilip G. Piramal	Industrialist and Corporate Management	VIP Industries Limited; KEC International Limited	Executive; Independent
Mr. Premal N. Kapadia	Business management	Kaira Can Company Limited; The West Coast Paper Mills Limited	Non-Independent; Independent
Ms. Leja Hattiangadi	Engineering contracting business management	Artson Engineering Limited	Independent
Mr. Chandrashekhar R. Gupte**	Finance, Operations and General Management	NIL	NA
Mr. Kirat Patel	Finance, Operations and General Management	Kaira Can Company Limited	Non-Independent
Mr. Suneet Kothari	Marketing and Business Management	NIL	NA

The Board confirms that Independent Directors fulfil the conditions specified in Listing Regulations and they are independent of management.

ii) Meetings and Attendance record of each Director:

The Company held four Board Meetings during the financial year 2019-20 and the gap between any two Board Meetings did not exceed one hundred and twenty days. These meetings were held on 21.05.2019, 06.08.2019, 06.11.2019 and 06.02.2020. The attendance record of all the Directors at the Board Meetings and the last Annual General Meeting between 01.04.2019 to 31.03.2020 is as under:-

Name	No. of Board Meetings held	No. of Board Meetings attended	Attended last AGM
Mr. Yogesh M. Kothari	Four	Four	Yes
Mr. Hemendra M. Kothari*	Four	One	No
Mr. Shyam B. Ghia	Four	Four	Yes
Mr. Shobhan M. Thakore	Four	Four	Yes
Mr. Dilip G. Piramal	Four	Four	No
Mr. Premal N. Kapadia	Four	Four	No
Ms. Leja Hattiangadi	Four	Four	Yes
Mr. Chandrashekhar R.Gupte**	Four	Four	Yes
Mr. Kirat Patel	Four	Four	Yes
Mr. Suneet Kothari	Four	Three	Yes

* Resigned w.e.f. May 21, 2019

** Appointed w.e.f. May 21, 2019

3. COMMITTEES OF THE BOARD OF DIRECTORS

i) Audit Committee

The Company has an Audit Committee of the Board of Directors since April 2000. The Audit Committee comprises of Five Directors, i.e., Mr. Shyam B. Ghia (Chairman), Mr. Shobhan M. Thakore, Ms Leja Hattiangadi and Mr. Chandrashekhar R. Gupte (all being Independent and Non-Executive Directors) and Mr. Premal N. Kapadia, Non-Executive Non-Independent Director.

The Committee met 4 times during the year 2019-20 on 21.05.2019, 06.08.2019, 06.11.2019 and 06.02.2020. The attendance of members at the Committees is as under:-

Name	No. of Audit Committee Meetings held	No. of Audit committee Meetings attended
Mr. Shyam B. Ghia	Four	Four
Mr. Premal N. Kapadia	Four	Four
Mr. Shobhan N. Thakore	Four	Four
Ms. Leja Hattiangadi	Four	Four
Mr. Chandrashekhar R. Gupte	Four	Three

The Company Secretary of the Company acts as Secretary to the Audit Committee. The Account & Finance Officials of the Company, Statutory Auditors and Internal Auditors also attended the meetings of Audit Committee.

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

ii) Nomination and Remuneration Committee of the Board

- a) The Company has constituted a Nomination and Remuneration Committee of Directors, consisting of Mr. S.B. Ghia, Chairman, Mr. Dilip G. Piramal and Mr. S.M. Thakore who have been the Independent Non-Executive Directors. The Company Secretary of the Company acts as Secretary to the Committee. The terms of reference of the Committee include review and recommendation to the board of directors of the remuneration paid to the directors. The Committee meets as and when required to consider and recommend the appointment and remuneration of Directors and such other relevant matter as may be referred to it. The Committee met two times in the financial year 2019-20 on May 21, 2019 and November 6, 2019. The Committee has formed a remuneration policy, which is available on the Company's website. The attendance of the members at the meetings was as under:

Name	No. of NR Committee Meetings held	No. of NR Committee Meetings attended
Mr. Shyam B. Ghia	Two	Two
Mr. Dilip G Piramal	Two	Two
Mr. Shobhan N. Thakore	Two	Two

b) Performance evaluation criteria for directors:

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

c) Remuneration of Directors:

Remuneration paid/payable to the Directors for the year from 1.4.2019 to 31.3.2020 is given below:

(Rs. in lakhs)

Name	Remuneration	Sitting Fee (Gross)	Commission*	Total
Mr. Yogesh M. Kothari	232.37	-	942.18	1,174.55
Mr. Hemendra M. Kothari*	-	0.20	5.36	5.56
Mr. Shyam B. Ghia	-	2.24	39.15	41.39
Mr. Shobhan M. Thakore	-	2.26	39.15	41.41
Mr. Dilip G. Piramal	-	1.40	39.15	40.55
Mr. Premal N. Kapadia	-	1.60	39.15	40.75
Ms. Leja Hattiangadi	-	2.00	39.15	41.15
Mr. Chandrashekhar R. Gupte	-	1.60	33.79	35.39
Mr. Kirat Patel	125.25	-	234.91	360.16
Mr. Suneet Y. Kothari	118.13	-	234.91	353.04

* Resigned as Director w.e.f. May 21, 2019.

**Commission to Managing Director, Executive Directors and Non-Executive Directors will be paid after the financial statements are approved by the shareholders at the Annual General Meeting scheduled to be held on August 14, 2020.

Remuneration to Executive Directors includes salary and perquisites. The Company has not granted stock options to any Director.

The Managing Director and two Executive Directors of the Company have been appointed for a period of five years. Either party is entitled to terminate the appointment by giving six months' notice in writing to the other party.

iii) Stakeholders' Relationship Committee:

- The Stakeholders' Relationship Committee consists of Mr. Shobhan M. Thakore - Chairman, Mr. Shyam B. Ghia and Mr. Yogesh M. Kothari, whose terms of reference include approval of share transfers and overview of investor grievance handling system. The Company Secretary of the Company acts as Secretary to the Committee.
- The Committee held three meetings of during the year 2019-20 on 28.06.2019 30.09.2019 and 26.12.2019. Fourth meeting proposed to be held in last week of March, 2020 could not be held due to lockdown in country in wake of Covid -19 outbreak.
- The attendance of the members at the meetings is as under:

Name	No. of SRC Meetings held	No. of SRC Meetings Attended
Mr. Shobhan M. Thakore	Three	Three
Mr. Shyam B. Ghia	Three	Two
Mr. Yogesh M. Kothari	Three	Two

- Mr. Chintamani D. Thatte, General Manager (Secretarial) and Company Secretary is the Compliance Officer.
- No. of shareholder complaints received during 2019-20

Relating to non-receipt of annual report	: 0
Relating to non-receipt of share certificates / Dividend	: 5
Relating to transmission of shares	: 0
Others - Transfer of shares	: 2
- No. of shareholder complaints not solved to the satisfaction of the shareholders:

Relating to non-receipt of annual report	: None
Relating to non-receipt of share certificates / Dividend	: None
Relating to transmission of shares	: None
Others	: None
- No. of pending share transfers as on 31.03.2020 : None

iv) Finance Committee:

The Company also has a Finance Committee of Directors to consider finance related decisions, consisting of Mr. Y. M. Kothari, Chairman, Mr. Kirat Patel and Mr. Shobhan M. Thakore. The Committee meets as and when required. No meetings of the Committee were held during the current financial year,

v) Corporate Social Responsibility Committee:

In accordance with Section 135 of the Companies Act, 2013 the Board of Directors of the Company has formed a Corporate Social Responsibility Committee (CSR Committee), consisting of Mr. Yogesh M. Kothari, Chairman, Ms. Leja Hattiangadi and Mr. Kirat Patel. During the year 2019-20, one Committee Meeting was held on 22.10.2019. Second meeting proposed to be held in last week of March, 2020 could not be held due to lockdown in country in wake of Covid -19 outbreak. The attendance of the members at the meeting is as under:

Name	No. of CSR Committee Meetings held	No. of CSR Committee Meetings attended
Mr. Yogesh M. Kothari	One	One
Ms. Leja Hattiangadi	One	One
Mr. Kirat M. Patel	One	One

vi) Risk Management Committee:

The Company has constituted the above Committee in this year in line with the SEBI Listing Regulations as it is in the list of top 500 listed companies in the country based on its market capitalisation for the immediately preceding financial year. The Committee consisting of Mr. Kirat Patel, Chairman, Mr. Suneet Y. Kothari, Executive Director and Mr. Rahul J. Mehta, Chief Financial Officer, as members. Risk Management Committee Meeting was held on 10.06.2020 and all the members were present at the meeting.

vii) INDEPENDENT DIRECTORS' MEETING:

A meeting of the Independent Directors of the Company was held on 06.02.2020, in conformity with the provisions of the Schedule IV of the Companies Act, 2013 and the SEBI (LODR) Regulations 2015.

All the Independent Directors were present at the meeting and have, inter - alia, discussed the following:

- i. Review the performance of Non - Independent Directors and the Board as a whole.
- ii. Review the performance of the chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- iii. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

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

5. GENERAL BODY MEETINGS:

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

No. of AGM	Venue	Date	Time
39th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra Special Resolutions were passed for appointment of Mr. Dilip G. Piramal, Mr. Shyam B Ghia, Mr. Shobhan M. Thakore, Ms. Leja Hattiangadi and Mr. Chandrashekhar R. Gupte as Independent Directors and for approval for continuation of payment of remuneration to Executive Directors who are the promoters as per Regulation 17(6)(e) of SEBI (LODR) Amendment Regulations, 2018.	August 6, 2019	2.30 P.M.

38th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra No Special Resolution was passed	July 31, 2018	2.30 P.M.
37th AGM	Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703, Maharashtra Special Resolution was passed for payment of commission to Directors other than the Managing Director and Executive Directors.	July 25, 2017	11:00 A.M.

- ii. During the year under review, no resolutions were passed by postal ballot as per provisions of Section 110 of the Companies Act, 2013.

At present there is no special resolution proposed to be conducted through postal ballot.

6. DISCLOSURES:

- i. There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large. Related Party Transaction policy is available on the website of the Company.
- ii. A list of transactions with related parties as per Accounting Standard AS-18 is mentioned in Note 33 to the Audited Accounts.
- iii. The Company paid fine of Rs 11,800/- (i.e. Rs 10,000 for fine plus Rs 1,800 for GST) each to BSE Limited and National Stock Exchange of India Limited as advised as per letters both dated March 11, 2020 for delay in furnishing prior intimation of the meeting of the Board of Directors as per provisions of Regulations 29(2)/29(3) of SEBI LODR Regulations. The Company's Board Meeting was scheduled to be held on February 6, 2020 for consideration of Financial Results for third quarter ending December 31, 2019 for which the Company had given the intimation to both Stock Exchanges in time as Listing Regulations. However, for consideration of declaration of Interim Dividend at the said Board Meeting, the SEBI LODR Regulations require that at least 2 days' advance intimation is given. The Company had given intimation to both the Stock Exchanges on 4th February, 2020 instead of the last date for intimation of 3rd February, 2020, resulting in delay by a day. The Company has placed the said matter before the Board of Directors at their meeting held on June 23, 2020.
- Except the above instance, no penalty/stricture was imposed on the Company by SEBI or any other authority, or any matter related to capital markets, during the last three years.
- iv. The Company has a whistleblower policy, which is available on the Company's website. The Company affirms that no personnel have been denied access to audit committee.
- v. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements: The Company has complied with all mandatory requirements of Corporate Governance. Adoption of non-mandatory requirements of the Listing Regulations is being reviewed from time to time.
- vi. The Company does not have any subsidiary.
- vii. During the year, the Company did not raise funds through preferential allotment or qualified institutional placement.
- viii. Mr. Prashant s. Mehta, Practising Company Secretary, has issued a certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being on the Board or continuing as Directors of companies by SEBI or Ministry of Corporate Affairs or any other statutory authority.
- ix. There is no recommendation of any Committees of the Board which has not been accepted by the Board of the Company during the financial year 2019-20.
- x. Fees for Statutory and Tax Audit paid by the Company on a consolidated basis to the Statutory Auditors are Rs. 22.00 lakhs. Certification fees paid to them are Rs. 3.50 lakhs. Out of pocket expenses paid to them Rs.1.57 lakhs.
- xi. In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Complaints Committees at its workplaces. No complaints have been received during the year 2019-20.
- xii. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Particulars	Regulation	Brief description of the Regulation	Compliance Status (Yes/ No/ N.A.)
1	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1),(2) &(3)	Composition of Risk Management Committee	Yes
		21(4)	Role of the Committee	Yes
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7	Related Party Transaction	23(1),(5),(6),(7) &(8)	Policy for Related Party Transaction	Yes
		23(2)&(3)	Approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions	N.A.
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	N.A.
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	N.A.
9	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarization of Independent Directors	Yes

Sr. No.	Particulars	Regulation	Brief description of the Regulation	Compliance Status (Yes/ No/ N.A.)
10	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarization programmes imparted to Independent Directors	Yes

7. MEANS OF COMMUNICATION:

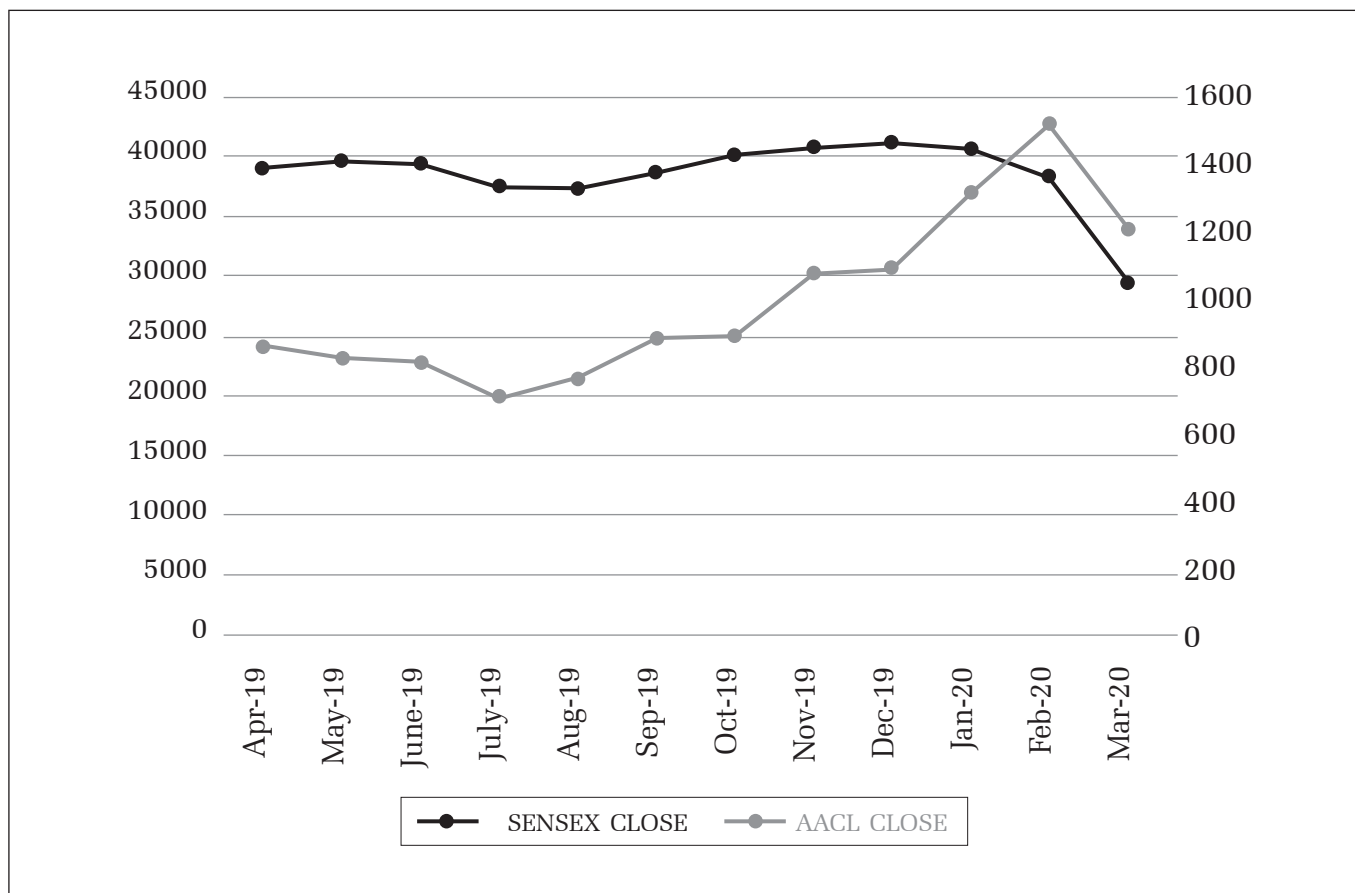
- i. Company publishes the financial results in National and Regional Newspapers like Economic Times and Maharashtra Times. Quarterly Results are also put on the Company's web-site, www.alkylamines.com
- ii. Management Discussion & Analysis forms part of Annual Report 2019-2020.

8. GENERAL SHAREHOLDER INFORMATION

- i) Annual General Meeting
 - Date : August 14, 2020 (Friday)
 - Time : 2:30 P.M.
 - Meeting will be held through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM')
- ii) Financial Year : April to March
- iii) Dates of Book Closure : 08.08.2020 to 14.08.2020 (Both days inclusive)
- iv) The equity shares of the Company are listed on the BSE Limited and National Stock Exchange of India Ltd. The Company has paid the Annual Listing Fees.
- v) Stock code. (BSE) : 506767
(NSE) : ALKYLAMINE
- vi) Market Price Data - High & Low at BSE and NSE of the equity shares of the Company during each month for the year 2019-2020 as compared to BSE Sensex/Nifty are as under:

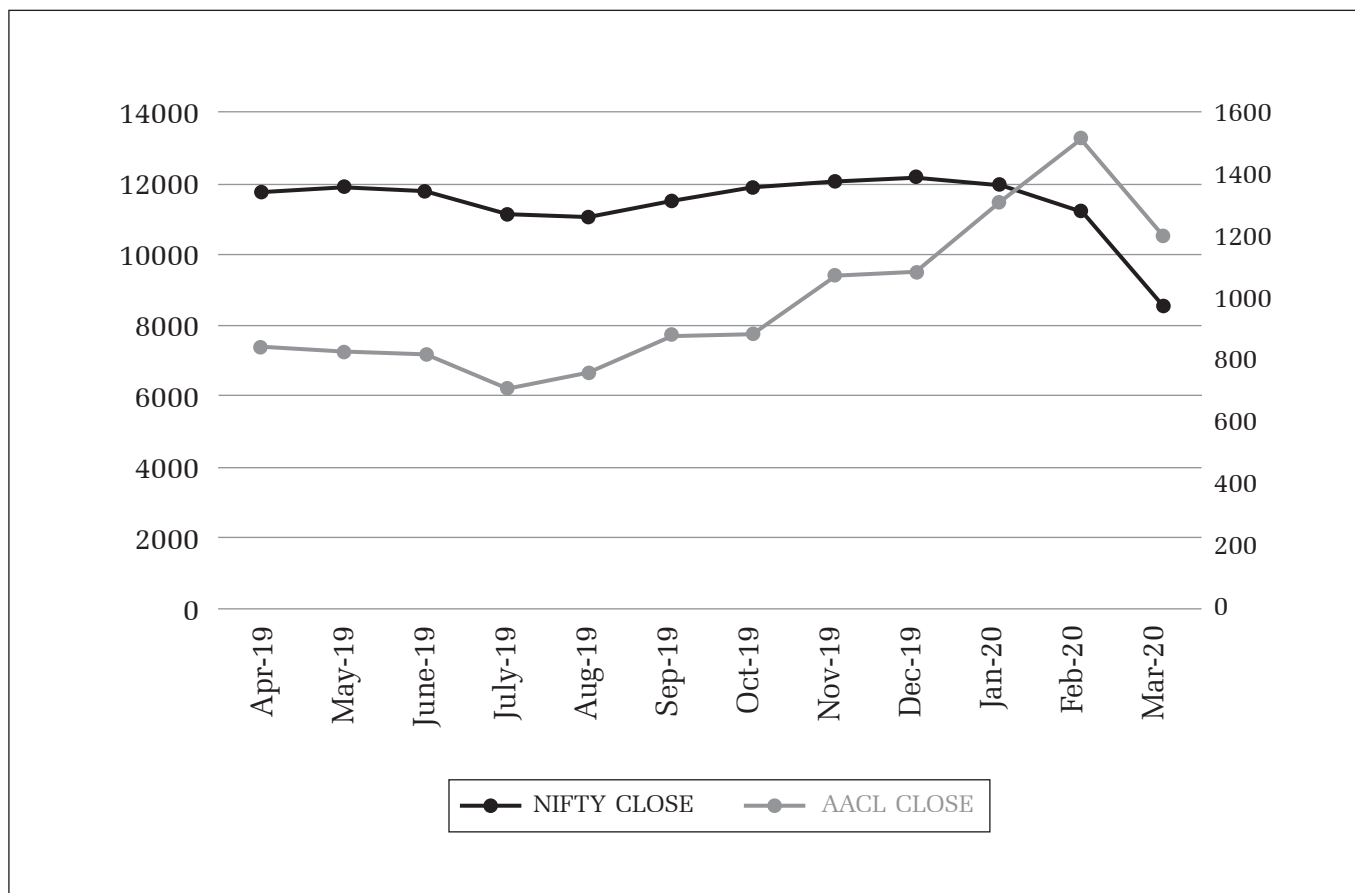
AACL Share Price on BSE vis-à-vis Sensex (April 2019 – March 2020)

Month	SENSEX	High	Low	AACL Close
Apr-2019	39031.55	910.00	819.00	854.45
May-2019	39714.20	880.00	774.85	820.00
Jun -2019	39394.64	865.50	786.00	815.05
July -2019	37481.12	850.00	691.60	708.40
Aug -2019	37332.79	835.20	660.00	760.50
Sept-2019	38667.33	889.95	740.55	879.00
Oct -2019	40129.05	939.50	827.05	887.25
Nov -2019	40793.81	1108.95	853.40	1073.95
Dec -2019	41253.74	1095.00	999.70	1086.75
Jan -2020	40723.49	1350.60	1090.25	1312.75
Feb -2020	38297.29	1811.00	1268.35	1513.35
Mar -2020	29468.49	1619.95	1030.00	1204.70



AACL Share Price on NSE vis-à-vis S&P CNX Nifty 50 (April 2019 – March 2020)

Month	Nifty	High	Low	AACL Close
Apr-19	11748.15	915.95	813.40	845.10
May-19	11922.80	880.00	770.00	827.25
Jun-19	11788.85	874.00	799.00	820.10
Jul-19	11118.00	848.00	692.55	713.25
Aug-19	11023.25	835.90	665.05	761.70
Sept-19	11474.45	897.00	762.70	879.90
Oct-19	11877.45	937.70	825.00	887.70
Nov-19	12056.05	1107.45	882.10	1071.70
Dec-19	12168.45	1098.00	1000.10	1085.00
Jan-20	11962.10	1349.90	1130.40	1312.75
Feb-20	11201.75	1810.05	1365.30	1511.15
Mar-20	8597.75	1555.00	1021.05	1203.30



9. Share Transfer System/ Dividend and other related matters :
a) Share Transfers

In term of SEBI Notification the Company shall transfer the shares w.e.f. April 1, 2019 only if they are held in demat form. This will however not be applicable to Transmission and Transposition of Shares. However, share transfers in physical form pending for a period prior to April 1, 2019 were processed and the share certificates were generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

b) Nomination facility for shareholding

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

c) Permanent Account Number (PAN)

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

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

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

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

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. During the year under the review, the Company has credited Rs. 3,69,844/- pertaining to the dividend for the year 2011-12, to the Investor Education and Protection Fund (IEPF) pursuant to section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001. The Company will, in September 2020 transfer to the said fund, the unclaimed dividend for the year ended March 31, 2013.

In conformity with the Investor Education and Protection Fund ('IEPF') Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the details of shares transferred to and refunded from IEPF are as under:

Particulars	Number of Shareholders	Number of Equity Shares
Shares lying in the IEPF Account as on 1.04.2019	604	83668
Shares transferred to IEPF Account during the year	0	0
Shares transferred from IEPF Account to the shareholder*	4	1576
Balance shares in IEPF Account as on 31.03.2020	600	82092

*Dividend for corresponding shares refunded by IEPF during the period ended 31.03.2020 is Rs. 13275/-

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies Rules, 2012), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 06/08/2019 (date of last Annual General Meeting) on the Company's website (www.alkylamines.com).

Financial Year	Date of Declaration	Rate of Dividend	Due date for transfer to IEPF
31.03.2013	07.08.2013	50%	13-09-2020
31.03.2014	07.08.2014	80%	13-09-2021
31.03.2015	07.07.2015	80%	13-08-2022
31.03.2016	09.03.2016	200%	15-04-2023
31.03.2017	25.07.2017	100%	30-08-2024
31.03.2018	31.07.2018	140%	06-09-2025
31.03.2019	06.08.2019	160%	12-09-2026

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

iii) Pending Investor Grievances

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

iv) Reconciliation of Share Capital Audit

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

10. Distribution of Shareholding as on 31st March, 2020:

Shareholding of Nominal Value (₹)	No. of Holders	% of Holders	Total Amount (₹)	% of Amt.
UPTO 5000	11926	95.06	8033665	7.88
5001 TO 10000	304	2.42	2197780	2.15
10001 TO 20000	135	1.08	1884675	1.85
20001 TO 30000	50	0.40	1283440	1.26
30001 TO 40000	28	0.22	986510	0.97
40001 TO 50000	14	0.11	648945	0.63
50001 TO 100000	45	0.36	3207870	3.15
100001 AND ABOVE	44	0.35	83739075	82.11
TOTAL	12546	100.00	101981960	100.00

a) Shareholding pattern as on March 31, 2020:

No.	Category of shareholders	No. of Shares held	% of share holding
01	I) Indian Promoters & Persons acting in concert	15108036	74.071
	II) Non-Resident Persons acting in concert	24752	0.121
	Sub-Total (A)	15132788	74.193
02	Mutual Funds & UTI	351028	1.721
03	Banks/Financial Institutions/ Insurance Cos., Central Govt./ State Govt. Institutions/Venture Capital Funds	210709	1.033
04	Foreign Portfolio Investors	136935	0.671
	Sub-Total (B)	698672	3.425
05	Private Corporate Bodies	360818	1.769
06	NRIs/OCBs	289800	1.421
07	Clearing members	71791	0.352
08	Indian Public	3842523	18.839
	Sub-Total (C)	4564932	22.381
	Total Share Capital (A+B+C)	20396392	100.000

b. Statement Showing Shareholding of More Than 1% of The Capital as on March 31, 2020:

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

c. Shareholding of Directors as on March 31, 2020

Sr. No.	Name	No. of Equity Shares held
1.	Mr. Yogesh M. Kothari	12206622
2.	Mr. Shyam B. Ghia	-----
3.	Mr. Shobhan M. Thakore	11080
4.	Mr. Dilip G. Piramal	----
5.	Mr. Premal N. Kapadia	-----
6.	Ms. Leja Hattiangadi	-----
7.	Mr. Chandrashekhar R. Gupte	20
8.	Mr. Kirat Patel	55000
9.	Mr. Suneet Y. Kothari	153324

11. Dematerialization of shares and liquidity:

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

Other details are as under:

Demat ISIN Number for Equity Shares of the Company in NSDL & CDSL	- INE150B01021
Total No. of Shares as on 31.03.2020	- 20396392 Shares
Total No. of shares dematerialised upto 31.03.2020	- 20004112 Shares
Percentage to total paid up capital	- 98.08%

12. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity: Nil
13. Commodity price risk or foreign exchange risk and hedging activities:

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

14. Disclosure of commodity price risks and commodity hedging activities:

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

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

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

15. Credit Rating:

The Company has received Credit Rating of A+/Stable from Crisil Limited for working capital facilities as well as External Commercial Borrowings. There has been no revision in the said rating during the year.

16. Equity Shares in the Suspense Account

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

Particulars	Number of Shareholders	Number of Equity Shares
Number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2019	360	22834
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account upto 31.03.2020	2	34
Number of Shareholders and the outstanding shares in the suspense account lying as on 31.03.2020	358	22800

17. Other Disclosures:

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

18. Plant locations:

Patalganga Plant : A-7/A-25 MIDC, Patalganga Industrial Area, Village Kaire, Taluka Khalapur, Dist. Raigad - 410220, Maharashtra.

Kurkumbh Plant: D-6/1 & D-6/2, MIDC, Kurkumbh Industrial Area, Taluka Daund, Dist. Pune – 413802, Maharashtra.

Bhoom Solar Plant: Survey Nos. 179/2, 180/2 and 180/3, Bhoom Gramin, Taluka Bhoom, Dist. Osmanabad - 413504, Maharashtra.

Dahej Plant: Plot No. D-2/CH/149/2 and D-2/CH/149/1/2, Dahej – 2 Industrial Estate, Taluka Vagra, Dist. Bharuch – 392110, Gujarat.

19. Address for correspondence:

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

20. Company's Registrar & Share transfer Agents : -

SHAREX DYNAMIC (INDIA) PVT. LTD.
C-101, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai - 400 083
Tel No.: +91 22 2851 644 / 5606 | Fax : + 91 22 2851 2885
Email : support@sharexindia.com | Website : www.sharexindia.com

21. Code of Conduct:

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

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 all member of the Board of Directors and Senior Management Personnel have affirmed compliance with Company's Code of Conduct for the year ended March 31, 2020.

For **ALKYL AMINES CHEMICALS LTD.**,

YOGESH M. KOTHARI
CHAIRMAN & MANAGING DIRECTOR

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
Alkyl Amines Chemicals Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Alkyl Amines Chemicals Limited** having CIN L99999MH1979PLC021796 and having registered office at 401-407, NirmanVyapar Kendra, Plot no 10, Sector-17, Vashi Navi Mumbai - 400703 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 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 Director	DIN	Date of Appointment in the Company
1	YOGESH KOTHARI	00010015	17/10/1979
2	DILIP PIRAMAL	00032012	18/10/1980
3	SHYAM GHIA	00005264	18/10/1980
4	SHOBHAN THAKORE	00031788	19/04/1988
5	PREMAL KAPADIA	00042090	20/07/1999
6	KIRAT PATEL	00019239	17/12/1996
7	SUNEET KOTHARI	00021421	24/01/2007
8	LEJA HATTIANGADI	00198720	01/11/2018
9	CHANDRASHEKHAR GUPTE	00009815	21/05/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on this, 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 P Mehta & Associates.
Practising Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341
UDIN: A005814B000391881 (This UDIN is generated on June 28, 2020)

Date: June 23, 2020
Place: Mumbai



CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Alkyl Amines Chemicals Limited

I have examined the compliance of conditions of Corporate Governance by Alkyl Amines Chemicals Limited ('the Company'), for the financial year ended 31st March, 2020 as stipulated and as required under Regulation 15(2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company is generally in compliance with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, save and except as mentioned the matter in the Secretarial Audit Report.

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

For P Mehta & Associates.
Practising Company Secretaries

Prashant S Mehta
(Proprietor)
ACS No. 5814
C.P. No. 17341
UDIN: A005814B000391881 (This UDIN is generated on June 28, 2020)

Date: June 23, 2020
Place: Mumbai

ANNEXURE 6

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

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

I. REGISTRATION AND OTHER DETAILS	
CIN	L99999MH1979PLC021796
Registration Date	17th October 1979
Name of The Company	Alkyl Amines Chemicals Limited
Category / Sub-Category of the Company	Public Company Limited By Shares
Address of the Registered Office and Contact Details	401-407, Nirman Vyapar Kendra, Plot No.10, Sector 17, Vashi, Navi Mumbai - 400 703
Whether Listed Company	Yes
Name, Address and Contact Details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd. C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083 Contact details: email: support@sharexindia.com. , Tel No: +91 22 2851 5606, Fax: +91 22 2851 2885

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
All the Business activities contributing 10% or more of the total turnover of the Company shall be stated:		
Name and description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
Manufacture of organic and inorganic chemical compounds	20119	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES				
Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate of the Company	% of shares held	Applicable Section
Diamines and Chemicals Ltd.# Plot No. 13, PCC Area, P.O. Petrochemicals, Vadodara, Gujarat - 391346	L24110GJ1976PLC002905	Associate	30.44%	2(6)

#Ceased to be associate company w.e.f. November 18, 2019

IV. SHAREHOLDING PATTERN									
(i) Category-Wise Shareholding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	13197896	0	13197896	64.707	13197896	0	13197896	64.707	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	1910140	0	1910140	9.365	1910140	0	1910140	9.365	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	15108036	0	15108036	74.072	15108036	0	15108036	74.072	0
(2) Foreign									
a) NRIs - Individuals	24752	0	24752	0.121	24752	0	24752	0.121	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / FII	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	24752	0	24752	0.121	24752	0	24752	0.121	0
Total Shareholding of Promoters (A)=(A)(1)+(A)(2)	15132788	0	15132788	74.193	15132788	0	15132788	74.193	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	1300	0	1300	0.006	351028	0	351028	1.721	1.715
b) Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
c) Alternate Investment Funds	1336	0	1336	0.007	2470	0	2470	0.012	0.005
d) Foreign Venture Capital Investors	0	0	0	0.000	0	0	0	0.000	0.000
e) Foreign Portfolio Investor	121098	0	121098	0.594	136935	0	136935	0.671	0.078
f) Financial Institutions / Banks	19825	0	19825	0.097	4064	0	4064	0.020	-0.077
g) Insurance Companies	0	0	0	0.000	0	0	0	0.000	0.000
h) Provident Funds/ Pension Funds	0	0	0	0.000	0	0	0	0.000	0.000
i) Any Other (Specify)									
Sub Total (B)(1)	143559	0	143559	0.704	494497	0	494497	2.424	1.721
(2) Central Government / State Government(s)	83668	0	83668	0.410	82092	0	82092	0.402	-0.008
Sub Total (B)(2)	83668	0	83668	0.410	82092	0	82092	0.402	-0.008
(3) Non-Institutions									
a) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	2374801	440496	2815297	13.803	2621369	387536	3008905	14.752	0.949
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1123901	0	1123901	5.510	758053	0	758053	3.716	-1.794
b) NBFCs registered with RBI	0	0	0	0.000	200	0	200	0.001	0.001
c) Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.000	0	0	0	0.000	0.0000
d) Any Other (Specify)									
Independent Relatives Of Director	0	600	600	0.003	0	600	600	0.003	0.000
Hindu Undivided Family	212633	0	212633	1.042	125947	0	125947	0.617	-0.425
Non Resident Indians (Non Repat)	195852	0	195852	0.960	217899	0	217899	1.068	0.108
Non Resident Indians (Repat)	61357	1144	62501	0.306	70966	900	71866	0.352	0.046
Directors Relatives PAC	55000	0	55000	0.269	75000	0	75000	0.367	0.098
Clearing Member	5711	0	5711	0.028	18771	0	18771	0.092	0.064
Bodies Corporate	561638	3244	564882	2.769	406530	3244	409774	2.009	-0.760
Sub Total (B)(3)	4590893	445484	5036377	24.692	4294735	392280	4687015	22.979	-1.713
Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	4818120	445484	5263604	25.806	4871324	392280	5263604	25.806	0.000
Total (A)+(B)	19950908	445484	20396392	100.000	20004112	392280	20396392	100.000	0.000
(C) Non Promoter - Non Public									
(C1) Shares Underlying DRs									
(1) Custodian/DR Holder	0	0	0	0.000	0	0	0	0.000	0.000
(C2)Shares Held By Employee Trust									
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.000	0	0	0	0.000	0.000
Total (A)+(B)+(C)	19950908	445484	20396392	100.000	20004112	392280	20396392	100.000	0

(ii) Shareholding of Promoters								
Sr. No.	Share Holder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Yogesh Mathradas Kothari	12206622	59.847	0	12206622	59.847	0	0
2	Hemendra Mathradas Kothari	213400	1.046	0	213400	1.046	0	0
3	Nini Yogesh Kothari	507148	2.486	0	507148	2.486	0	0
4	Suneet Yogesh Kothari	153324	0.752	0	153324	0.752	0	0
5	Anjyko Investments Pvt. Ltd.	51700	0.253	0	51700	0.253	0	0
6	SYK Trading and Consultancy LLP	313308	1.536	0	313308	1.536	0	0
7	Purjeeko Trading and Consultancy LLP	764932	3.750	0	764932	3.750	0	0
8	Niyoko Trading and Consultancy LLP	780200	3.825	0	780200	3.825	0	0
9	Kunjalata N Shah	30002	0.147	0	30002	0.147	0	0
10	Aditi Kothari Desai	28336	0.139	0	28336	0.139	0	0
11	Shuchi Hemendra Kothari	28144	0.138	0	28144	0.138	0	0
12	Devangana Jayant Desai	30920	0.152	0	30920	0.152	0	0
13	Anjali Y. Kothari	24752	0.121	0	24752	0.121	0	0

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

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

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)						
For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
Kotak Small Cap Fund	0	0.000	261666	0	261666	1.283
Priti Vimal Chandaria	166700	0.817	0	0	166700	0.817
Gouri Bipin Mistry	157100	0.770	0	0	157100	0.770
Investor Education and Protection Fund (IEPF)	83668	0.410	0	1576	82092	0.402
Dolly Khanna	71827	0.352	0	7040	64787	0.317
HDFC Trustee Company Ltd. A/C HDFC Multi-Asset Fund	0	0.000	57990	0	57990	0.284
S. Shyam	195585	0.959	0	140284	55301	0.271
Govindlal M. Parikh	52787	0.259	0	0	52787	0.259
Amit M. Mehta	49266	0.242	0	0	49266	0.242
Alok Lodha	42131	0.207	0	2131	40000	0.196

Note: Top ten shareholders as on March 31, 2020 have been considered for the above disclosure.

(v) Shareholding of Directors and Key Managerial Personnel				
For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Mr. Yogesh M. Kothari	12206622	59.847	12206622	59.847
Mr. Suneet Y. Kothari	153324	0.752	153324	0.752
Mr. Hemendra M. Kothari*	213400	1.046	213400	1.046
Mr. Kirat M. Patel	55000	0.269	55000	0.269
Mr. Dilip G. Piramal	0	0	0	0
Mr. Shobhan M. Thakore	11080	0.054	11080	0.054
Mr. Shyam B. Ghia	0	0	0	0
Mr. Premal N. Kapadia	0	0	0	0
Ms. Leja Hattiangadi	0	0	0	0
Mr. Chandrashekhar R. Gupte**	20	0.000	20	0.000
Mr. Chintamani D. Thatte	0	0	0	0
Mr. Rahul J. Mehta	0	0	0	0

*Resigned as director w.e.f. May 21, 2019

**Appointed as director w.e.f. May 21, 2019

V. INDEBTEDNESS (₹ In lakhs)				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11309.06	1547.00	-	12856.06
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	71.24	-	-	71.24
Total (i+ii+iii)	11380.30	1547.00	-	12927.30
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	2844.94	1547.00	-	4391.94
Net Change	8535.35	-	-	8535.35
Indebtedness at the end of the financial year				
i) Principal Amount	8496.48	-	-	8496.48
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	38.87	-	-	38.87
Total (i+ii+iii)	8535.35	-	-	8535.35

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (₹ In lakhs)					
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:					
Sr. No.	Particulars of Remuneration	Mr. Yogesh M. Kothari	Mr. Kirat Patel	Mr. Suneet Kothari	Total
1	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	216.14	115.57	108.96	440.67
(b)	Value of perquisites under Section 17(2) of Income Tax Act, 1961	0.39	0.32	0.32	1.03
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Options	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission				
	- as % of profit	942.18	234.91	234.91	1412.00
	- others, specify	Nil	Nil	Nil	Nil
5	Others (Company contribution towards PF, Medical Reimbursement)	15.84	9.36	8.85	34.05
	Total (A)	1,174.55	360.16	353.04	1,887.75

B. Remuneration to other Directors:							
1. Independent Directors							
Sr. No.	Particulars of Remuneration	Name of Director					Total Amount (₹ In lakhs)
		Mr. Shyam B. Ghia	Mr. Shobhan M. Thakore	Mr. Dilip G. Piramal	Ms. Leja Hattiangadi	Mr. Chandrashekhar R. Gupte (Appointed w.e.f. May 21, 2019)	
1	- Fee for attending Board / Committee Meetings	2.24	2.26	1.40	2.00	1.60	9.50
2	- Commission	39.15	39.15	39.15	39.15	33.79	190.39
3	- Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	41.39	41.41	40.55	41.15	35.39	199.89

2. Other Non-Executive Directors				
Sr. No.	Particulars of Remuneration	Mr. Hemendra Kothari	Mr. Premal N. Kapadia	Total Amount (₹ In lakhs)
1	- Fee for attending Board/Committee Meetings	0.20	1.60	1.80
	- Commission	5.36	39.15	44.51
	- Others, please specify		Nil	Nil
	Total (2)	5.56	40.75	46.31
	Total (B)=(1+2)			246.20

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD					
Sr. No.	Particulars of Remuneration		Mr. Chintamani D. Thatte, Company Secretary (with effect from 30.01.2019)	Mr. Rahul J. Mehta, Chief Financial Officer	Total Amount (₹ In lakhs)
1	Gross Salary				
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	LEFT	27.69	40.26	67.95
(b)	Value of perquisites under Section 17(2) of Income Tax Act, 1961	BLANK	Nil	Nil	Nil
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	INTENTIONALLY	Nil	Nil	Nil
2	Stock Options	DUE TO	Nil	Nil	Nil
3	Sweat Equity	FORMATTING ISSUES	Nil	Nil	Nil
4	Commission				
	- as % of profit		Nil	Nil	Nil
	- others, specify		Nil	Nil	Nil
5	Others, please specify (LTA, PF & Gratuity)		1.58	3.17	4.75
	Total		29.27	43.43	72.70

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

ANNEXURE 7

DIVIDEND DISTRIBUTION POLICY

1. SCOPE AND OBJECTIVE

As per Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the top 500 listed companies, based on market capitalisation as at the end of every financial year, are required to formulate and adopt a Dividend Distribution Policy to govern various aspects pertaining to distribution of dividend.

In accordance with this requirement, the Board of Directors (the Board) of Alkyl Amines Chemicals Limited (the Company) has approved this Dividend Distribution Policy (the Policy) on February 6, 2020.

The objective of this Policy is to provide the policy framework for declaration and payment of dividend in the best interests of the shareholders and the Company.

This policy will be applicable to interim and final dividend payouts by the Company.

The Dividend shall be declared and paid in accordance with the provisions of Companies Act, 2013, relevant rules thereunder and any other law for the time being applicable for declaration and payment of Dividend.

2. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board may decide not to declare or recommend dividend to the shareholders:

- a) due to restrictions under any other law in force;
- b) if the Board is of the view that it would be prudent to conserve the capital for the ongoing or planned business expansion;
- c) any other factors or circumstance in which the Board does not deem it expedient to recommend any dividend.

The Board of Directors while determining the dividend to be declared or recommended shall take into consideration advice of senior management executives.

3. PARAMETERS TO BE CONSIDERED BEFORE DECLARING DIVIDEND

Internal Factors:

The Board shall take into account various relevant internal factors including financial parameters while declaring dividend, which inter alia may include the –

- Profits earned during the year and availability of retained earnings with the company
- Cash flow and liquidity position of the company
- Opportunities for investment of the funds of the Company for future growth
- Expected future capital requirements
- Any other relevant factors

External Factors:

The Board of Directors of the Company would consider the state of the capital markets, prevailing economic conditions, statutory and regulatory requirements/changes, the tax laws and technological changes that may require new investments.

4. UTILISATION OF RETAINED EARNINGS

The Board of Directors may approve utilization of retained earnings for future growth and expansion plans of the Company. The Board shall endeavor to utilize the retained earnings considering the balanced interest of Company and its shareholders.

5. PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of shares i.e. Equity Shares. If and when the Company decides to issue other class of shares, parameters for dividend declaration for the same will be as per respective terms of issue and in accordance with applicable regulations.

6. AMENDMENT

The Board may from time to time make any change in, or amendment to this policy as may be required.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L99999MH1979PLC021796
2.	Name of the Company	ALKYL AMINES CHEMICALS LIMITED
3.	Registered address	401-407 Nirman Vyapar Kendra, Sector 17, Vashi, Navi Mumbai 400703
4.	Website	www.alkylamines.com
5.	E-mail ID	legal@alkylamines.com
6.	Financial Year reported	Year ended March 31, 2020
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of Organic and Inorganic Chemicals Compounds – NIC 20119
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	A) Amines & Amine Derivatives B) Other Specialty Chemicals C) Industrial Gases
9.	Total number of locations where business activity is undertaken by the Company	a) The Company has mainly exported its products to nearly 10 countries including Philippines, USA, Israel, Norway, Spain, UK, Switzerland, Belgium, Malaysia, Middle East countries b) The company has its primary presence in Maharashtra with its Registered Office at Vashi, Navi Mumbai, Corporate Office at Worli and factories at Patalganga and Kurkumbh In Maharashtra and Dahej in Gujarat. The Company has its R&D Centre in Pune and its Solar Plant at Bhoom, Maharashtra.
10.	Markets Served by the Company: Local/ State/ National/ International	Pan India and International Markets

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	Rs.1019.82 lakhs
2.	Total Turnover (INR)	Rs.999.89 crores
3.	Total profit after taxes (INR)	Rs. 215.28 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2% This is detailed in the Annual Report of CSR Activities in Annexure 3 to Directors' Report
5.	List of activities in which expenditure in 4 above has been incurred:- (a) . (b) . (c) .	a) Environment Sustainability & Rural development b) Health & Women Power Development c) Education & Sports d) Others allowed by law

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Not Applicable

SECTION D: BR INFORMATION

1.	Details of Director/Directors responsible for BR: (a) Details of the Director/Director responsible for implementation of the BR policy/policies (b) Details of the BR head	
	DIN Number	00010015
	Name	Yogesh M. Kothari
	Designation	Chairman & Managing Director
	Telephone No.	022-24931390
	E-mail ID	ymkothari@alkylamines.com

2. PRINCIPLE-WISE (AS PER NVGS) BR POLICY/POLICIES:

At Alkyl, Business Responsibility is guided by “National Voluntary Guidelines (NVGs) on Social, Environment and Economic Responsibilities of Business” released by Ministry of Corporate Affairs which articulates nine principles as below:

P1 - Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.

- P2 - Businesses should provide goods and services in a manner that is sustainable and safe
- P3 - Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4 - Businesses should respect the interests of and be responsive to all their stakeholders.
- P5 - Businesses should respect and promote human rights.
- P6 - Businesses should respect and make efforts to protect and restore the environment.
- P7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P8 - Businesses should promote inclusive growth and equitable development.
- P9 - Businesses should engage with and provide value to their consumers in a responsible manner.

(a) Details of compliances:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ethics	Product Quality	Employee wellbeing	Stakeholders interest	Human Rights	Environment	Public policy	CSR	Customer relations
1	Do you have a policy/ policies for	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Does the policy conform to any national / international standards? If yes, specify?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Most of the policies are aligned to various standards such as Responsible Care principles, together for Sustainability System, ISO 9001, ISO 14001, ISO 45001 and ISO 50001 system and meet regulatory requirements.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The mandatory Polices under the Indian laws and regulations have been adopted by the Board and signed by the Chairman & Managing Director. Other operational internal policies are approved by management and signed by the Managing Director/Executive Director/Senior executives								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Company has an Audit Committee, CSR Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Risk Management Committee to oversee implementation of respective policies. Besides, the Functional Heads are also authorized to oversee the implementation thereof.								
6.	Indicate the link for the policy to be viewed online?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Mandatory Policies viz. CSR Policy, Nomination and Remuneration, Insider Trading Policy, Related Transactions Policy, Dividend Distribution Policy and Code of Conduct are available at http://www.alkylamines.com . Other policies are available internally with the respective Department and also on internal network.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Policies are communicated to internal stakeholders and the same are available internally with the respective Department. Wherever required, the Polices are also communicated to external stakeholders and/or made available on the Company's website. Alkyl policy is displayed at entrance gate in English & local language.								
8.	Does the company have in-house structure to implement the policy/ policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Company has in-house structure to implement the policy/policies. We have SOP for this (IMS Manual --Annexure-V) Alkyl Policy Implementation Guidelines.								
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		Yes. The Company provides the redressal mechanism for all kinds of grievances.								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Policy relating to Quality, Environment, Health and Safety, Energy are evaluated internally (by ISO Internal audits-twice in year) as well as external ISO Audit (by authorized agencies --once in year). Other policies are evaluated internally or by respective Committees.								
(b)	If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)	Not Applicable								

3. GOVERNANCE RELATED TO BR:

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Chairman & Managing Director, the Executive Directors and the Functional Heads review the Business Responsibility performance of the Company during the monthly review meetings. The action points that emerge from the discussions at these meetings are recorded and implemented wherever necessary and reviewed in the subsequent meetings. Besides, the CSR Committee of the Board reviews the social performance of the Company periodically.

- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Business Responsibility Statement became applicable to the Company from April 2020. The Company publishes the information on Business Responsibility in the Annual Report of the Company. The Annual Report is available on the website of the Company – <http://www.alkylamines.com>

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.:

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company considers Corporate Governance as an integral part of good management. The Company strives to adhere to the highest standards of integrity and behavior and ensure compliance and adherence to law and internal policies through its compliance systems. The Board of Directors has also adopted a Code of Conduct (“Code”) and Vigil Mechanism (Whistle Blower Policy) which applies to the Directors, Key Managerial Personnel, Senior Management and other employees of the Company. The Company obtains an annual confirmation affirming compliance with the Code from the Directors, Key Managerial Personnel and the Senior Management employees every year.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has not received any complaint from any stakeholders relating to ethics, bribery and corruption during the financial year 2019-2020.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe:

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- (a) Amines and Amine Derivatives
- (b) Other Specialty Chemicals
- (c) Industrial Gases

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

The Company is committed to environment sustainability. It constantly works towards reduction and optimum utilization of energy, water, raw material, logistics, etc, by incorporating new technique and innovative ideas. For more details please refer to Annexure 2 of Directors Report.

Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Being a Responsible Care Company, the Company takes responsibility right from the time the raw materials are procured from suppliers until the finished goods are delivered to the Customers including the time the materials are in transportation.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company endeavors on protection of environment, stake holders interest and cost effectiveness while procuring any raw material or goods. The main raw materials such as alcohols, ammonia etc. are mainly procured from manufacturers /producers who are well reputed keeping in mind the need for quality and consistency. To further reduce the carbon footprint, the Company has also undertaken research and development activity to use recycled material by continuous process re-engineering. Adequate steps are taken for safety during transportation and optimization of logistics which in turn help to mitigate the impact on climate. The Company participates in developing Product Safety and Stewardship and Product Distribution Code as a part of initiative taken by Indian Chemical Council under Responsible Care Programme. The Company is also a member of Nicer Globe to ensure safety of material while under transportation. The Company continues to pursue its system of procurement under sustainable sourcing. We purchase only energy efficient machinery/products. Environmental concerns are being assessed during the process of Supplier Evaluation.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, as far as possible, the Company has taken steps to procure goods and services from local and small producers, including job workers and communities surrounding the place of work of the Company. The Company is providing training to improve capacity and capability of local and small vendors. The Company provides regular inputs and technical assistance in the form of imparting knowledge, training and process skills in order to upgrade their capacity and capabilities to maintain the quality. We have established specifications for required goods and services and communicated to vendors through Purchase orders, and established controls on them to check and delivered desire output.

- Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.

Yes. Mechanism is in place to ensure sale/reuse/recycle waste material, wherever possible. The Company’s ultimate aim is to reach zero-discharge of effluents.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

- Please indicate the Total number of employees.
As on 31.3.2020 total no. of employees: 547
- Please indicate the Total number of employees hired on temporary/contractual/casual basis.
As on 31.3.2020, total no. of employees on temporary/contractual/casual basis: 550
- Please indicate the Number of permanent women employees.
As on 31.3.2020, total no. of permanent women employees: 16
- Please indicate the Number of permanent employees with disabilities
As on 31.3.2020, total no. of permanent employees with disabilities: 1
- Do you have an employee association that is recognized by management: Yes
- What percentage of your permanent employees is members of this recognized employee association?
11%.
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No.of complaints filed during the Financial Year	No. of complaints pending as at the end of Financial Year
1	Child Labour/Forced Labour/Involuntary Labour	NIL	NIL
2	Sexual Harassment	NIL	NIL
3	Discriminatory Employment	NIL	NIL

- What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

S. No.	Employees Category	Employees imparted safety training	Employees imparted skill up-gradation training
1	Permanent Employees	100%	100%
2	Permanent Women Employees	100%	100%
3	Casual/Temporary/Contractual Employees	100%	100%
4	Employees with Disabilities	100%	100%

Principle 4: Businesses should respect the interests of and be responsive to all their stakeholders.:

- Has the company mapped its internal and external stakeholders? Yes/No:
Yes, the Company has mapped its internal and external stakeholders and carries out engagements with investors, employees, customers, suppliers, business partners, government and regulatory authorities, NGOs etc. We have documented in IMS the Needs & Expectations of Interested Parties (stakeholders) and established ALKYL mechanism to fulfill these requirements. (IMS Manual- Appendix-IX)
- Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.
Yes, the Company has identified marginalized and disadvantaged groups through need assessment and engagement with local communities. The marginalized and disadvantaged communities include economically deprived children and women, physically handicapped children, etc. who are in great need of care and protection.
- Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.
The Company goes beyond its business activities to create social impact through its diverse initiatives and is working towards improving lives of marginalized and vulnerable communities. We have taken initiatives in specific areas of social development.

We continuously strive to achieve total inclusiveness by encouraging people from all sections of the community irrespective of caste, creed or religion to benefit from our CSR initiatives which would also be focused around communities that reside in the proximity of our Company's various manufacturing locations in the country. For specific details, please refer to Report on Corporate Social Responsibility.

Principle 5: Business should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?

The Company remains committed to respect and protect human rights which are applicable to the Company. All aspects of the human rights are in built and covered under the Code of Business Conduct, POSH Policy as well in various human resource practices/policies

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the year under review the Company has not received any complaints regarding violation of human rights.

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

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others.

The Company does not have any Group Company. The Company strives to extend the policy to its Suppliers, Contractors etc.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes, the Company has devised various strategies and also takes initiatives on regular basis to address global environmental issues such as climate change, global warming, etc. by continuously improving processes which uses less utilities, and also encouraging tree plantation. Company also invested in Reverse Osmosis (RO) / Multi Effect Evaporation Plant (MEE) to recycle treated effluent in the process. The Company has a solar power plant which supplies cleaner power to company's plant at Kurkumbh. For more details, please refer Annexure 2 to our Directors Report.

3. Does the company identify and assess potential environmental risks? Y/N

The Company regularly identifies and assess potential environmental risks that is associated with it. In Environment management system, all sites (departments wise) have documented Environmental Aspects and Impact on Environment. All significant Aspects are targeted to reduce their impact within limits.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company had in the past implemented project related to Clean Development Mechanism. However, such projects are not undertaken during the year.

5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

The Company is continuously improving its environmental performance for its existing products and new products/processes are undertaken only after giving due weightage to technology to improve clean environment.

Energy Efficiency- We are certified for Energy management ISO 50001, Energy base line is monitored, Energy performance Indicators are measured. Only energy efficient equipment are purchased. Objectives are taken for reduction in energy consumption.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The Emissions/Waste generated by the Company are within the permissible limits given by CPCB/MPCB for the financial year under report.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

At the end of Financial Year 2019-20, there are no show cause notices pending to be resolved. Queries raised by the Government during the year have been resolved.

Principle 7: Businesses. when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is member of following chambers/associations:

- a) Indian Chemical Council;
 - b) IMC Chamber of Commerce and Industry;
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box):
- Yes, The Company supports the initiatives taken by above associations in their endeavor for the advancement or improvement of public good. The company invested to develop platform for safely movement of Hazardous Chemicals within the country through Nicer Globe.

Principle 8: Business should promote inclusive growth and equitable development:

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.
- The Company has taken a holistic approach towards the development of the deprived groups of the society. The details of the CSR projects undertaken by the Company are described in 'Annexure - 3' of Directors' Report - Annual Report on CSR activities.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?
- CSR programmes are implemented directly by the Company as well as through external agencies.
3. Have you done any impact assessment of your initiative?
- CSR Committee regularly reviews Company's CSR initiatives.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?
- During the year, the Company has spent Rs.2.05 crore towards various CSR activities. The project wise details are provided in 'Annexure - 3' of Boards' Report - Annual Report on CSR activities.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?
- Any project that comes up for CSR is first internally reviewed and assessed by the Management. If the Management is convinced of the project, it is put up to the CSR Committee for its consideration and approval. If the project is approved, it is tracked and the report are taken from time to time.

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

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?
- There were no customer complaints/consumer cases pending as at the end of Financial Year 2019-20.
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)
- Yes. The Company adheres to all the applicable statutory laws regarding product labeling and displays relevant information on product label.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof:
- There have been no cases in relation to unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five financial years and pending as on end of financial year 2019-20.
4. Did your company carry out any consumer survey/ consumer satisfaction trends?
- Yes, Customer Satisfaction Surveys are being conducted for feedback and for betterment of the products and improving delivery mechanism. We take care of changing / additional requirements of customers from their feedback and align them appropriately by continual improvements.

For and on behalf of the Board

Yogesh M. Kothari
Chairman & Managing Director

Place: Mumbai

Date: June 23, 2020.

INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial Statements of Alkyl Amines Chemicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Change in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view, in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, its cashflows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI), together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Sr.No.	Key Audit Matter	Auditor Response
1	<p>Litigations - Contingencies</p> <p>The Company has litigations in respect of certain income tax matters. In this regard, the Company has recognised provisions and has disclosed contingent liabilities as at March 31, 2020.</p> <p>Significant management judgement is required to assess these matters and to determine the probability of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. Where considered relevant, the management judgement is also supported with legal advice in these cases.</p> <p>We focused on this area as the ultimate outcome of matters are uncertain and the positions taken by the management are based on the application of judgement, related expert advice including those relating to interpretation of laws and regulations.</p> <p>Refer to Note 27 to the Standalone Financial Statements.</p>	<p>Audit Procedures</p> <p>Our audit procedures involved the following:</p> <ul style="list-style-type: none"> • testing the effectiveness of controls around the recording and re-assessment of contingent liabilities; • discussing with management the status and recent developments of these matters, including their views on the likely outcome of each litigation and claim; • performing our assessment of the underlying calculations supporting the provisions or other disclosures made in the standalone financial statements; • evaluating the management's assessment of these matters and monitoring changes in the disputes with reference to subsequent orders passed and by way of discussion with the tax consultant, where relevant, in order to establish the appropriateness of the provisions / disclosures; • evaluating management's assessment of the matters that are not disclosed, as the probability of material outflow is considered to be remote by the management; and • assessing the adequacy of the Company's disclosures.

Sr.No.	Key Audit Matter	Auditor Response
2	<p>Inventory Valuation</p> <p>Due to the lockdown imposed by the Government on account of COVID-19, it was not possible for us to carry out the physical verification of inventories as at March 31, 2020.</p> <p>However the management duly conducted the physical inventory counting internally as at the year end and provided to us certified physical counting sheets for all the locations for the purpose of Inventory Valuation.</p> <p>We determined the above area as a Key Audit Matter due to the materiality of the inventory figure appearing in the Standalone Financial Statements.</p>	<p>Audit Procedures</p> <p>Our audit procedures involved the following:</p> <ul style="list-style-type: none"> • performing alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventory; • obtaining and evaluating the adequacy of the inventory physical verification instructions prepared and issued by the management to determine if the instructions provided were appropriate and comprehensive; • evaluating the control design in respect of the inventory verification process; • testing the effectiveness of controls around the recording of inventory during the period of the audit; • ensuring that such controls encompass the processes around purchase and sales which eventually impact the stock balance held at the end of the reporting period; • verifying the documentation supporting purchases and subsequent sale of inventory items on a sample basis; • ascertaining that these procedures indirectly provide evidence that stock balance which was not physically verified actually existed as on the date to enable subsequent sales and indirectly support and corroborate the assertion of existence; • where the Company has inventory under the custody and control of a third party, obtaining direct confirmations from the respective third parties; and • obtaining audit evidence regarding the location and condition of the inventory, including documentary records about purchases/sales in case of inventories in transit.
3	<p>Provision for Expected Credit Losses (ECL) of trade receivables</p> <p>The Company determines the provision for credit losses based on the Company's historical observed default rates which are negligible over the years. The Company considered current and anticipated future economic conditions relating to industries the Company deals with, to calibrate the provision matrix to adjust the historical credit loss experience with forward-looking information. While determining expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.</p> <p>We focused on this area as the Company has exercised significant judgement in determining the ECL and accordingly has not provided for any such allowance for the credit losses as at the balance sheet date.</p> <p>Refer to Note 2(g) to the Standalone Financial Statements.</p>	<p>Audit Procedures</p> <p>Our audit procedures involved the following:</p> <ul style="list-style-type: none"> • testing the effectiveness of controls over the development of the methodology for the Provision for expected credit losses; • discussing with management about their consideration of the current and estimated future economic conditions; • evaluating the completeness and accuracy of information used in the estimation of probability of default by the customers; • performing our assessment of the past experience supporting the non-provisioning or other disclosures made in the standalone financial statements; • verifying subsequent collection from the customers after the balance sheet date, with respect to the outstanding trade receivables, in order to establish the appropriateness for not making the provisions; and • assessing the adequacy of the Company's disclosures.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report on Corporate Governance, Shareholder information and Management Discussion and Analysis,

Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements, and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise, appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibility for the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an 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 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 standalone 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period 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 Matter

Due to the COVID-19 pandemic and the resultant lockdown and other restrictions imposed by the Government and local authorities, the audit processes were carried out based on the remote access to the records and documents which were made available by the management through digital medium.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income, Cash Flow Statement and Statement of Change in Equity, dealt with by this Report, are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 27 to the standalone financial statements;
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 read with Schedule V of the Act.
3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India, in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order.

For N. M. Raiji & Co.
Chartered Accountants
Firm's Registration Number: 108296W

Vinay D. Balse
Partner
Membership Number: 39434
UDIN : 20039434AAAABW1070

Place : Mumbai
Date : June 23, 2020

ANNEXURE “A”

TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ALKYL AMINES CHEMICALS LIMITED

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

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

We have audited the Internal Financial Controls over financial reporting of Alkyl Amines Chemical Limited (“the Company”) as at March 31, 2020, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N. M. Raiji & Co.
Chartered Accountants
Firm's Registration Number: 108296W

Vinay D. Balse
Partner
Membership Number: 039434
UDIN: 20039434AAAAABW1070

Place: Mumbai
Date: June 23, 2020

ANNEXURE - B**TO THE INDEPENDENT AUDITORS' REPORT
OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ALKYL AMINES CHEMICALS LIMITED****(Referred to in Paragraph 3 under the heading of
“Report on Other Legal and Regulatory Requirements” of our report of even date)**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment (PPE).
- (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain PPE were physically verified by the management during the year. According to the information and explanations given to us, discrepancies noticed on physical verification of assets were not material and the same have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the records provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed under Right to Use of Asset in the standalone financial statements, the lease agreements are in the name of the Company except in the case of leasehold land situated at Kurkumbh, Plot No. D-6/2 taken on lease from Maharashtra Industrial Development Corporation for which lease deed is yet to be executed.
- ii. Inventories, other than stocks in transit and inventories lying with third parties, have been physically verified during the year by the Management. In respect of Company's inventories with third parties, physical verification has been carried out. In respect of stock in transit at the year end, the necessary documentary evidences have been obtained. In our opinion, the frequency of verification is reasonable. Discrepancies noticed on physical verification of stocks were not material and the same have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the "Act"). Consequently, sub-clauses (a), (b) & (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments made. The Company has not granted any loans or provided guarantees and securities. Consequently, clause (iv) of paragraph 3 of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year. Consequently, clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company, pursuant to the Companies (Cost Records and Audit) Rules, 2014, as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of account, in respect of statutory dues:
 - (a) the Company has been generally regular in depositing with the appropriate authorities undisputed statutory dues, including Provident Fund, Employees' state insurance, Income-tax, Customs Duty, Goods and Service Tax, Cess and other statutory dues, wherever applicable. There were no undisputed amounts payable in respect of the above statutory dues in arrears as at 31st March, 2020, for a period of more than six months from the date they became payable, except in the case of electricity duty (on captive power generated) in Kurkumbh, aggregating Rs. 236.29lakhs (previous year - Rs. 168.61 lakhs) with the appropriate authorities

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

Nature of Statute	Nature of Dues	Amount (Rs. In lakhs)	Period	Forum where dispute is pending	Remarks
Income Tax Act, 1961	Disallowance Of Expenditure/ Deductions	144.10	AY 2004-2005 AY 2007-2008 AY 2009-2010 AY 2010-2011 AY 2011-2012 AY 2012-2013 AY 2013-2014 AY 2018-2019	The Assessing Officer	Amount of Deposit Rs. 131.16 lakhs
Income Tax Act, 1961	Income Tax & Interest	65.28	AY 2003-2004 AY 2009-2010 AY 2011-2012	CIT (Appeals)	Amount of Deposit Rs. 10.62 lakhs
Central Excise Act, 1944	Dispute relating to Cenvat Credit (Interest and Penalty)	914.40	FY 2002-2003 to 2010-2011	Customs, Excise and Service Tax Appellate tribunal	Amount of Deposit Rs. 21.07 lakhs

Except for the above, there are no dues in respect of income-tax, customs duty, goods and service tax and cess, which have not been deposited with the appropriate authorities on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions or banks. The Company has not raised any monies from Government or Financial Institutions and does not have any outstanding debentures.
- ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which it was obtained.
- x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Consequently, clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable, and corresponding details have been disclosed in the standalone financial Statements, as required by the applicable Indian accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Consequently, requirement under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable. Consequently, requirement under clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. To the best of our knowledge and belief, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For N. M. Raiji & Co.
Chartered Accountants
Firm's Registration Number: 108296W

Place: Mumbai
Date: June 23, 2020

Vinay D. Balse
Partner
Membership Number: 039434
UDIN: 20039434AAAAABW1070

STANDALONE BALANCE SHEET AS AT MARCH 31, 2020

Rs. In Lakhs

Particulars	Note	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	39,224.45	37,551.58
(b) Capital Work-In-Progress	3	4,488.06	4,315.18
(c) Right of Use- Lease assets	4	2,966.40	-
(d) Intangible Assets	3	157.04	91.16
(e) Financial Assets			
i) Investments	5	-	144.11
ii) Loans	6A	42.28	45.55
iii) Other Financial Assets	6B	252.77	285.85
(f) Non-Current Tax Asset (Net)	7C	445.18	356.97
(g) Other Non-Current Assets	7A	1,347.64	858.14
		<u>48,923.82</u>	<u>43,648.54</u>
Current Assets			
(a) Inventories	8	8,366.54	10,569.29
(b) Financial Assets			
i) Trade Receivables	9	16,422.15	15,263.39
ii) Cash and Cash Equivalents	10	3,123.86	1,933.91
iii) Other Bank Balances	10A	102.58	83.52
iv) Loans	6C	23.46	19.72
v) Other Financial Assets	6D	791.79	202.40
(c) Other Current Assets	7B	584.22	3,131.43
		<u>29,414.60</u>	<u>31,203.66</u>
TOTAL ASSETS		<u>78,338.42</u>	<u>74,852.20</u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	11	1,020.60	1,020.60
(b) Other Equity	12	52,639.06	35,478.71
		<u>53,659.66</u>	<u>36,499.31</u>
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings			
- Secured Borrowings	13A	4,752.02	7,775.37
- Unsecured Borrowings	13B	41.46	129.37
(ii) Lease Liability			
	13E	62.17	-
(b) Provisions	16A	278.11	186.30
(c) Deferred Tax Liabilities (Net)	14	4,036.27	5,066.31
(d) Liabilities for Tax (Net)	18	127.47	419.38
		<u>9,297.50</u>	<u>13,576.73</u>
Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings			
- Secured Borrowings	13C	3.87	3,508.32
- Unsecured Borrowings	13D	-	1,547.00
(ii) Lease Liability			
	13E	5.63	-
(iii) Trade Payables			
Total outstanding dues of Micro Enterprises and Small Enterprises		31.70	58.88
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		7,045.79	12,340.14
(iv) Other Financial Liabilities	15B	7,390.46	6,295.42
(b) Other Current Liabilities	17	341.11	560.29
(c) Provisions	16B	562.70	466.11
		<u>15,381.26</u>	<u>24,776.16</u>
TOTAL EQUITY AND LIABILITIES		<u>78,338.42</u>	<u>74,852.20</u>
Notes (Including Significant Accounting Policies and Critical Judgements, Estimates and Assumptions) forming part of the Financial Statements	1-45		

As per our Report of even date attached

For and on behalf of the Board of Directors

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

 YOGESH M. KOTHARI
 Chairman and Managing Director

 VINAY D. BALSE
 Partner
 Membership No. 39434

 RAHUL J. MEHTA
 Chief Financial Officer

 CHINTAMANI D. THATTE
 General Manager
 (Secretarial) and
 Company Secretary

 KIRAT PATEL
 Executive Director

 Place : MUMBAI
 Dated : JUNE 23, 2020

 Place : MUMBAI
 Dated : JUNE 23, 2020

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Rs. In Lakhs

Particulars	Note	For the Year ended March 31, 2020	For the Year ended March 31, 2019
I Revenue from Operations	19	99,287.76	84,640.09
II Other Income	20	701.16	394.75
III Total Income (I + II)		99,988.92	85,034.84
IV EXPENSES			
(a) Cost of Materials Consumed	21	47,621.68	48,176.61
(b) Changes in Inventories of Finished Goods and Work-In-Progress	22	827.78	(2,089.41)
(c) Employee Benefits Expense	23	6,964.15	5,277.90
(d) Finance Costs	24	1,025.39	1,476.66
(e) Depreciation and Amortisation Expense	25	2,690.98	2,333.68
(f) Other Expenses	26	18,172.17	16,839.91
Total Expenses (IV)		77,302.15	72,015.35
V Profit before Exceptional Items and Tax (III-IV)			13,019.49
VI Exceptional Items (Refer Note 42)		3,284.16	-
VII Profit before tax (V+VI)		25,970.93	13,019.49
VIII Tax Expenses			
(a) Current Tax		5,403.55	3,619.81
(b) Deferred Tax		(1,030.04)	1,017.91
(c) Tax Adjustments of Earlier Years		69.30	7.32
Total Tax Expenses (VIII)		4,442.81	4,645.04
IX Profit After Tax (VII- VIII)		21,528.12	8,374.45
X Other Comprehensive Income / (Expense)			
(a) Items that will not be reclassified to profit or loss:			
(i) Remeasurment gain/(losses) on defined benefit plans		(171.17)	(74.22)
(ii) Income tax relating to items that will not be reclassified to profit or loss		40.38	26.06
(b) Items that may be reclassified to profit or loss			
(i) Deferred gains/(losses) on cash flow hedges		0.80	(31.81)
(ii) Income tax relating to items that may be reclassified to profit or loss		(0.18)	11.12
Other Comprehensive Income / (Expense) (net of tax)		(130.17)	(68.85)
XI Total Comprehensive Income (IX+X)		21,397.95	8,305.60
XII Earnings Per Equity Share (Refer Note 35)			
Basic (Rs.)		105.55	41.06
Diluted (Rs.)		105.27	40.95
Notes (Including Significant Accounting Policies and Critical Judgements, Estimates and Assumptions) forming part of the Financial Statements	1-45		

As per our Report of even date attached

For and on behalf of the Board of Directors

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

 YOGESH M. KOTHARI
 Chairman and Managing Director

 VINAY D. BALSE
 Partner
 Membership No. 39434

 RAHUL J. MEHTA
 Chief Financial Officer

 CHINTAMANI D. THATTE
 General Manager
 (Secretarial) and
 Company Secretary

 KIRAT PATEL
 Executive Director

 Place : MUMBAI
 Dated : JUNE 23, 2020

 Place : MUMBAI
 Dated : JUNE 23, 2020

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	For the Year ended March 31, 2020 ₹ In Lakhs	For the Year ended March 31, 2019 ₹ In Lakhs
Cash Flow from Operating Activities		
Profit before tax from continuing operations	25,970.93	13,019.49
Adjustments for :		
Depreciation and Amortization	2,690.98	2,333.68
(Gain)/Loss on disposal of assets	144.01	57.65
Exceptional Item (Gain on sale of Investment)	(3,284.16)	-
Unrealized Loss/(Gain) on Foreign Exchange	331.17	570.32
Interest expense (Gross)	1,025.39	1,476.66
Interest Income	(179.51)	(31.44)
Dividend from Investments in Associates-DACL	(59.56)	(163.79)
Provision no longer required, written back	(118.48)	(51.94)
Bad Debts written off	-	29.39
Employee Stock Options granted	84.99	103.19
	26,605.76	17,343.21
Operating Profit before Working Capital Changes		
Adjustments for:		
(Increase) / Decrease in Other Current & Non-Current Financial Assets	(553.17)	(193.10)
(Increase) / Decrease in Other Current & Non-Current Assets	2,057.71	344.13
(Increase) / Decrease in Inventories	2,202.75	(2,051.18)
(Increase) / Decrease in Trade Receivables	(1,489.93)	(3,485.54)
Increase / (Decrease) in Trade Payables	(5,321.52)	5,681.08
Increase / (Decrease) in Other Current Financial Liabilities	1,285.36	(87.86)
Increase / (Decrease) in Other Current Liabilities	(219.18)	356.31
Increase / (Decrease) in Provisions	17.23	77.36
	24,585.01	17,984.41
Income taxes paid	(5,812.77)	(3,563.55)
Net Cash Flow from Operating Activities	18,772.24	14,420.86

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020 (CONTD.)

Particulars	For the Year ended March 31, 2020 ₹ In Lakhs	For the Year ended March 31, 2019 ₹ In Lakhs
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(7,728.46)	(6,904.29)
Disposal of Fixed Assets	15.42	13.99
Interest Income	175.91	32.05
(Increase)/ Decrease in Margin Money & Fixed Deposits (having the original maturity of more than 3 months)	(19.06)	15.66
Dividend from Investments in Associates-DACL	59.56	163.79
Proceeds from Sale of Investment	3,428.27	-
Net Cash from Investing Activities	(4,068.36)	(6,678.80)
Cash Flow from Financing Activities		
Interest paid	(1,073.80)	(1,500.69)
Repayment of Non-Current Borrowings	(2,919.03)	(3,456.23)
Repayment of Current Borrowings	(5,051.45)	779.40
Increase / (Decrease) in Lease Liabilities	67.80	-
Dividend and Dividend Tax Paid	(4,426.10)	(1,721.29)
Payment of Deferral Sales Tax	(111.34)	(132.77)
Net Cash from Financing Activities	(13,513.92)	(6,031.58)
Net Increase / (Decrease) in Cash and Cash Equivalents	1,189.96	1,710.48
Cash and Cash Equivalents at the beginning of the year	1,933.90	223.42
Cash and Cash Equivalents at the end of the year	3,123.86	1,933.90
Components of Cash and Cash Equivalents :		
Cash on Hand	4.43	1.38
Balances with Bank		
Current Accounts	1,541.46	1,743.80
EEFC Accounts	487.97	179.18
Fixed Deposit Accounts (with original maturity of less than 3 months)	1,090.00	9.54
	3,123.86	1,933.90

As per our Report of even date attached

For and on behalf of the Board of Directors

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

 VINAY D. BALSE
Partner
Membership No. 39434

 Place : MUMBAI
Dated : JUNE 23, 2020

 RAHUL J. MEHTA
Chief Financial Officer

 CHINTAMANI D. THATTE
General Manager
(Secretarial) and
Company Secretary

 YOGESH M. KOTHARI
Chairman and Managing Director

 KIRAT PATEL
Executive Director

 Place : MUMBAI
Dated : JUNE 23, 2020

STATEMENT OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Rs. In Lakhs
As at March 31, 2018	1,020.60
Changes in Equity Share Capital	-
As at March 31, 2019	1,020.60
Changes in Equity Share Capital	-
As at March 31, 2020	1,020.60

b. Other Equity

Particulars	Reserve and Surplus						Other Comprehen- sive Income (OCI)	Total Other Equity
	Retained Earnings	Securities Premium	Employee Stock Option Outstanding	General Reserve	Capital Reserve	Capital Redemption Reserve	Cash Flow Hedge Reserve	
	Opening Balance as at April 1, 2018	24,143.37	1,290.97	-	3,559.27	142.70	25.00	
Profits for the year	8,374.45	-	-	-	-	-	-	8,374.45
Appropriations								
- Dividend paid	(1,427.76)	-	-	-	-	-	-	(1,427.76)
- Tax on Dividend	(293.54)	-	-	-	-	-	-	(293.54)
Recognition of Cash Flow Hedge Reserve	-	-	-	-	-	-	96.47	96.47
Employee Stock Options Expenses	-	-	103.19	-	-	-	-	103.19
Other Comprehensive Income (Net of tax)								
- Remeasurement of defined benefit obligations	(48.15)	-	-	-	-	-	-	(48.15)
- Deferred gains/(losses) on cash flow hedges	(20.70)	-	-	-	-	-	-	(20.70)
Total Comprehensive Income for the year	6,584.30	-	103.19	-	-	-	96.47	6,783.96
As at March 31, 2019	30,727.67	1,290.97	103.19	3,559.27	142.70	25.00	(370.09)	35,478.71

Rs. In Lakhs

Particulars	Reserve and Surplus						Other Comprehensive Income (OCI)	Total Other Equity
	Retained Earnings	Securities Premium	Employee Stock Option Outstanding	General Reserve	Capital Reserve	Capital Redemption Reserve	Cash Flow Hedge Reserve	
Opening Balance as at April 1, 2019	30,727.67	1,290.97	103.19	3,559.27	142.70	25.00	(370.09)	35,478.71
Profits for the year	21,528.12	-	-	-	-	-	-	21,528.12
Appropriations								
- Dividend paid	(3,671.35)	-	-	-	-	-	-	(3,671.35)
- Tax on Dividend	(754.75)	-	-	-	-	-	-	(754.75)
Recognition of Cash Flow Hedge Reserve	-	-	-	-	-	-	103.52	103.52
Employee Stock Options Expenses	-	-	84.99	-	-	-	-	84.99
Other Comprehensive Income (Net of tax)								
- Remeasurement of defined benefit obligations	(130.80)	-	-	-	-	-	-	(130.80)
- Deferred gains/(losses) on cash flow hedges	0.62	-	-	-	-	-	-	0.62
Total Comprehensive Income for the year	16,971.84	-	84.99	-	-	-	103.52	17,160.35
As at March 31, 2020	47,699.50	1,290.97	188.18	3,559.27	142.70	25.00	(266.58)	52,639.06

As per our Report of even date attached

For and on behalf of the Board of Directors

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

VINAY D. BALSE
Partner
Membership No. 39434

Place : MUMBAI
Dated : JUNE 23, 2020

RAHUL J. MEHTA
Chief Financial Officer

CHINTAMANI D. THATTE
General Manager
(Secretarial) and
Company Secretary

YOGESH M. KOTHARI
Chairman and Managing Director

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : JUNE 23, 2020

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Corporate Information

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

1. Significant Accounting Policies

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

a. Basis of Preparation

(i) Compliance with Ind AS

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

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

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(ii) Historical cost convention

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

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

b. Segment Reporting

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

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

c. Foreign Currency Translation

- (i) Functional and presentation currency: Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is the Company's functional and presentation currency.
- (ii) Transactions and balances: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary Assets and Liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss.
- (iii) Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, as part of finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis as part of other gains/ (losses).

d. Revenue Recognition

- (i) Sales of Manufactured Goods: Revenue is measured at fair value of consideration received or receivable for goods supplied or services rendered. Revenue from the sale of goods and services is recognized when the company performs its obligation to its customer and amount of revenue can be measured reliably and the recovery of consideration is probable. 'Sales' which are net of returns includes packing charges which are net of returns, excluding amounts

collected on behalf of third parties such as Goods and Services Tax. The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue from the sale of goods is recognized when the control over the goods is transferred to the customer, which is mainly upon the delivery of the goods, and in the case of services, in the period in which such services are rendered, and there are no unfulfilled obligations.

The Company does not adjust transaction prices for the time value of money as it does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

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

e. Income Tax

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

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

f. Deferred Tax

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

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

The carrying amount of a Deferred Tax Asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Income Tax Asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

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

g. Leases

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116 - Leases as part of the Companies (Indian Accounting Standards) Amendment Rules, 2019. Ind AS 116 replaces the existing standard on leases i.e. Ind AS 17 - Leases for accounting periods beginning on or after April 1, 2019.

The Company adopted Ind AS 116 "Leases" for all lease contracts existing on April, 2019, using the modified retrospective method of adoption, along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability as provided under Para C8(c)(ii) in Appendix C of Ind AS 116. The effect of this adaption is not material on the profit for the year and earnings per share.

The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low value assets. The Company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the modified retrospective method of adoption, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability.

Land (Leasehold) is carried at cost less amortization;

Leasehold land and Leasehold improvements are being amortized on the straight line method over the period of lease. Refer note 34 for detailed impact on adoption of Ind AS 116 "Leases" on the financial statements of the Company.

h. Impairment of Assets

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

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

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

i. Cash and Cash Equivalents

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

j. Trade Receivables

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

k. Investments

- (i) Investments in Associates is accounted for, using the "Equity Method".
- (ii) Investments are carried at cost less accumulated impairment, if any.
- (iii) Profit or loss on sale of investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.

l. Inventories

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

m. Financial Assets

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

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

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

- (ii) Measurement: Financial Asset include Investment, Trade Receivable, Advances, Security Deposits, Cash and Cash Equivalents. These are initially recognised at transaction price, when the company becomes party to contractual obligation. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Debt instruments :-

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

- (a) Amortized cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized as profit or loss, when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income.
- (b) Fair value through OCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financials assets is included in Other Income.
- (c) Fair value through Statement of Profit and Loss: Assets that do not meet the criteria for amortized cost or Fair Value through Other Comprehensive Income (FVOCI), are measured at fair value through Statement of Profit and Loss. A gain or loss on a debt investment that is subsequently measured at fair value through Statement of Profit and Loss and is not part of a hedging relationship, is recognized as profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in Other Income.

Equity Instruments :-

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

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

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

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

n. Financial Liabilities

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

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

o. Derivative Financial Instruments and Hedge Accounting

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

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

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

All derivative contracts are initially recognized at fair value on the date of the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognized in OCI in the Cash Flow Hedge Reserve under Other Equity. In such cases, gains or losses are reclassified

to Statement of Profit and Loss when, the impact from hedged item is recognized in the Statement of Profit and Loss. The gain or loss on the ineffective portion is recognized immediately in Statement of Profit and Loss. Derivatives are carried as Financial Assets when the fair value is positive and Financial Liabilities when the fair value is negative

p. Property, Plant and Equipment and Others

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

Land (Freehold) is carried at cost;

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

(ii) An item of Property, Plant and Equipment is recognized as an Asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items such as spare parts, stand-by equipment and servicing equipment are recognized under property, plant and equipment, if those meet the definition thereof; else, such spare parts, etc. are classified as inventory.

(iii) The cost comprises of - purchase price (net of goods and service tax), including import duties and non-refundable taxes, after deducting trade discounts and rebates, any cost incurred which is directly attributable to bring the Asset to the location and condition necessary for it to be capable of operating in the manner intended by management and interest on borrowings attributable to the acquisition of qualifying Assets up to the date on which the Asset is ready for its intended use, if any. It also includes exchange difference capitalized, if any, in terms of Ind AS 21 on "Effects of Changes in Foreign Exchange Rates".

(iv) Items of Property, Plant and Equipment which are not yet ready to be capable of operating in the manner intended by management are carried at cost, comprising direct cost, related incidental expenses and attributable interest, and are disclosed as "Capital Work-in-progress".

(v) Items of Property, Plant and Equipment which are retired from active use and held for disposal, and where the sale is highly probable, are classified as "Assets held for disposal" under "Other Current Assets" the same are carried at the lower of their carrying amount and net realizable value.

(vi) Intangible Assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

Depreciation methods, estimated useful lives and residual value

(i) The charge of depreciation on Property, Plant and Equipment is commenced when the relevant asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

(a) Where the cost of a part of the Asset which is significant to the total cost of the Asset and useful life of the part is different from the useful life of the remaining Asset, the Company has determined the useful life of the significant part separately ("Component Accounting") and accordingly, provided depreciation on such parts.

(b) Depreciation on Plant and Machinery (including those identified under the Component Accounting) other than those not specifically covered under the classification 'Special Plant and Machinery used in manufacturing of Chemicals' and Roads is provided on the straight line method over the useful lives as determined by the internal technical evaluation done by the management's expert, which are as follows:

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

Catalyst: 5 years.

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

Roads : 10 to 25 years

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

(ii) Intangible Assets are amortized on the straight line method over their estimated useful life as follows:

Development of R & D Products/Processes (Internally generated): 5 years.

Patents: 10 years.

REACH Registration: 5 years.

Computer Software: 10 years.

(iii) Depreciation on Assets purchased/sold during the period is proportionately charged.

(iv) The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate.

q. Non-Current Asset Held for Sale

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

r. Trade and Other Payables

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

s. Borrowings

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

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

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

t. Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying Asset are capitalized during the period of time that is required to complete and prepare the Asset for its intended use or sale. Qualifying Assets are Assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

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

u. Employee Benefits

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

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

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

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

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

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

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

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

v. Share based payment transactions:

Employee Stock Option Plans (“ESOPs”):

The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that employee becomes unconditionally entitled to the options. The expense is recognised separately on the basis of multiple vesting of options granted during the period. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under “Employee Stock Options Outstanding account”.

Stock Options are granted to eligible employees in accordance with “Alkyl Amines Employees Stock Option Plan” (ESOPs 2018), as approved by the Shareholders and the Nomination and Remuneration Committee of the Board of Directors (the Committee) in accordance with the SEBI (Share based employee benefits) Regulations, 2014.

Eligible employees for this purpose includes employees falling under below schemes:

Plan A : Rewards ESOPs (based on past performance)

Plan B : Retention ESOPs (based on future performance)

Under Ind AS 102 on Share based Payment, the cost of stock options is recognised based on the fair value of stock options as on the grant date (refer note 30B).

w. Research and Development Costs

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

x. Contributed Equity

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

y. Earnings Per Share

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

z. Provisions, Contingent Liabilities and Contingent Assets

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

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

2. Critical Judgements, Estimates and Assumptions

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

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

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

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

(i) Judgements:

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

a. Arrangements in the nature of lease

The Company has entered into sub-contracting arrangements with its service providers wherein the Company supplies all the raw materials required for the manufacture and/ or processing along with specifications to manufacture the products to the service provider, thereby retaining the title to all products.

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

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

b. Segment Reporting

Ind AS 108- Operating Segments requires the Company to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the Board of Directors to assess the performance and allocate resources. The standard also requires the Company to make Judgement with respect to aggregation of certain operating segments into one or more reportable segment.

Operating segments used to present segment information are identified based on the internal reports used and reviewed to assess performance and allocate resources. The Company has determined that some of the segments exhibit similar economic characteristics and meet other aggregation criteria and are accordingly aggregated into one primary reportable segment i.e. 'Speciality Chemicals' and two geographical reportable segments i.e. domestic and exports.

c. Stores and Spares Inventories

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

d. Income Taxes

The Company in making judgement for the resolution of the uncertainty over income tax treatments as per Appendix C to Ind AS 12, The Company has considered; (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination. The Company determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. Thus, the said Appendix did not have a material impact on the financial statements of the Company.

e. Contingent Liability Judgement

Note-27 describes claims against the Company not acknowledged as debt. It includes certain penalties and charges payable to a Government agency although as per the contracts, the Company, based on past experience, believes that the penalties and charges are negotiable and not certain, and accordingly, are not considered as an obligation as at the Balance Sheet date and are disclosed as Contingent Liabilities.

(ii) Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation, uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of Assets and Liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may

change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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

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

Further details about gratuity obligations are given in Note 30.

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

When the fair values of Financial Assets and Financial Liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible; but where this is not feasible, a degree of judgement is required in establishing fair values. Judgement include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 43 for further disclosures.

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

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

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

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

e. **Litigations**

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

f. **Cash Flow Hedge Reserve**

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

g. **Provision for expected credit losses (ECL) of trade receivables**

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision matrix is based on the Company's historical observed default rates which are negligible over the years. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. However based on the information about the historical data the ECLs on the Company's trade receivables considered as Nil.

NOTES FORMING PART OF STANDALONE BALANCE SHEET
3. PROPERTY, PLANT AND EQUIPMENT AND OTHERS

Rs. In Lakhs

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK	
	As At April 1, 2019	During the year		As At April 1, 2019	For the year	Deduction/ (Adjustments)	As At April 1, 2019	For the year	Deduction/ (Adjustments)	As At March 31, 2020	As At March 31, 2019
		Additions	Other Adjustments								
Current Year (2019-20)											
A. Property, Plant and Equipment											
Land											
Freehold Land	82.35	-	-	-	-	-	-	-	-	82.35	82.35
Leasehold Land	2,936.53	-	-	61.31	-	-	-	-	-	-	2,875.22
Less: Reclassified to ROU on account of adoption of Ind AS 116 (Refer Note 4)	(2,936.53)	-	-	(61.31)	-	-	-	-	-	-	-
Leasehold Improvements	50.98	-	-	20.77	-	-	-	-	-	-	30.21
Less: Reclassified to ROU on account of adoption of Ind AS 116 (Refer Note 4)	(50.98)	-	-	(20.77)	-	-	-	-	-	-	-
Buildings	4,682.31	491.64	-	476.26	214.74	0.50	690.51	-	-	4,477.16	4,206.05
Plant and Machinery (Refer Note 3.2 and 3.3)	32,983.04	6,181.82	-	3,959.70	2,184.07	451.57	5,692.20	116.78	-	32,756.93	28,856.56
Machinery	167.57	23.51	-	22.63	12.63	-	35.25	-	-	155.83	144.94
Electrical Equipments	228.59	127.05	-	42.59	22.33	22.24	42.68	-	-	289.06	186.00
Furniture and Fixtures	143.57	72.21	-	21.96	21.12	7.12	35.96	-	-	153.89	121.61
Vehicles	244.88	71.48	-	105.41	48.55	4.01	149.96	-	-	159.80	139.47
Office Equipments	1,137.77	360.34	-	228.60	119.38	2.78	345.21	-	-	1,149.43	909.17
Electrical Installations	39,620.08	7,328.05	-	4,857.16	2,622.82	488.22	6,991.77	116.78	-	39,224.45	37,551.58
Total	4,315.18	7,725.86	-	4,488.06	-	-	4,488.06	-	-	4,488.06	4,315.18
B. Capital Work-in-Progress											
Patents	40.55	-	-	9.14	2.28	-	11.42	-	-	29.13	31.41
REACH Registration	82.15	73.99	-	81.44	15.25	-	96.69	-	-	59.45	0.71
Others	65.47	13.74	-	6.42	4.33	-	10.75	-	-	68.46	59.05
Total	188.17	87.73	-	97.00	21.86	-	118.86	-	-	157.04	91.17
C. Intangible Assets											
Patents	40.55	-	-	9.14	2.28	-	11.42	-	-	29.13	31.41
REACH Registration	82.15	73.99	-	81.44	15.25	-	96.69	-	-	59.45	0.71
Others	65.47	13.74	-	6.42	4.33	-	10.75	-	-	68.46	59.05
Total	188.17	87.73	-	97.00	21.86	-	118.86	-	-	157.04	91.17

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

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK	
	As At April 1, 2019	During the year		As At April 1, 2019	For the year	Deduction/ (Adjustments)	As At March 31, 2020	For the year	Deduction/ (Adjustments)	As At March 31, 2020	As At March 31, 2019
		Additions	Other Adjustments								
A. Property, Plant and Equipment											
Leasehold Improvements	50.98	-	-	20.76	-	-	-	-	-	-	-
Less: Reclassified to ROU on account of adoption of Ind AS 116 (Refer Note 4)	(50.98)	-	-	(20.76)	-	-	-	-	-	-	-
Plant and Machinery											
Machinery	108.96	16.97	-	24.74	5.04	-	29.78	-	-	96.15	84.22
Electrical Equipments	12.89	-	-	2.32	1.06	-	3.38	-	-	9.51	10.57
Furniture and Fixtures	13.30	-	-	3.11	1.14	-	4.25	-	-	9.05	10.19
Vehicles	24.78	-	(10.60)	7.21	4.13	1.62	9.72	-	-	4.47	17.58
Office Equipments	8.97	0.46	-	6.88	0.55	-	7.44	-	-	2.00	2.09
Electrical Installations	0.89	-	-	0.25	0.08	-	0.34	-	-	0.55	0.64
Current year	169.78	17.43	(10.60)	44.51	12.01	1.62	54.90	-	-	121.73	125.28
Previous year	203.96	16.80	-	42.79	22.48	-	65.27	-	-	155.51	161.19
B. Capital Work-in-Progress											
Current year	7.06	10.38	-	-	-	-	-	-	-	-	7.06
Previous year	4.40	24.17	-	-	-	-	-	-	-	7.06	-
C. Intangible Assets											
Patents	47.09	-	-	20.35	4.67	-	25.02	-	-	22.07	26.74
Current year	47.09	-	-	20.35	4.67	-	25.02	-	-	22.07	26.74
Previous year	47.09	-	-	15.68	4.67	-	20.35	-	-	26.74	31.41

Rs. In Lakhs

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK	
	As At April 1, 2018	During the year		As At April 1, 2018	For the year	Deduction/ (Adjustments)	As At March 31, 2019	For the year	Deduction/ (Adjustments)	As At March 31, 2019	As At March 31, 2018
		Additions	Other Adjustments								
Previous Year (2018-19)											
A. Property, Plant and Equipment											
Land											
Freehold Land	82.35	-	-	-	-	-	82.35	-	-	82.35	82.35
Leasehold Land	1,952.41	984.12	-	30.24	31.07	-	2,936.53	61.31	-	2,875.22	1,922.17
Leasehold Improvements	50.98	-	-	13.84	6.93	-	50.98	20.77	-	30.21	37.14
Buildings	4,241.16	441.15	-	284.17	192.09	-	4,682.31	476.26	-	4,206.05	3,956.99
Plant and Machinery (Refer Note 3.2 and 3.3)											
Machinery	30,151.79	2,904.40	-	2,204.01	1,872.95	117.26	32,933.04	3,959.70	-	28,856.56	27,831.00
Electrical Equipments	163.97	3.60	-	10.68	11.95	-	167.57	22.63	-	144.94	153.29
Furniture and Fixtures	210.19	18.40	-	21.96	20.63	-	228.59	42.59	-	186.00	188.23
Vehicles	139.24	18.84	-	17.60	14.79	10.43	143.57	21.96	-	121.61	121.65
Office Equipments	216.41	28.47	-	57.20	48.21	-	244.88	105.41	-	139.47	159.21
Electrical Installations	1,096.82	45.20	-	117.95	111.06	0.41	1,137.77	228.60	-	909.17	978.87
Total	38,305.32	4,444.18	-	2,757.65	2,309.69	128.10	42,607.59	4,939.24	116.78	37,551.58	35,430.90
B. Capital Work-in-Progress											
	1,840.47	6,948.29	-	-	-	-	4,315.18	-	-	4,315.18	1,840.47
Total	1,840.47	6,948.29	-	4,315.18	4,315.18	4,315.18	4,315.18	4,315.18	4,315.18	4,315.18	1,840.47
C. Intangible Assets											
Patents	40.55	-	-	9.14	-	-	40.55	9.14	-	31.41	31.41
REACH Registration	70.81	11.34	-	57.44	24.00	-	82.15	81.44	-	0.71	13.37
Others	47.42	18.05	-	6.42	-	-	65.47	6.42	-	59.05	41.00
Total	158.78	29.39	-	73.00	24.00	-	188.17	97.00	-	91.17	85.78

Above Assets include Research and Development Assets as mentioned below:

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK	
	As At April 1, 2018	During the year		As At April 1, 2018	For the year	Deduction/ (Adjustments)	As At April 1, 2018	For the year	Deduction/ (Adjustments)	As At March 31, 2019	As At March 31, 2018
		Additions	Other Adjustments								
A. Property, Plant and Equipment											
Leasehold Improvements	50.98	-	-	13.84	6.92	-	20.76	-	-	30.22	37.14
Machinery	96.97	11.99	-	108.96	8.34	-	24.74	-	-	84.22	80.57
Electrical Equipments	9.29	3.60	-	12.89	0.76	-	2.32	-	-	10.57	7.73
Furniture and Fixtures	12.09	1.21	-	13.30	1.04	-	3.11	-	-	10.19	10.02
Vehicles	24.78	-	-	24.78	3.14	-	7.21	-	-	17.58	20.72
Office Equipments	8.97	-	-	8.97	2.19	-	6.88	-	-	2.09	4.28
Electrical Installations	0.89	-	-	0.89	0.09	-	0.25	-	-	0.64	0.73
Current year	203.96	16.80	-	42.79	22.48	-	65.27	-	-	155.51	161.19
Previous year	183.85	20.14	-	22.87	19.91	-	42.78	-	-	161.21	-
B. Capital Work-in-Progress											
Current year	4.40	24.17	-	7.06	-	-	-	-	-	7.06	4.40
Previous year	4.40	-	-	7.06	-	-	-	-	-	7.06	4.40
B. Intangible Assets											
Patents	47.09	-	-	47.09	4.67	-	20.35	-	-	26.74	31.41
Current year	47.09	-	-	47.09	4.67	-	20.35	-	-	26.74	31.41
Previous year	80.71	-	-	49.30	4.67	-	53.97	-	-	26.74	31.41

- 3.2 Plant, Machinery and Equipment include Rs 17.16 lakhs (Previous Year Rs 17.16 lakhs) being value of machinery installed at third party premises of Job Contractor, duly confirmed by them.
- 3.3 Plant, machinery and Equipment lying at the premises of third party “Diamines And Chemicals”, was impaired due to technological obsolescence and declining market demands in the earlier year. Now reclassified as “Held for Sale”. At Re.1.
- 3.4 On all the above items of Property, Plant and Equipment first charge is created except on Freehold Land, Leasehold Improvements, Buildings at Vashi, Worli, Plot no.D-6/2 at Kurkumbh and Residential Quarters and Vehicles.

Particulars	Rs. In Lakhs	
	As At March 31, 2020	As At March 31, 2019
US\$ 7.5 millions ECB Loan from Citibank secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	5,175.00	5,175.00
US\$ 7.5 millions ECB Loan from Standard Chartered Bank secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	5,175.00	5,175.00
US\$ 6.00 millions ECB Loan from State Bank of India secured against first charge on Immovable Properties (except Dahej Properties) Land and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	3,990.00	3,990.00
Working Capital Facilities from Consortium Bank consisting of State Bank of India, Standard Chartered Bank, Citibank and Axis Bank secured by hypothecation of Stocks of raw materials, semi finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as well as by way second mortgage of specific immovable properties.	16,838.00	16,838.00

4 Right of Use- Lease asset

DESCRIPTION	GROSS BLOCK						DEPRECIATION				NET BLOCK	
	As At April 1, 2019	Transition impact as on April 1, 2019	Reclassification from PPE as April 1, 2019	During the year		As At March 31, 2020	As At April 1, 2019	During the year		As At March 31, 2020	As At March 31, 2020	
				Additions	Other Adjustments			Deduction/ Transfer	Reclassification from PPE as April 1, 2019			Deduction/ (Adjustments)
Leasehold Land	-	-	2,936.53	44.90	-	10.55	-	61.31	31.57	-	92.88	2,878.00
Leasehold Improvement	-	-	50.98	-	-	-	-	20.77	6.92	-	27.69	23.29
Leasehold Premises	-	72.92	-	-	-	-	-	-	7.81	-	7.81	65.11
TOTAL	-	72.92	2,987.51	44.90	-	10.55	-	82.08	46.30	-	128.38	2,966.40

4.1 Above Assets include Research and Development Assets as mentioned below:

DESCRIPTION	GROSS BLOCK						DEPRECIATION				NET BLOCK	
	As At April 1, 2019	Transition impact as on April 1, 2019	Reclassification from PPE as April 1, 2019	During the year		As At March 31, 2020	As At April 1, 2019	During the year		As At March 31, 2020	As At March 31, 2020	
				Additions	Other Adjustments			Deduction/ Transfer	Reclassification from PPE as April 1, 2019			Deduction/ (Adjustments)
Leasehold Improvement	-	-	50.98	-	-	-	-	20.77	6.92	-	27.69	23.29
	-	-	50.98	-	-	-	-	20.77	6.92	-	27.69	23.29

4.2 Lease period of land at Patalganga and Kurkumbh is 95 years and land at Dahej is 99 years & building at Hadapsar is 5 years

4.3 Amalgamation of our MIDC Plot no. D-6/2 at Kurkumbh with our adjacent MIDC Plot no D-6/1 by sub-lease agreement with permission of MIDC is in process.

Rs. In Lakhs

Particulars	No. of equity shares	As At	
		March 31, 2020	March 31, 2019
5. NON CURRENT FINANCIAL ASSETS - INVESTMENTS			
Investment in equity instruments			
Investment in Associate Company			
Quoted, fully paid Equity shares of Rs. 10 each	-	-	29,77,997
TOTAL Diamines and Chemicals Limited	-	-	29,77,997

Rs. In Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Cost	Market Value	Cost	Market Value
Aggregate amount of Quoted Investments	-	-	144.11	3,582.53
Aggregate amount of UnQuoted Investments	-	-	-	-
TOTAL	-	-	144.11	3,582.53

Rs. In Lakhs

Particulars	As At	
	March 31, 2020	March 31, 2019
6A. NON CURRENT FINANCIAL ASSETS - LOANS		
(a) Loans to Employees	42.28	45.55
TOTAL	42.28	45.55
6B. NON CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS		
(a) Other Financial Assets		
(i) Security Deposits	232.33	272.78
(ii) Margin Money against the Bank Guarantees	20.44	13.07
TOTAL	252.77	285.85
6C. CURRENT FINANCIAL ASSETS - LOANS		
(a) Loans to Employees	23.46	19.72
TOTAL	23.46	19.72
6D. CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS		
a) Derivatives	765.27	181.95
b) Other Financial Assets		
(i) Security deposits	3.93	1.46
(ii) Interest on Bank deposits	22.59	18.99
TOTAL	791.79	202.40

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
7A. OTHER NON CURRENT ASSETS		
a) Capital Advances	1,028.65	268.38
b) Advance recoverable in cash or kind	18.26	23.92
c) VAT Receivable	279.66	544.77
d) Duty paid under protest	21.07	21.07
TOTAL	1,347.64	858.14
7B. OTHER CURRENT ASSETS		
a) Advance recoverable in cash or kind	189.18	350.98
b) Advance to Suppliers	362.42	679.50
c) GST and other receivables	32.62	2,100.95
TOTAL	584.22	3,131.43
7C. NON CURRENT TAX ASSET (NET)		
Taxes Paid	4,690.92	8,257.15
Less : Provision for Taxes	(4,245.74)	(7,900.18)
TOTAL	445.18	356.97
8. INVENTORIES		
a) Raw Materials	3,058.49	4,418.80
b) Packing Materials	132.56	144.70
c) Work-in-Progress	799.05	986.27
d) Finished Goods	3,408.86	4,049.43
e) Stores and Spares	677.68	680.40
f) Fuel	289.90	289.69
TOTAL	8,366.54	10,569.29
(Valued at lower of cost or Net Realisable Value)		
8A. GOODS IN TRANSIT INCLUDED IN ABOVE INVENTORIES		
a) Raw Material	36.02	23.43
b) Packing Materials	5.44	1.16
c) Finished Goods	554.75	746.66
d) Stores and Spares	-	4.01
TOTAL	596.21	775.26

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
8B. DETAILS OF INVENTORIES		
Work-in-Progress		
Amines and Amines Derivatives	770.75	591.26
Other Speciality Chemicals	28.30	395.01
TOTAL	799.05	986.27
Finished Goods		
Amines and Amines Derivatives	3,091.60	3,786.61
Other Speciality Chemicals	316.62	262.13
Industrial Gases	0.64	0.69
TOTAL	3,408.86	4,049.43
9. TRADE RECEIVABLES		
Trade Receivables (at amortised cost):		
Unsecured considered good	16,422.15	15,263.39
Gross Trade Receivables	16,422.15	15,263.39
Less: Allowances for expected credit losses	-	-
TOTAL	16,422.15	15,263.39

- (i) The Company has called for balance confirmations from Trade Receivables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.
- (ii) Trade Receivables are non interest bearing and are generally on terms of average 60 days.
- (iii) The impact on account of Revenue Recognition for Domestic and Exports is booked under common Debtors account in place of individual customer accounts.

9.1 Details of expected credit loss on Trade Receivables for year ended March 31, 2020

Rs. In Lakhs

Type of sale	As at March 31, 2020	Not Due (Rs.)	Due 0 to 30 Days	Due 31 to 120 Days
Domestic	13,146.09	11,373.20	1,524.07	249.49
Expected credit loss	-	-	-	-
Export	3,276.06	2,715.89	560.16	-
Expected credit loss	-	-	-	-
Grand Total	16,422.15	14,089.09	2,084.23	249.49

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
10. CASH AND CASH EQUIVALENTS		
a) Balances with Banks		
(i) Current Accounts	1,541.46	1,743.81
(ii) EEFC Accounts	487.97	179.18
(iii) Fixed Deposit Accounts	1,090.00	9.54
b) Cash on Hand	4.43	1.38
TOTAL	3,123.86	1,933.91
10A. OTHER BANK BALANCES		
a) Unpaid Dividend Accounts	87.31	64.10
b) Margin Money against the Bank Guarantees	14.27	18.92
c) Fixed Deposits with Banks	1.00	0.50
TOTAL	102.58	83.52

- (i) During the year, the Company has transferred Rs. 3.70 Lakhs to Investor Education & Protection Fund (for the year ended March 31, 2019 Rs. 3.41 lakhs)
- (ii) Fixed Deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from Balance Sheet date are disclosed above.

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
11. EQUITY SHARE CAPITAL		
Authorised:		
3,00,00,000 (Previous Year 3,00,00,000) Equity Shares of Rs. 5 each par value	1,500.00	1,500.00
15,00,000 (Previous Year 15,00,000) Cumulative Redeemable Preference Shares of Rs. 100 each par value	1,500.00	1,500.00
	3,000.00	3,000.00
Issued, Subscribed and Paid Up:		
2,03,96,392 (Previous Year 2,03,96,392) Equity Shares of Rs. 5 each par value, fully paid	1,019.82	1,019.82
Shares forfeited	0.78	0.78
TOTAL	1,020.60	1,020.60

11.1 Reconciliation of the number of shares outstanding and amount of share capital

Rs. In Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Rs. In Lakhs	No. of shares	Rs. In Lakhs
Equity Shares of Rs. 5 par value				
At the beginning of the year	20,396,392	1,019.82	20,396,392	1,019.82
Changes during the year	NIL	NIL	NIL	NIL
At the end of the year	20,396,392	1,019.82	20,396,392	1,019.82

11.2 Rights, preferences and restrictions

- i. The Company has only one class of shares, referred to as equity shares, having a par value of Rs 5. Each holder of equity shares is entitled to one vote per share.
- ii. The Company declares and pays dividend in Indian rupees. Final dividend of Rs 10. per share for face value of Rs. 5 each, proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year ended March 31, 2020, the amount per share of final dividend pertaining to the year ended 31 March 2019, distributed to equity shareholders was Rs.8 per share for a face value of Rs. 5 each. The dividend appropriation for the year ended March 31, 2020, amounts to Rs.1,967.11 lakhs, including corporate dividend tax of Rs. 335.40 lakhs. During the year ended March 31, 2020, the amount per share of interim dividend pertaining to the year ended March 31, 2020, distributed to equity share holders was Rs. 10 per share for a face value of Rs 5 each. The interim dividend appropriation for the year ended March 31, 2020, amounts to Rs.2,458.99 lakhs, including corporate dividend tax of Rs. 419.35 lakhs.

- iii. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Rs. In Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% held	No. of shares	% held
Name of the Shareholder				
Yogesh M. Kothari	12,206,622	59.85	12,206,622	59.85

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
12. OTHER EQUITY		
a) Retained Earnings		
(i) Statement of Profit and Loss :		
Balance brought forward from last year	30,727.67	24,143.37
Profit for the year	21,528.12	8,374.45
Other Comprehensive Income (Net of tax)		
Remeasurement of defined benefit obligations	(130.79)	(48.15)
Deferred gains/(losses) on cash flow hedges	0.62	(20.70)
	52,125.61	32,448.97
Appropriations		
Interim/Final Dividend paid	3,671.35	1,427.76
Tax on Interim/Final Dividend	754.75	293.54
	4,426.10	1,721.30
	47,699.51	30,727.67
(ii) General Reserve		
Balance as per last account	3,559.27	3,559.27
	3,559.27	3,559.27
Total Retained Earnings (i+ii)	51,258.78	34,286.94
b) Securities Premium	1,290.97	1,290.97
c) Capital Reserve	142.70	142.70
d) Capital Redemption Reserve	25.00	25.00
e) Cash Flow Hedge Reserve (OCI)	(266.57)	(370.09)
f) Employee Stock Option Outstanding	188.18	103.19
Total Other Components of Equity (b+c+d+e+f)	1,380.28	1,191.77
Total Other Equity	52,639.06	35,478.71
13A. NON CURRENT FINANCIAL LIABILITY - SECURED BORROWINGS (AT AMORTISED COST)		
Long Term Secured Borrowings		
Term Loans		
From Banks	4,752.02	7,775.37
TOTAL	4,752.02	7,775.37

Nature of Security and Terms of Repayment of Long-term Borrowings:
Term Loan from Banks:

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

Rs. In Lakhs

Particulars	Rate of Interest	As At March 31, 2020	As At March 31, 2019
USD 6.00 million repayable in 16 quarterly instalments beginning from April, 2017 (covered by Interest and Currency rate swap).	3 month LIBOR plus 1.65% p.a.	1,149.90	2,245.44

- (ii) Foreign Currency Term Loans to part finance Company's Dahej Project are secured by creation of a pari passu charge on the Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga, Maharashtra, Plot no. D-6/1 at Kurkumbh, Maharashtra and Plot No. D-2/CH/149/2 at Dahej, Gujarat and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, both present and future of :

USD 7.5 million repayable in 18 quarterly instalments beginning from October 2018 (covered by Interest and Currency rate swap). Hypothecation is completed, creation of mortgage is completed.	3 month LIBOR plus 1.40% p.a.	3,833.00	4,678.00
USD 7.5 million repayable in 18 quarterly installments beginning from August 2018 (covered by Interest and Currency rate swap). Hypothecation is completed, creation of mortgage is completed.	1 month LIBOR plus 0.80% p.a.	3,513.58	4,385.63
		8,496.48	11,309.07
Less : Other finance charges deferred over the period of loan (Ind AS Adjustments)		39.23	71.98
		8,457.25	11,237.09
Less : Current Maturities of Long-term Debt (Refer Note 15 C(a) (i))		3,705.23	3,461.72
TOTAL		4,752.02	7,775.37

Rs. In Lakhs

Particulars		As At March 31, 2020	As At March 31, 2019
13B. NON CURRENT FINANCIAL LIABILITY - UNSECURED BORROWINGS (AT AMORTIZED COST)			
Long term Unsecured Borrowings	Nature and Terms of Repayment		
a) Other Loans			
Deferred Payment Liabilities	Sales Tax Deferral under the Package Scheme of Incentives, 1993. Interest free deferral period repayable after 10 years from the respective year in which actual tax was collected, commencing from April 26, 2012.	129.37	240.72
		129.37	240.72
Less : Current Maturities of Deferred payment liabilities (Refer Note 15C (a) (ii))		87.91	111.35
TOTAL		41.46	129.37

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
13C. CURRENT FINANCIAL LIABILITY - SHORT TERM SECURED BORROWINGS (AT AMORTIZED COST)		
Repayable on Demand		
From Banks	3.87	3,508.32
TOTAL	3.87	3,508.32

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

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
13D. CURRENT FINANCIAL LIABILITY-SHORT TERM UNSECURED BORROWINGS (AT AMORTIZED COST)		
a) Loans and Advances Repayable within 12 months from the date of from Related Parties Balance sheet and carries interest rate ranging from 7.25% p.a. to 8.25% p.a.	-	1,547.00
TOTAL	-	1,547.00
13E. NON-CURRENT FINANCIAL LAIBILITY - LEASE LIABILITY (AT AMORTISED COST)		
(a) Lease Liability (Refer note 34)	67.80	-
Less : Transfer to Current Lease Liability (Refer Note 15(B(i)))	5.63	
TOTAL	62.17	-
14. NON CURRENT - DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liabilities (Refer Note No.41)		
Unrealised Exchange Gain on Forward Contract	0.20	24.73
Related to Plant, Property and Equipment	4,415.48	5,498.44
(A)	4,415.68	5,523.17
Deferred Tax Assets		
Unrealised Exchange Loss on Forward Contract	53.29	38.13
Provision for Employee Benefit	149.33	227.95
Other disallowances under section 43B	66.76	78.13
Impact of Ind AS 116-Leases	0.68	-
Other impact giving rise to temporary differences	109.35	112.65
(B)	379.41	456.86
Net Deferred Tax Liabilities (A-B)	4,036.27	5,066.31

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
15A.CURRENT FINANCIAL LIABILITY-TRADE PAYABLES		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	31.70	58.88
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	7,045.79	12,340.14
TOTAL	7,077.49	12,399.02
(i) The Company has called for balance confirmations from Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.		
(ii) Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:		
Principal amount remaining unpaid and interest due thereon		
- Principal Amount	31.70	58.88
- Interest	NIL	NIL
Interest paid in terms of Section 16	0.00	0.14
Interest due and payable for the period of delay in payment	NIL	0.05
Interest accrued and remaining unpaid	NIL	NIL
Interest due and payable even in succeeding years	NIL	NIL
This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
15B.CURRENT FINANCIAL LIABILITY - LEASE LIABILITY (AT AMORTIZED COST)		
(a) Lease Liability (Refer Note 34)	5.63	-
TOTAL	5.63	-
15C.CURRENT FINANCIAL LIABILITY - OTHER FINANCIAL LIABILITIES		
a) Current maturities of long-term debts		
(i) Secured Debts		
Term loans from Banks	3,705.23	3,461.72
(ii) Unsecured Debts		
Deferred Payment Liabilities	87.91	111.35
b) Derivatives	211.72	110.91
c) Interest accrued but not due on borrowings	118.47	166.88
d) Unpaid Dividends	87.31	64.10
e) Other Payables		
(i) Capital Expenses		
(ii) Commission payable to Directors	398.44	644.52
(iii) Others	1,646.92	805.33
TOTAL	1,134.46	930.61
TOTAL	7,390.46	6,295.42

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
16A. NON CURRENT FINANCIAL LIABILITY - LONG TERM PROVISIONS		
Provision for employee benefits (Refer Note 30A)		
(i) Gratuity	40.92	-
(ii) Leave Encashment	237.19	186.30
TOTAL	278.11	186.30
16B. CURRENT FINANCIAL LIABILITY - SHORT TERM PROVISIONS		
Provision for employee benefits (Refer Note 30A)		
(i) Gratuity	433.13	376.60
(ii) Leave Encashment	129.57	89.51
TOTAL	562.70	466.11
17. OTHER CURRENT LIABILITIES		
(i) Statutory Dues	48.91	135.91
(ii) Advances received from Customers	227.08	366.01
(iii) Deposits from Customers	7.30	6.70
(iv) Employee recoveries and Employer contributions	57.82	51.67
TOTAL	341.11	560.29
18. NON-CURRENT- LIABILITIES FOR TAX (NET)		
Provision for Tax	9,058.74	3,599.11
Less: Taxes Paid	(8,931.27)	(3,179.73)
TOTAL	127.47	419.38

NOTES FORMING PART OF STANDALONE STATEMENT OF PROFIT & LOSS

Rs. In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
19. REVENUE FROM OPERATIONS		
(a) Sale of Products - Manufactured Goods (Refer Note.19A)	97,304.95	83,221.85
(b) Other Operating Income		
Toll and Other Processing Income	1,256.58	730.73
Scrap and Raw Material Sales	174.66	122.65
Export Incentives	544.82	538.75
Miscellaneous Income	6.75	26.11
TOTAL	99,287.76	84,640.09
19A. DETAILS OF SALE OF PRODUCTS		
Amines and Amines Derivatives	68,359.85	63,386.90
Other Speciality Chemicals	26,136.00	16,415.45
Industrial Gases & Others	2,809.10	3,419.50
TOTAL	97,304.95	83,221.85
20. OTHER INCOME		
(a) Interest Income		
(i) on Fixed Deposits with Banks	74.88	3.75
(ii) on Margin Money	4.19	6.30
(iii) on Income Taxes	63.88	-
(iv) on Value Added Tax	21.96	15.43
(v) on Others	14.60	5.96
Net Interest Income	179.51	31.44
(b) Profit on sale of Capital Assets	-	13.39
(c) Insurance claims received	138.49	79.44
(d) Dividend Income	59.56	163.79
(e) Provision for Doubtful Debts/Advances no longer required, written back	118.48	51.94
(f) Net gain on foreign currency transactions	197.35	5.92
(g) Miscellaneous Income	7.77	48.83
TOTAL	521.65	363.31
21. COST OF MATERIALS CONSUMED		
(a) Raw Materials consumed (Refer note 21A)		
Opening Stock	4,418.80	3,795.13
Add: Purchases	43,433.62	46,346.61
	47,852.42	50,141.74
Less: Closing Stock	3,058.49	4,418.80
	44,793.93	45,763.82

Rs. In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(b) Packing Materials consumed		
Opening Stock	143.55	141.61
Add: Purchases	2,811.33	2,414.72
	2,954.88	2,556.33
Less: Closing Stock	127.13	143.55
	2,827.75	2,412.78
TOTAL	47,621.68	48,176.61
21A. DETAILS OF RAW MATERIALS CONSUMED		
Denatured Ethyl Alcohol, Methanol and other Alcohols	31,233.28	30,958.21
Industrial Gases	7,309.10	6,092.29
Others	6,251.55	8,713.32
TOTAL	44,793.93	45,763.82
22. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
(a) Finished Goods		
Closing Stock	3,408.86	4,049.43
Less: Opening Stock	4,049.43	2,145.63
	640.57	(1,903.80)
(b) Work-In-Progress		
Closing Stock	799.05	986.26
Less: Opening Stock	986.26	800.65
	187.21	(185.61)
TOTAL	827.78	(2,089.41)
23. EMPLOYEE BENEFITS EXPENSE		
(a) Salaries and Wages		
(i) Directors' Remuneration	462.45	412.06
(ii) Salaries, Wages and Benefits	4,152.84	3,277.41
(b) Commission to Directors	1,412.00	670.54
(c) Contribution to Provident and other Funds	388.52	341.59
(d) Employee Stock Option Expenses (Refer Note 30B)	84.99	103.19
(e) Staff Welfare Expenses	463.35	473.11
TOTAL	6,964.15	5,277.90

Rs. In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
24. FINANCE COSTS		
(a) Interest Expense		
(i) Interest on Cash Credit Facilities/Buyers' Credit	91.74	155.61
(ii) Interest on Term Loans	739.99	1,030.25
(iii) Interest on Others	54.82	142.73
(b) Other Finance Charges	138.84	148.07
TOTAL	1,025.39	1,476.66
25 DEPRECIATION & AMORTIZATION EXPENSES		
(a) Depreciation of Property, Plant & Equipment (Refer Note 3)	2,622.82	2,309.69
(b) Depreciation of Right of Use of Asset (Refer Note 4)	46.30	-
(c) Amortization of Intangible Assets (Refer Note 3)	21.86	24.00
TOTAL	2,690.98	2,333.69
26. OTHER EXPENSES		
(a) Power, Fuel and Water Charges	9,605.88	8,813.07
(b) Stores and Spares consumed	1,092.28	1,191.78
(c) Processing Charges	835.43	726.42
(d) Rent	46.90	46.94
(e) Rates and Taxes	40.15	35.27
(f) Repairs and Maintenance		
(i) Building	144.85	191.65
(ii) Plant and Machinery	730.22	684.04
(iii) Others	236.29	342.77
	1,111.36	1,218.46
(g) Insurance	273.13	64.02
(h) Auditor's Remuneration		
(i) Audit Fees	18.50	17.00
(ii) Tax Audit Fees	3.50	3.50
(iii) Other Services	3.50	5.38
(iv) Reimbursement of Expenses	1.57	1.02
	27.07	26.90
(i) Legal and Professional Fees	241.93	215.35
(j) Export Expenses	1,023.57	1,159.31
(k) Freight Outward	2,014.24	1,750.47
(l) Bad Debts written off	-	29.39
(m) Commission on Sales	234.55	217.00
(n) Security Charges	161.75	156.60
(o) Commission to Other Directors & Sitting Fees	246.21	145.13
(p) Travelling & Conveyance	158.51	146.40
(q) Corporate Social Responsibility (CSR) expenses (Refer Note 29)	192.38	162.98
(r) Miscellaneous expenses	866.83	734.42
TOTAL	18,172.17	16,839.91

Rs. In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
27A CONTINGENT LIABILITIES AND COMMITMENTS		
Contingent Liabilities : (to the extent not provided for)		
i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts.	26.51	23.73
ii. Disputed liabilities in respect of Income tax demand	193.96	210.11
iii. Disputed liabilities in respect of Excise duty	914.40	867.62
iv. Penalty u/s 29(3) of MVAT Act 2002 for disallowed input credit and penalty on job work charges as per assessment order	-	35.66
	1,134.87	1,137.12
No contingent assets has been recognized as at the reporting date		
27B COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account	4,934.64	752.29
Less : Capital Advances	(1,028.65)	(268.37)
Net Estimated Amount	3,905.99	483.92
28. EXPENSES INCURRED ON RESEARCH AND DEVELOPMENT DURING THE YEAR ARE INCLUDED IN THE STATEMENT OF PROFIT AND LOSS		
Cost of Material Consumed (In Note 21)		
Raw Materials	0.27	0.07
Packing Materials	0.04	0.52
Changes of inventories of FG and WIP		
Finished goods	0.06	0.16
Employee Benefits Expense (In Note 23)		
Salaries and Wages	325.08	244.58
Contribution to Provident and Other Funds	26.95	22.70
Staff Welfare Expenses	4.70	10.38
	356.73	277.66
Depreciation	12.10	10.55
Other Expenses (In Note 26)		
Stores and Spares Consumed	15.99	18.46
Power and Fuel	-	0.01
Repairs and Maintenance:		
Plant and Machinery	1.16	2.77
Others	2.33	4.30
Insurance	-	0.17
Miscellaneous Expenses	25.41	35.66
	44.89	61.37
TOTAL	414.09	350.33

Rs. In Lakhs

Particulars	Rs. In Lakhs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
28A. EXPENSES INCURRED ON RESEARCH AND DEVELOPMENT DURING THE YEAR ARE INCLUDED IN THE PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK IN PROGRESS		
Property Plant & Equipment	16.97	11.99
Furniture & Fixtures	-	1.21
Office Equipments	0.46	-
Electrical Equipments	-	3.60
TOTAL	17.43	16.80
29. EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES		
a. Gross amount required to be spent by the Company during the year :	214.50	167.14
b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
Nature of Expenses		
Other Expenses (Other than for Construction/ Acquisition of any asset)		
Environment Sustainability and Rural Development	40.17	43.38
Education/ Sports	115.10	77.63
Health/ Woman Empowerment	33.17	38.89
Others	3.94	3.08
TOTAL	192.38	162.98

30. EMPLOYEE BENEFITS

Rs. In Lakhs

Particulars	Gratuity	
	As At March 31, 2020	As At March 31, 2019
30A AS PER ACTUARIAL VALUATION		
I. Expense recognized in the Statement of Profit and Loss for the year ended		
a. Current service cost	52.41	47.06
b. Net Interest on Net Defined Liability/ Asset	26.58	16.58
c. Total Expenses	78.99	63.64
II. Amount recognized in Other Comprehensive Income		
a. Actuarial (Gains)/ Losses on Liability	172.98	67.09
b. Return on Plan Assets excluding amount included in Net Interest on Defined Liability/ (Asset) above	(1.81)	7.13
c. Total	171.17	74.22
III. Net Assets/ (Liability) recognized in the Balance Sheet		
a. Present Value of Defined Benefit Obligation	1,498.51	1,244.67
b. Fair Value of Plan Assets	1,024.46	868.08
c. Funded Status [Surplus/ (Deficit)]	474.05	376.60
Net (Asset)/ Liability	474.05	376.60

Rs. In Lakhs

Particulars	Gratuity	
	As At March 31, 2020	As At March 31, 2019
IV. Change in Present value of Obligation		
a. Present Value of Defined Benefit Obligation at the beginning of the year	1,244.67	1,080.32
b. Current Service Cost	52.41	47.06
c. Interest Cost	94.20	82.28
d. Benefit paid	(65.75)	(32.07)
e. Actuarial (Gain)/ Loss on obligation	172.98	67.09
Present Value of Defined Benefit Obligation at the end of the year	1,498.51	1,244.67
V. Actual Return on Plan Assets		
Expected Return on Plan Assets	67.62	65.71
Actuarial Gain/ (Loss) on Plan Assets	1.81	(7.13)
Actual Return on Plan Assets	69.43	58.58
VI. Balance Sheet Reconciliation		
Opening Net Liability	376.60	241.15
Expenses Recognized in Profit & Loss Account	78.99	63.64
Amount recognized in Other Comprehensive Income	171.17	74.22
Less: Employer's Contribution	152.71	2.40
Amount Recognized in Balance Sheet (Asset) / Liability	474.05	376.60

Sensitivity Analysis:

Rs. In Lakhs

Projected Benefit Obligation on Current Assumptions	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Increase	Decrease	Increase	Decrease
Delta Effect of +1% Change in Rate of Discounting	60	-	45	-
Delta Effect of -1% Change in Rate of Discounting	-	69	-	52
Delta Effect of +1% Change in Rate of Salary Increase	-	70	-	53
Delta Effect of -1% Change in Rate of Salary Increase	61	-	47	-
Delta Effect of +1% Change in Rate of Employee Turnover	-	9	-	11
Delta Effect of -1% Change in Rate of Employee Turnover	11	-	13	-

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

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

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

Maturity Analysis of the Benefit Payments from the Fund:

Projected Benefits Payable in Future years from the date of reporting	Rs. In Lakhs	
	As at March 31, 2020	As at March 31, 2019
1st Following Year	552	475
2nd Following Year	34	33
3rd Following Year	87	49
4th Following Year	70	76
5th Following Year	22	60
Sum of Years 6 To 10	320	251
Sum of Years 11 and above	970	835

Particulars	Rs. In Lakhs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Leave Salary		
I. Expense recognized in the Statement of Profit and Loss for the year ended		
a. Current Service Cost	21.27	22.61
b. Net Interest on net Defined Liability/ Asset	21.49	20.33
c. Actuarial (Gains)/Losses on Liability	73.29	(12.56)
d. Total Expenses	116.05	30.38
II. Net Assets / (Liability) recognised in the Balance Sheet		
a. Present Value of Unfunded Obligations	366.76	275.81
b. Unrecognised Past Service Cost	-	-
c. Fair Value of Plan Assets	-	-
d. Net Liability	366.76	275.81
III. Change in Present value of Obligation during the year ended		
a. Present Value of Unfunded Obligation at the beginning of the year	275.81	259.69
b. Current Service Cost	21.27	22.61
c. Interest Cost	21.49	20.33
d. Actuarial Gain/Loss	73.29	(12.56)
e. Benefit paid	25.10	14.26
f. Present Value of Unfunded Obligation at the end of the year	366.76	275.81

Experience adjustment:-

Gratuity	Rs. In Lakhs	
	2019-20	2018-19
Present Value of Unfunded Obligations	1,498.51	1,244.67
Fair Value of Plan Assets	1,024.46	868.07
Funded Status [(Surplus)/Deficit]	474.05	376.60
Experience adjustments on Plan Liabilities	117.20	65.15
Experience adjustments on Plan Assets	1.81	(7.13)
TOTAL	119.01	58.02

The expected contributions for Defined Benefit Plan for the next Financial Year will be in line with 2019-20

Rs. In Lakhs

Leave Salary	2019-20	2018-19
Present Value of Unfunded Obligations	366.74	275.81
Fair Value of Plan Assets	-	-
Funded Status [(Surplus)/Deficit]	366.74	275.81
Experience adjustments on Plan Liabilities	51.97	(13.31)
Experience adjustments on Plan Assets	-	-
TOTAL	51.97	(13.31)

Rs. In Lakhs

Assumptions	As at March 31, 2020	As at March 31, 2019
1. Discount Rate	6.86%	7.79%
2. Expected Return on Plan Assets	6.86%	7.79%
3. Salary Growth Rate	5.00%	5.00%
4. Withdrawal Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

30B Share Based Payments

The Company has in place an Employee Stock Option Plan approved by the Shareholders of the Company in the compliance with Securities & Exchange Board of India (Share Based Employee benefits) Regulations, 2014. **-Alkyl Amines Employees Stock Option Plan 2018**

Summary of Options granted, vested and exercised during the year under Plan :

Particulars	2019-20	2018-19
Options outstanding at the beginning of year	54,621	54,621
Options granted during the year	-	-
Options vested and exercised during the year*	-	-
Options lapsed during the year	-	-
Options outstanding at the end of the year	54,621	54,621

* Vested but not exercised

Employee Stock Option Plan

Particulars	Grant I	Grant II	Grant III	Grant IV
No. of Options	4,416	23,805	8,800	17,600
Method of Accounting	Fair Value method			
Vesting period (in years)	1	2	3	5
Exercise period (in years) from date of vesting	5	5	5	5
Grant date	25-Mar-19	25-Mar-19	25-Mar-19	25-Mar-19
Expected life (in years)	5	2	5	5
Exercise price (Rs.)	150.00	150.00	700.00	700.00
Market price (Rs.)	812.20	812.20	812.20	812.20
Vesting Condition	Based on past performance		Based on future performance rating	
Mode of Settlement	Equity shares			

Fair Valuation of Employee Stock Option

Particulars	Grant I	Grant II	Grant III	Grant IV
No. of Options	4,416	23,805	8,800	17,600
Model used	Black-Scholes Model			
Expected volatility	40%	40%	40%	40%
Risk free interest rate	7.47%	7.47%	7.47%	7.47%
Weighted Average Fair Value (Rs.)	683.05	687.78	359.93	399.81

31. SEGMENT REPORTING

31.1 Primary Segment:

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

31.2 Secondary Segment (by Geographical Segment):

Rs. In Lakhs

Particulars	Within India		Outside India		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Revenue	80,154.19	67,073.88	19,133.57	17,566.21	99,287.76	84,640.09
Carrying amount of Segment Assets	74,617.19	70,996.78	3,276.05	3,498.45	77,893.25	74,495.24
Capital Expenditure	46,743.14	41,884.47	92.80	73.46	46,835.94	41,957.93

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

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

32. LIST OF RELATED PARTIES AND THEIR RELATIONSHIPS

I. Associate Company:

Diamines and Chemicals Limited (upto 17th November'2019)

II. Key Management Personnel:

- i. Yogesh M. Kothari - Chairman & Managing Director
- ii. Kirat Patel - Executive Director
- iii. Suneet Y. Kothari - Executive Director

III. Relative of Key Management Personnel:

Hemendra M. Kothari

IV. Entities over which Key Management Personnel has Control:

- i. Anjyko Investments Private Limited
- ii. Niyoko Trading & Consultancy LLP
- iii. YMK Trading & Consultancy LLP
- iv. SYK Trading & Consultancy LLP

33. RELATED PARTY DISCLOSURES

Following transactions were carried out in the ordinary course of business with the parties Referred to in 32 above. There was no amount written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

Rs. In Lakhs

Particulars	Associate Company	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 33 (I) above]	[with 33 (II) and (III) above]	[with 33 (IV) above]	[with 33 (V) above]
Miscellaneous Expenses (Travelling and Others)	0.01 (NIL)			
Loans and Advances - Unsecured :				
Loan from Directors – Received				
Yogesh Kothari		1,000.00 (2,250.00)		
Suneet Kothari		NIL (327.00)		
Loan from Directors – Repaid				
Yogesh Kothari		2,450.00 (800.00)		
Suneet Kothari		97.00 (296.50)		
Interest Expenses :				
On Loans from Directors				
Yogesh Kothari		36.91 (96.62)		
Suneet Kothari		0.64 (6.60)		
Directors' Remuneration:				
Yogesh Kothari		1,174.55 (607.16)		
Kirat Patel		360.16 (245.19)		
Suneet Kothari		353.04 (239.41)		
Hemendra Kothari Sitting Fees		0.20 (0.72)		
Commission		5.36 (17.81)		
Outstanding Balance As At March 31, 2020				
Loans From Directors				
Yogesh Kothari		NIL (1,450.00)		
Suneet Kothari		NIL (97.00)		
Investments				
Non-Current Investments	NIL (144.11)			

34. RIGHT OF USE OF ASSET

Rs. In Lakhs

Particulars	Right of use Asset			Total Assets
	Leasehold Land	Leasehold Improvement	Leasehold Building	
Balance as at April 1, 2019	-	-	-	-
Transition impact on account of adoption of Ind AS 116 "Leases"	-	-	72.92	72.92
Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases"	2,936.53	50.98	-	2,987.51
Total Right of Use on the date of transition	-	-	-	-
Additions during the year	44.90	-	-	44.90
Deletion during the year	10.55	-	-	10.55
Depreciation of Right of use assets	92.88	27.69	7.81	128.39
Balance as at March 31, 2020	2,878.01	23.29	65.11	2,966.40

Lease Liability

Rs. In Lakhs

Particulars	Liability Amount
Balance as at April 1, 2019	-
Transition impact on account of adoption of Ind AS 116 "Leases"	72.93
Additions during the year	-
Finance cost accrued during the year	12.87
Deletion during the year	-
Payment of lease liabilities	18.00
Balance as at March 31, 2020	67.80
Current maturities of Lease liability	5.63
Non-Current Lease Liability	62.17

Effective from April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April, 2019 using the Modified Retrospective Method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability as provided under Para C8(c)(ii) in Appendix C of Ind AS 116. Accordingly, comparatives year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption is not material on the profit for the year and earnings per share.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

The incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.40%

The Summary of practical expedients elected on initial application

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
- Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

35. EARNINGS PER SHARE

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

Rs. In Lakhs

Particulars	For the	For the
	Year ended March 31, 2020	Year ended March 31, 2019
Numerator for Basic Earnings per Share		
Net Profit after Tax for the year before Preference Dividend	21,528.12	8,374.45
Net Profit after Tax for the year (a)	21,528.12	8,374.45
Denominator for Basic Earnings per Share		
Weighted Average Number of Shares (b)	2,03,96,392	2,03,96,392
Basic Earnings per Share [(a) / (b)] (In Rs)	105.55	41.06
Face value per Share (In Rs)	5.00	5.00

Rs. In Lakhs

Particulars	For the	For the
	Year ended March 31, 2020	Year ended March 31, 2019
Numerator for Diluted Earnings per Share		
Net Profit after Tax for the year before Preference Dividend	21,528.12	8,374.45
Net Profit after Tax for the year (a)	21,528.12	8,374.45
Denominator for Diluted Earnings per Share		
Weighted Average Number of Shares (b)	2,03,96,392	2,03,96,392
Stock Options granted- [c]	54,621	54,621
Diluted Earnings per Share [(a) / (b+c)] (In Rs)	105.27	40.95
Face value per Share (In Rs)	5.00	5.00

36. PROPOSED DIVIDEND

Rs. In Lakhs

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Proposed Dividend	2,039.64	1,631.71
Tax on Proposed Dividend	-	335.48

37. CONSUMPTION OF IMPORTED/INDIGENOUS MATERIALS

Rs. In Lakhs

Particulars	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
	Percentage	Value	Percentage	Value
Raw Materials				
Imported	27.41%	12,276.28	22.11%	10,118.12
Indigenous	72.59%	32,517.65	77.89%	35,645.70
TOTAL	100.00%	44,793.93	100.00%	45,763.82
Stores and Spares				
Imported	2.20%	24.08	7.35%	87.59
Indigenous	97.80%	1,068.20	92.65%	1,104.20
TOTAL	100.00%	1,092.28	100.00%	1,191.79

Rs. In Lakhs

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
38. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS		
Raw Materials	4,865.94	8,097.92
Stores and Spares	2.24	8.16
Capital Goods	18.81	72.75
TOTAL	4,886.99	8,178.83
39 EXPENDITURE IN FOREIGN CURRENCY		
i. Interest		
Term Loan	306.35	448.07
Others	71.51	111.63
ii. Other Finance Charges	11.56	13.44
iii. Other Expenses		
Commission on Sales	80.65	81.66
Professional Charges	85.05	30.77
Miscellaneous Expenses	23.58	33.63
Freight Outward	-	5.62
TOTAL	578.70	724.82
40 EARNINGS IN FOREIGN CURRENCY		
Export of Goods at F.O.B. value	16,150.24	14,715.39
Other Income	-	22.36
TOTAL	16,150.24	14,737.75

41 INCOME TAXES

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

Rs. In Lakhs

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Accounting Profit Before Tax		
Business Income	22,686.77	13,019.48
Capital Gain	41.53	-
Tax rate - Corporate Tax	25.17%	34.94%
- Capital Gains Tax	11.20%	-
Computed income tax expense-Business Income	5,710.26	4,549.01
Computed income tax expense-Capital Gain	4.65	-
Total Computed income tax expenses	5,714.91	4549.01
Tax effect of Items disallowed/ (allowed)	775.96	72.39
Tax effect Unrealised Exchange Gain/Loss on Forward Contract	53.08	2.28
Tax effect on Depreciation	(1,180.59)	(975.38)
Tax effect on Research & Development expenses allowable u/s 35 (2AB) of The Income Tax Act, 1961	-	(65.67)
Total Income Tax Expense	5,363.36	3,582.63

b. Significant component of Deferred Tax Assets and Liabilities for the year ended March 31, 2020

Rs. In Lakhs

Particulars	As At April 1, 2019	Deferred tax expense/ (income recognized in Profit and Loss Statement)	Deferred tax expense/ (income recognized in OCI Statement)	As At March 31, 2020
Deferred Tax Assets (A)				
Impact of Ind AS 116-Leases	-	0.68	-	0.68
Expenses allowable on payment basis	313.50	(156.88)	-	156.62
Other items giving rise to temporary differences	118.61	103.29	-	221.90
Sub total	432.11	(52.91)	-	379.20
Deferred Tax Liabilities (B)				
Depreciation on Property Plant Equipment for Tax Purpose	5,498.42	(1,082.95)	-	4,415.47
Sub total	5,498.42	(1,082.95)	-	4,415.47
Net Deferred Tax Liability (B)-(A)	5,066.31	(1,030.04)	-	4,036.27

c. Significant component of Deferred Tax Assets and Liabilities for the year ended March 31, 2019

Rs. In Lakhs

Particulars	As At April 1, 2018	Deferred tax expense/ (income recognized in Profit and Loss Statement)	Deferred tax expense/ (income recognized in OCI Statement)	As At March 31, 2019
Deferred Tax Assets (A)				
Expenses allowable on payment basis	176.87	136.63	-	313.50
Other items giving rise to temporary differences	94.25	24.36	-	118.61
Sub total	271.12	160.99	-	432.11
Deferred Tax Liabilities (B)				
Depreciation on Property Plant Equipment for Tax Purpose	4,319.50	(1,178.90)	-	5,498.42
Sub total	4,319.50	(1,178.90)	-	5,498.42
Net Deferred Tax Liability (B)-(A)	4,048.38	(1,017.91)	-	5,066.31

42. During the year, on November 18, 2019, the Company has disposed off its entire shareholding in its associate, Diamines and Chemicals Limited at a consideration of Rs.3428.27 Lakhs and earned a profit of Rs. Rs.3284.16 Lakhs. Consequently, with effect from November 18, 2019, Diamines and Chemicals Limited has ceased to be an Associate of the Company. The said profit on sale of investment of Rs.3284.16 Lakhs has been shown as an Exceptional Item.

43. Financial and Other Derivative Instruments

Refer Note No. 1 (m), (n) and (o) for accounting policies on Financial Instruments.

43.1 Capital Management

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

The Gearing ratio at the end of the reporting period

Rs. In Lakhs

Particulars	As At	As At
	April 1, 2020	March 31, 2019
A. Debt	8,590.50	16,533.12
B. Cash and Bank Balance	3,226.45	2,017.43
C. Net Debt (A-B)	5,364.05	14,515.70
D. Total Equity	53,659.66	36,499.31
E. Gearing Ratio (C/D)	0.10 times	0.40 times

The Company is subject to externally imposed capital requirements as part of its debt covenants such as maintaining a Total Debt to EBIDTA ratio of 0.33 times, a Debt Service Coverage ratio of 6.88 times and a Total Debt to Tangible Net Worth ratio of 0.16 times. Management do not consider any challenges for managing the capital due to the impact of ongoing pandemic COVID 19

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

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

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
A. Total Debt	8,590.50	16,533.12
B. EBIDTA *	26,403.14	16,829.84
Total Debts to EBIDTA (A/B)	0.33 times	0.98 times

* One time Exceptional Item not considered

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

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
A. EBIDTA	26,403.14	16,829.84
B. Interest	1,025.39	1,476.66
C. Loan Repayment	2,812.59	2,237.33
D. Total Interest and Loan Repayment (B+C)	3,837.98	3,713.99
E. Debts Service Coverage Ratio (A/D)	6.88 times	4.53 times

Other Significant Ratios

Particulars	As At	As At
	March 31, 2020	March 31, 2019
A. Debtors Turnover Ratio (No. of Days)	50.02	51.57
B. Inventory Turnover Ratio (No. of Days Production)	50.90	54.74
C. Current Ratio	1.91 times	1.26 times
D. Interest Coverage Ratio	21.42 times	8.25 times

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

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
A. Total Debt	8,590.50	16,533.12
B. Tangible Net Worth	53,659.66	36,499.31
C. Total Debt to Tangible Net Worth (A/B)	0.16 times	0.45 times

43.2 Financial instruments by category

Rs. In Lakhs

Particulars	As At March 31, 2020				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
Financial Assets					
Investment	-	-	-	-	-
Trade Receivables	-	-	16,422.15	16,422.15	-
Cash and Cash Equivalents	-	-	3,226.45	3,226.45	-
Deposits	-	-	236.26	236.26	-
Loans	-	-	86.18	86.18	-
Derivative Asset	764.48	0.79	-	-	765.27
Other Financial Assets	-	-	22.59	22.59	-
TOTAL	764.48	0.79	19,993.65	19,993.65	765.27
Financial Liabilities					
Borrowings	-	-	4,797.35	4,797.35	-
Trade Payables	-	-	7,077.50	7,077.50	-
Derivative Liability	211.72	-	-	-	211.72
Other Financial Liabilities	-	-	7,178.74	7,178.74	-
TOTAL	211.72	-	19,053.59	19,053.59	211.72

43.2 Financial instruments by category

Rs. In Lakhs

Particulars	As At March 31, 2019				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
Financial assets					
Investment	-	-	144.11	144.11	-
Trade Receivables	-	-	15,263.39	15,263.39	-
Cash and Cash Equivalents	-	-	2,017.43	2,017.43	-
Deposits	-	-	274.24	274.24	-
Loans	-	-	78.35	78.35	-
Derivative Asset	181.95	-	-	-	181.95
Other Financial Assets	-	-	18.99	18.99	-
TOTAL	181.95	-	17,796.51	17,796.51	181.95
Financial Liabilities					
Borrowings	-	-	12,960.06	12,960.06	-
Trade Payables	-	-	12,399.02	12,399.02	-
Derivative Liability	110.90	-	-	-	110.90
Other Financial Liabilities	-	-	6,184.50	6,184.50	-
TOTAL	110.90	-	31,543.58	31,543.58	110.90

i) Fair value hierarchy

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

Rs. In Lakhs

Financial assets and liabilities measured at fair value -recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
Derivatives designated as hedges:					
Derivative Assets:					
March 31, 2020	(i)	-	-	765.27	765.27
March 31, 2019	(ii)	-	-	181.95	181.95
Derivatives designated as hedges:					
Derivative Liability:					
March 31, 2020	(i)	-	-	211.72	211.72
March 31, 2019	(ii)	-	-	110.90	110.90

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

iii) Valuation process

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

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

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

43.3 Financial Risk Management Policies and Objectives

The Company, in the course of its business, is exposed to a variety of financial risks, viz. market risk, credit risk and liquidity risk, which can adversely impact the financial performance. The Company's endeavour is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company has a risk management policy that not only covers the foreign exchange risk but also other risks such as interest rate risk and credit risk which are associated with financial assets and liabilities. The risk management policy of the Company is approved by its board of directors. The risk management framework focuses on actively securing the Company's short to medium term cash flows by minimizing the exposure to financial markets.

Presented below is a description of our risks (market risk, credit risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks, based on selected changes in market rates and prices. These analysis reflect the management's view of changes which are reasonably possible to occur over a one year period. In the event of crisis caused due to external factor such as caused by recent pandemic "COVID-19", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash low forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumption are reviewed by board of directors.

Market risk

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

Foreign currency exchange rate risk:

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

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

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

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

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

Particulars	Foreign Currency	As at March 31, 2020		As at March 31, 2019	
		Amount In Foreign currency	Amount in Indian Rupees	Amount In Foreign currency	Amount in Indian Rupees
Forward Contracts for					
Forward Contracts for firm commitment for Export Trade	USD	60.19	4,462.49	21.30	1,451.60
	EURO	5.36	436.79	2.30	175.56
Forward Contracts for firm commitment for Import Trade	USD	21.68	1,662.07	59.38	4,166.48
Cross currency and Interest Rate Swap for					
ECB Loans	USD	110.83	8,496.48	161.17	11,309.07
Interest on ECB payable	USD	0.56	37.40	1.06	71.37

- b. Exposures in Foreign Currency:

Particulars	Foreign Currency	As at March 31, 2020			As at March 31, 2019		
		Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees	Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees
Amount In Lakhs							
I. Assets							
Trade Receivables	USD	74.14	36.77	2,725.88	68.15	35.46	2,409.97
	EURO	81.49	3.65	297.63	76.33	4.19	318.69
Hedged by Derivative Contracts	USD	74.14	36.77	2,725.88	68.15	21.30	1,451.60
	EURO	81.49	3.65	297.63	76.33	2.30	175.56
Unhedged Receivables	USD	74.14	-	-	68.15	14.16	958.37
	EURO	81.49	-	-	76.33	1.89	143.13

Amount In Lakhs

Particulars	Foreign Currency	As at March 31, 2020			As at March 31, 2019		
		Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees	Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees
II. Liabilities							
Trade Payables	USD	76.66	0.33	25.37	70.17	60.17	4,222.08
	EURO	84.71	-	-	78.95	0.05	3.55
Buyers' Credit	USD	-	-	-	-	-	-
Borrowings (ECB and Others)	USD	76.66	110.83	8,496.48	70.17	161.17	11,309.07
Packing Credit in Foreign Currency	USD	-	-	-	70.17	37.54	2,634.38
	EURO	84.71	0.05	3.87	78.95	9.33	736.38
Balance with Bank	USD	74.14	6.58	487.97	68.15	2.63	179.18
Export Commission Payable	USD	76.66	0.11	8.29	70.17	0.29	20.56
	EURO	-	-	-	78.95	0.04	2.95
Total Payables	USD	76.66	117.85	9,018.11	70.15	261.80	18,365.27
	EURO	84.71	0.05	3.87	78.91	9.41	742.88
Hedged by Derivative Contracts	USD	76.66	117.85	9,018.11	70.17	220.28	15,456.74
	EURO	-	-	-	-	-	-
Unhedged Payables	USD	76.66	-	-	70.17	41.53	2,908.53
	EURO	84.71	0.05	3.87	78.95	9.41	742.88

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

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
Balance at the Beginning of the year	370.09	466.56
Gain/Loss arising on changes in the fair value of designated portion of hedging instruments entered into for cash flow hedge:		
- Forward foreign exchange contract	474.57	644.66
- Currency Swap	(578.08)	(743.76)
Gain/ Loss arising on changes in the fair value of designated portion of hedging instruments reclassified to Profit & loss:		
- Forward Foreign Exchange contract	-	2.63
- Currency Swap	-	-
Balance at the End of the year	266.58	370.09

Foreign Currency sensitivity analysis

An appreciation/ (depreciation) of 5% in USD rates with respect to INR would result in increase/ (decrease) in the Company's net profit before tax for the year ended March 31, 2020 and comparison for the year ended March 31, 2019 is explained below:

Rs. In Lakhs

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	5%	(-5%)	5%	(-5%)
	Trade Receivables	151.18	(151.18)	136.83
Trade Payable	(1.27)	1.27	(211.28)	211.28
Buyer's Credit	-	-	-	-
Forward Cover Exports	251.31	(251.31)	83.13	(83.13)
Forward Cover Imports	(83.13)	83.13	(205.59)	205.59
Others Liabilities	(0.41)	0.41	(1.18)	1.18
	317.68	(317.68)	(198.09)	198.09

Interest rate risk

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

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

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

Interest rate sensitivity

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

Rs. In Lakhs

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	0.5%	(-0.5%)	0.5%	(-0.5%)
	Cash Credit	0.00	0.00	(2.32)
PCFC	(0.19)	0.19	(13.87)	13.87
	(0.19)	0.19	(16.19)	16.19

Credit risk

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

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

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

In respect of Receivables other than Trade Receivables, the Company's exposure to any significant credit risk exposure to any single counter party or any groups of counter parties having similar characteristics is considered to be negligible. The credit risk for liquid

funds and other short-term Financial Assets is considered negligible, since the counter parties are reputed banks with high quality external credit ratings.

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

The Company evaluate the concentration of risk with respect to trade receivable as low, as its customer are located in several jurisdiction and industries and operate in largely independent market.

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

Particulars	Carrying amount	
	As At	As At
	March 31, 2020	March 31, 2019
With in India	13,147.38	11,765.64
Other Regions	3,274.77	3,497.74
TOTAL	16,422.15	15,263.38

Rs. In Lakhs

Liquidity risk

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

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposits which carry no mark to market risk.

The Company maintains the following lines of credit. Rs. 3.87 Lakhs Lakhs Working capital loans that is secured. Interest would be payable at the rate ranging from 4.20% of 9.50%.

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

Contractual cash flows

As At March 31, 2020	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Loan from Related Parties (Unsecured)					
From Directors	-	-	-	-	-
Secured/Unsecured from Bank and FI					
ECB	-	8,457.25	3,705.23	4,752.02	-
Working Capital	-	3.87	3.87	-	-
Deferred Payment Liabilities	-	129.37	87.91	41.45	-
Lease Liabilities	67.80	-	5.63	62.17	-
Trade Payables	-	7,077.49	7,077.49	-	-
Interest Accrued	-	118.47	118.47	-	-
Others	-	3,267.12	3,267.12	-	-
	67.80	19,053.57	14,265.73	4,855.64	-

Rs. In Lakhs

Contractual cash flows

Rs. In Lakhs

As At March 31, 2019	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Loan from Related Parties (Unsecured)					
From Directors	-	1,547.00	1,547.00	-	-
Secured/Unsecured from Bank and FI					
ECB	-	11,237.09	3,461.72	7,775.38	-
Working Capital	-	3,508.32	3,508.32	-	-
Deferred Payment Liabilities	-	240.72	111.35	129.37	-
Trade Payables	-	12,399.02	12,399.02	-	-
Interest Accrued	-	166.88	166.88	-	-
Others	-	2,444.56	2,444.56	-	-
	-	31,543.59	23,638.85	7,904.75	-

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

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

44. In view of the continuing lockdown situation due to COVID-19 pandemic across the country which commenced from 22nd March, 2020, the Company has reviewed and analysed the possible effects of the pandemic on its financial statements, particularly for the financial year 2020-2021. There has been no significant impact on the business and profits of the Company for the year ended March 31, 2020. As the Company is in the manufacture and sale of essential products, being mainly pharmaceuticals intermediate, the Company was allowed manufacturing activity in the first week of April 2020 at all its locations. By the end of May, 2020 the Company has achieved near optimum production in response to orders on hand, both domestic and exports, which is expected to continue going forward. The offices and Technical Centre employees have been working from home to provide support to the procurement, manufacturing and selling activities. Though the Company is not in position to gauge with certainty the future impact on its operations, the Company expects that the demand for its products from pharmaceuticals sector will continue and, as such, barring unforeseen circumstances there will not be a significant impact of COVID-19 on the operations of the Company for the financial year 2020-21. Also in assessing the recoverability of receivables and other financial assets, the Company has considered internal and external information up to the date of approval of these financial results. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.
45. Previous Year's figures, wherever necessary, have been regrouped/ reclassified to conform to the current year's presentation. Figures in brackets, unless specified, represent previous year's figures.

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

VINAY D. BALSE
Partner
Membership No. 39434

RAHUL J. MEHTA
Chief Financial Officer

CHINTAMANI D. THATTE
General Manager
(Secretarial) and
Company Secretary

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : JUNE 23, 2020

Place : MUMBAI
Dated : JUNE 23, 2020

FORM AOC-1

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

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

PART "A": SUBSIDIARIES

NOT APPLICABLE

PART "B": ASSOCIATES AND JOINT VENTURES

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

Rs. In lakhs

Name of the Associate	Diamines and Chemicals Limited
1 Latest Audited Balance Sheet Date	March 31, 2020
2 Shares of Associate held by the Company on the year end	
Number of shares	Nil*
Amount of Investment in Associate	Nil*
Extent of Holding %	Nil*
3 There is significant influence in the associate due to shareholding	NA*
4 Reason why the associate is not consolidated	NA
5 Net-worth attributable to Shareholding as per latest audited Balance Sheet	0.00
6 Profit/Loss for the year but considered upto period November 18, 2019.	
i. Considered in Consolidation	438.91
ii. Not Considered in Consolidation	1,002.96
Names of associates or joint ventures which are yet to commence operations	NA
Name of associates or joint ventures which have been liquidated or sold during the year	* Note: The Company has disposed of its entire shareholding of 29,77,997 equity shares representing 30.44% stake in Diamines and Chemicals Limited (DACL) on November 18, 2019. Accordingly, DACL has ceased to be an Associate Company of Company w.e.f. November 18, 2019.

For and on behalf of the Board of Directors

YOGESH M. KOTHARI

Chairman and Managing Director

KIRAT PATEL

Executive Director

Place : Mumbai

Dated : June 23, 2020

CHINTAMANI D. THATTE

General Manager
(Secretarial) and
Company Secretary

RAHUL J. MEHTA

General Manager
Finance and Accounts

INDEPENDENT AUDITOR'S REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Alkyl Amines Chemicals Limited (hereinafter referred to as "the Company") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement for the year then ended, the Statement of Change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, its cashflows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 (ICAI), together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

Sr. No.	Key Audit Matter	Auditor Response
1	<p>Litigations - Contingencies</p> <p>The Company has litigations in respect of certain income tax matters. In this regard, the Company has recognised provisions and has disclosed contingent liabilities as at March 31, 2020.</p> <p>Significant management judgement is required to assess these matters and to determine the probability of material outflow of economic resources and whether a provision should be recognised or a disclosure should be made. Where considered relevant, the management judgement is also supported with legal advice in these cases.</p> <p>We focused on this area as the ultimate outcome of matters are uncertain and the positions taken by the management are based on the application of judgement, related expert advice including those relating to interpretation of laws and regulations.</p> <p>Refer to Note 27 to the Consolidated Financial Statements.</p>	<p>Audit Procedures</p> <p>Our audit procedures involved the following:</p> <ul style="list-style-type: none"> • testing the effectiveness of controls around the recording and re-assessment of contingent liabilities; • discussing with management the status and recent developments of these matters, including their views on the likely outcome of each litigation and claim; • performing our assessment of the underlying calculations supporting the provisions or other disclosures made in the consolidated financial statements; • evaluating the management's assessment of these matters and monitoring changes in the disputes with reference to subsequent orders passed and by way of discussion with the tax consultant, where relevant, in order to establish the appropriateness of the provisions / disclosures; • evaluating management's assessment of the matters that are not disclosed, as the probability of material outflow is considered to be remote by the management; and • assessing the adequacy of the Company's disclosures.

Sr. No.	Key Audit Matter	Auditor Response
2	<p>Inventory Valuation</p> <p>Due to the lockdown imposed by the Government on account of COVID-19, it was not possible for us to carry out the physical verification of inventories as at March 31, 2020.</p> <p>However the management duly conducted the physical inventory counting internally as at the year end and provided to us certified physical counting sheets for all the locations for the purpose of Inventory Valuation.</p> <p>We determined the above area as a Key Audit Matter due to the materiality of the inventory figure appearing in the Consolidated Financial Statements.</p>	<p>Audit Procedures</p> <p>Our audit procedures involved the following:</p> <ul style="list-style-type: none"> performing alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventory; obtaining and evaluating the adequacy of the inventory physical verification instructions prepared and issued by the management to determine if the instructions provided were appropriate and comprehensive; evaluating the control design in respect of the inventory verification process; testing the effectiveness of controls around the recording of inventory during the period of the audit; ensuring that such controls encompass the processes around purchase and sales which eventually impact the stock balance held at the end of the reporting period; verifying the documentation supporting purchases and subsequent sale of inventory items on a sample basis; ascertaining that these procedures indirectly provide evidence that stock balance which was not physically verified actually existed as on the date to enable subsequent sales and indirectly support and corroborate the assertion of existence; where the Company has inventory under the custody and control of a third party, obtaining direct confirmations from the respective third parties; and obtaining audit evidence regarding the location and condition of the inventory, including documentary records about purchases/sales in case of inventories in transit.
3	<p>Provision for Expected Credit Losses (ECL) of trade receivables</p> <p>The Company determines the provision for credit losses based on the Company's historical observed default rates which are negligible over the years. The Company considered current and anticipated future economic conditions relating to industries the Company deals with, to calibrate the provision matrix to adjust the historical credit loss experience with forward-looking information. While determining expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.</p> <p>We focused on this area as the Company has exercised significant judgement in determining the ECL and accordingly has not provided for any such allowance for the credit losses as at the balance sheet date.</p> <p>Refer to Note 2(g) to the Consolidated Financial Statements.</p>	<p>Audit Procedures</p> <p>Our audit procedures involved the following:</p> <ul style="list-style-type: none"> testing the effectiveness of controls over the development of the methodology for the Provision for expected credit losses; discussing with management about their consideration of the current and estimated future economic conditions; evaluating the completeness and accuracy of information used in the estimation of probability of default by the customers; performing our assessment of the past experience supporting the non-provisioning or other disclosures made in the consolidated financial statements; verifying subsequent collection from the customers after the balance sheet date, with respect to the outstanding trade receivables, in order to establish the appropriateness for not making the provisions; and assessing the adequacy of the Company's disclosures.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report on Corporate Governance, Shareholder information and Management Discussion and Analysis,

Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the associate audited by the other auditors, to the extent it relates to the entity and, and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise, appears to be materially misstated. Other information so far as it relates to the associate, is traced from its financial statements audited by the other auditor. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

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

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

The respective Board of Directors of the Companies are responsible for overseeing the Company's and its associate's financial reporting process.

Auditor's Responsibility for the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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 Matter

- i. Due to the COVID- 19 pandemic and the resultant lockdown and other restrictions imposed by the Government and local authorities, the audit processes were carried out based on the remote access to the records and documents which were made available by the management through digital medium.

Our opinion is not modified in respect of this matter.

- ii. We did not audit the financial statements of the associate, whose financial statements include the Company's share of net profit after tax of Rs. 438.91 lakhs and Company's share of Total Comprehensive Income of Rs. 12.63 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by the other auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosure included in respect of this associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the reports of the other auditors.

Our Opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the associate referred to in the Other Matters section above we report, to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from the examination of those books, returns and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, and the Consolidated Cash Flow Statement and Consolidated Statement of Change in Equity dealt with by this report are in agreement with the relevant financial statements adopted and related working statements maintained for the purpose of preparation of the Consolidated Financial Statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the directors of the Company as on March 31, 2020, taken on record by the Board of Directors of the Company, and reports of the auditor of its associate, none of the directors in the Company is disqualified as on March 31, 2020, from being appointed as a director, in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditors' reports of the associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on reports of the auditor of its associate:
- i. the Consolidated Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Company– Refer Note 27 to the Consolidated Financial Statements;
 - ii. the Company and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
2. With respect to the matter to be included in the Auditor's Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 read with Schedule V of the Act.

For N. M. Raiji & Co.
Chartered Accountants
Firm's Registration Number: 108296W

Vinay D. Balse
Partner
Membership Number: 039434
UDIN: 20039434AAAABX3491

Place: Mumbai
Date: June 23, 2020

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

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

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

We have audited the Internal Financial Controls over financial reporting of Alkyl Amines Chemicals Limited (hereinafter referred to as “the Company”) and its associate, as of March 31, 2020, in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the associate company, which is the company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its associate company, which are companies incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For N.M.Raiji and Co.
Chartered Accountants
Firm’s Registration Number: 108296W

Vinay D. Balse
Partner

Membership Number: 039434
UDIN : 20039434AAAABX3491

Place: Mumbai
Dated: May 21, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

Rs. in Lakhs

Particulars	Note	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3	39,224.45	37,551.58
(b) Capital Work-In-Progress	3	4,488.06	4,315.18
(c) Right of Use- Lease assets	4	2,966.40	-
(d) Intangible Assets	3	157.04	91.16
(e) Financial Assets			
i) Investments	5	-	1,552.51
ii) Loans	6A	42.28	45.55
iii) Other Financial Assets	6B	252.77	285.85
(g) Non-Current Tax Asset (Net)	7C	445.18	356.97
(h) Other Non-Current Assets	7A	1,347.64	858.14
		<u>48,923.82</u>	<u>45,056.94</u>
Current Assets			
(a) Inventories	8	8,366.54	10,569.29
(b) Financial Assets			
i) Trade Receivables	9	16,422.15	15,263.39
ii) Cash and Cash Equivalents	10	3,123.86	1,933.91
iii) Other Bank Balances	10A	102.58	83.52
iv) Loans	6C	23.46	19.72
v) Other Financial Assets	6D	791.79	202.40
(c) Other Current Assets	7B	584.22	3,131.43
		<u>29,414.60</u>	<u>31,203.66</u>
TOTAL ASSETS		<u>78,338.42</u>	<u>76,260.60</u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	11	1,020.60	1,020.60
(b) Other Equity	12	52,639.06	36,887.11
		<u>53,659.66</u>	<u>37,907.71</u>
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Long Term Borrowings			
- Secured Borrowings	13A	4,752.02	7,775.37
- Unsecured Borrowings	13B	41.46	129.37
(ii) Lease Liability	13E	62.17	-
(b) Provisions	16A	278.11	186.30
(c) Deferred Tax Liabilities (Net)	14	4,036.27	5,066.31
(d) Liabilities for Tax (Net)	18	127.47	419.38
		<u>9,297.50</u>	<u>13,576.73</u>
Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings			
- Secured Borrowings	13C	3.87	3,508.32
- Unsecured Borrowings	13D	-	1,547.00
(ii) Lease Liability	13E	5.63	-
(iii) Trade Payables	15A		
Total outstanding dues of Micro Enterprises and Small Enterprises		31.70	58.88
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		7,045.79	12,340.14
(iv) Other Financial Liabilities	15B	7,390.46	6,295.42
(b) Other Current Liabilities	17	341.11	560.29
(c) Provisions	16B	562.70	466.11
		<u>15,381.26</u>	<u>24,776.16</u>
TOTAL EQUITY AND LIABILITIES		<u>78,338.42</u>	<u>76,260.60</u>
Notes (Including Significant Accounting Policies and Critical Judgements, Estimates and Assumptions) forming part of the Financial Statements	1-45		

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

VINAY D. BALSE
Partner
Membership No. 39434

RAHUL J. MEHTA
Chief Financial Officer

CHINTAMANI D. THATTE
General Manager
(Secretarial) and
Company Secretary

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : JUNE 23, 2020

Place : MUMBAI
Dated : JUNE 23, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Rs. in Lakhs

	Note	For the Year ended March 31, 2020	For the Year ended March 31, 2019	
I	Revenue from Operations	19	99,287.76	84,640.09
II	Other Income	20	641.60	230.96
III	Total Income (I + II)		99,929.36	84,871.05
IV	EXPENSES			
	(a) Cost of Materials Consumed	21	47,621.68	48,176.61
	(b) Changes in Inventories of Finished Goods and Work-In-Progress	22	827.78	(2,089.41)
	(c) Employee Benefits Expense	23	6,964.15	5,277.90
	(d) Finance Costs	24	1,025.39	1,476.66
	(e) Depreciation and Amortisation Expense	25	2,690.98	2,333.68
	(f) Other Expenses	26	18,161.54	16,839.91
	Total Expenses (IV)		77,291.52	72,015.35
V	Share in profit of Associate Company		438.91	399.73
VI	Profit before Exceptional items and Tax (III-IV+V)		23,076.75	13,255.43
VII	Exceptional Items (Refer Note 42)		1,498.39	-
VIII	Profit before Tax (VI+VII)		24,575.14	13,255.43
IX	Tax Expense			
	(a) Current Tax		5,403.55	3,619.81
	(b) Deferred Tax		(1,030.04)	1,017.91
	(c) Tax adjustments of earlier years		69.30	7.32
	Total Tax Expense		4,442.81	4,645.04
X	Profit After Tax (VIII -IX)		20,132.33	8,610.39
XI	Other Comprehensive Income / (Expense)			
	(a) Items that will not be reclassified to profit or loss:			
	i) Remeasurment gain/(losses) on defined benefit plans		(171.17)	(74.22)
	ii) Income tax relating to items that will not be reclassified to profit or loss		40.38	26.06
	iii) Share of OCI in Associate Company		(12.63)	(14.35)
	(b) Items that may be reclassified to profit or loss:			
	i) Deferred gains/(losses) on cash flow hedges		0.80	(31.81)
	ii) Income tax relating to items that may be reclassified to profit or loss		(0.18)	11.12
	Other Comprehensive Income / (Expense) (net of tax)		(142.80)	(83.20)
XII	Total Comprehensive Income (X+XI)		19,989.53	8,527.19
XIII	Earnings Per Equity Share (Refer Note 35)			
	Basic (Rs.)		98.71	42.22
	Diluted (Rs.)		98.44	42.10
	Notes (Including Significant Accounting Policies and Critical Judgements, Estimates and Assumptions) forming part of the Financial Statements	1-45		

As per our Report of even date attached

For and on behalf of the Board of Directors

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

 YOGESH M. KOTHARI
Chairman and Managing Director

 VINAY D. BALSE
Partner
Membership No. 39434

 RAHUL J. MEHTA
Chief Financial Officer

 CHINTAMANI D. THATTE
General Manager
(Secretarial) and
Company Secretary

 KIRAT PATEL
Executive Director

 Place : MUMBAI
Dated : JUNE 23, 2020

 Place : MUMBAI
Dated : JUNE 23, 2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Rs. in Lakhs

	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Cash Flow from Operating Activities		
Profit before tax from continuing operations	24,575.14	13,255.43
Adjustments for :		
Depreciation and Amortization	2,690.98	2,333.68
(Gain)/ Loss on Disposal of Assets	144.01	57.65
Exceptional Item (Gain on sale of Investment)	(1,498.40)	-
Unrealized Loss/(Gain) on Foreign Exchange	331.17	570.32
Interest expense (Gross)	1,025.39	1,476.66
Interest Income	(179.51)	(31.44)
Share of profit in Associate Company	(438.91)	(399.73)
Provision no longer required, written back	(118.48)	(51.94)
Bad Debts written off	-	29.39
Employee Stock Options granted	84.99	103.19
	26,616.38	17,343.21
Operating profit before Working Capital Changes		
Adjustments for:		
(Increase) / Decrease in Other Current & Non-Current Financial Assets	(553.17)	(193.10)
(Increase) / Decrease in Other Current & Non-Current Assets	2,057.71	344.13
(Increase) / Decrease in Inventories	2,202.75	(2,051.18)
(Increase) / Decrease in Trade Receivables	(1,489.93)	(3,485.54)
Increase / (Decrease) in Trade Payables	(5,321.52)	5,681.08
Increase / (Decrease) in Other Current Financial Liabilities	1,285.36	(87.86)
Increase / (Decrease) in Other Current Liabilities	(219.18)	356.31
Increase / (Decrease) in Provisions	17.23	77.36
	24,595.63	17,984.41
Income taxes paid	(5,812.77)	(3,563.55)
Net Cash Flow from Operating Activities	18,782.86	14,420.86

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020 (CONTD.)

Rs. in Lakhs

	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(7,728.46)	(6,904.30)
Disposal of Fixed Assets	15.42	13.99
Interest Income	175.91	32.05
(Increase)/Decrease in Margin Money & Fixed Deposits (having the original maturity of more than 3 months)	(19.06)	15.66
Proceeds from Sale of Investment (Net)	3,417.65	-
Dividend from Investments in Associate	59.56	163.79
Net cash from Investing Activities	(4,078.98)	(6,678.81)
Cash flow from Financing Activities		
Interest paid	(1,073.80)	(1,500.69)
Repayment of Non-current Borrowings	(2,919.03)	(3,456.23)
Repayment of Current Borrowings	(5,051.45)	779.40
Increase / (Decrease) in Lease Liabilities	67.80	-
Dividend and Dividend Tax Paid	(4,426.10)	(1,721.29)
Payment of Deferral Sales Tax	(111.34)	(132.77)
Net cash from Financing Activities	(13,513.92)	(6,031.58)
Net increase / (decrease) in Cash and Cash Equivalents	1,189.96	1,710.48
Cash and Cash Equivalents at the beginning of the year	1,933.90	223.42
Cash and Cash Equivalents at the end of the year	3,123.86	1,933.90
Components of Cash and Cash Equivalents :		
Cash on Hand	4.43	1.38
Balances with Bank		
Current Accounts	1,541.46	1,743.80
EEFC Accounts	487.97	179.18
Fixed Deposit Accounts (with original maturity of less than 3 months)	1,090.00	9.54
	3,123.86	1,933.90

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

VINAY D. BALSE
Partner
Membership No. 39434

RAHUL J. MEHTA
Chief Financial Officer

CHINTAMANI D. THATTE
General Manager
(Secretarial) and
Company Secretary

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : JUNE 23, 2020

Place : MUMBAI
Dated : JUNE 23, 2020

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Rs. In Lakhs
As at March 31, 2018	1,020.60
Changes in equity share capital	-
As at March 31, 2019	1,020.60
Changes in equity share capital	-
As at March 31, 2020	1,020.60

b. Other Equity

Particulars	Reserve and Surplus					Other Comprehensive Income		Total Equity
	Retained Earnings	Securities Premium	Employee Stock Option Outstanding	General Reserve	Capital Reserve	Capital Redemption Reserve	Cash Flow Hedge Reserve	
Opening Balance as at April 1, 2018	25,330.18	1,290.97	-	3,559.27	142.70	25.00	(466.56)	29,881.56
Profits, for the year	8,610.39	-	-	-	-	-	-	8,610.39
Appropriations								
- Dividend paid	(1,427.76)	-	-	-	-	-	-	(1,427.76)
- Tax on Dividend	(293.54)	-	-	-	-	-	-	(293.54)
Recognition of Cash Flow Hedge Reserve	-	-	-	-	-	-	96.47	96.47
Employee Stock Options Expenses	-	-	103.19	-	-	-	-	103.19
Other Comprehensive Income (Net of tax)								
- Remeasurement of defined benefit obligations	(48.15)	-	-	-	-	-	-	(48.15)
- Deferred gains/(losses) on cash flow hedges	(20.70)	-	-	-	-	-	-	(20.70)
- Share of OCI in Associate Company	(14.35)	-	-	-	-	-	-	(14.35)
Total Comprehensive Income for the year	6,805.89	-	103.19	-	-	-	96.47	7,005.54
As at March 31, 2019	32,136.07	1,290.97	103.19	3,559.27	142.70	25.00	(370.09)	36,887.11

Rs. In Lakhs

Particulars	Reserve and Surplus						Other Comprehensive Income	Total Equity
	Retained Earnings	Securities Premium	Employee Stock Option Outstanding	General Reserve	Capital Reserve	Capital Redemption Reserve	Cash Flow Hedge Reserve	
Opening Balance as at April 1, 2019	32,136.07	1,290.97	103.19	3,559.27	142.70	25.00	(370.09)	36,887.11
Profits, for the year	20,132.34	-	-	-	-	-	-	20,132.34
Appropriations								
- Dividend paid	(3,671.35)	-	-	-	-	-	-	(3,671.35)
- Tax on Dividend	(754.75)	-	-	-	-	-	-	(754.75)
Recognition of Cash Flow Hedge Reserve	-	-	-	-	-	-	103.52	103.52
Employee Stock Options Expenses	-	-	84.99	-	-	-	-	84.99
Other Comprehensive Income (Net of tax)								
- Remeasurement of defined benefit obligations	(130.80)	-	-	-	-	-	-	(130.80)
- Deferred gains/(losses) on cash flow hedges	0.62	-	-	-	-	-	-	0.62
- Share of OCI in Associate Company	(12.62)	-	-	-	-	-	-	(12.62)
Total Comprehensive Income for the year	15,563.43	-	84.99	-	-	-	103.52	15,751.95
As at March 31, 2020	47,699.50	1,290.97	188.18	3,559.27	142.70	25.00	(266.57)	52,639.06

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
 Chairman and Managing Director

VINAY D. BALSE
 Partner
 Membership No. 39434

RAHUL J. MEHTA
 Chief Financial Officer

CHINTAMANI D. THATTE
 General Manager
 (Secretarial) and
 Company Secretary

KIRAT PATEL
 Executive Director

Place : MUMBAI
Dated : JUNE 23, 2020

Place : MUMBAI
Dated : JUNE 23, 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Corporate Information

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

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

1. Significant Accounting Policies

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

a. Basis of Preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules and provisions issued under Companies (Indian Accounting Standards) Rules, 2015.

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

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(ii) Historical cost convention

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

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

(iii) Principles of Consolidation

- The CFS relates to Alkyl Amines Chemicals Limited and its associate Diamines and Chemicals Limited ("the Company"). The financial statements of the Associate, used in consolidation, are prepared for consolidation up to the same reporting date as the Company.

The consolidated statements are prepared on the following basis:

- (a) The investments in the Associate Company is accounted for using the Equity Method of accounting as laid down under Ind AS 28 "Investments in Associates and Joint Ventures" in Consolidated Financial Statements". The investment is initially recognized at cost, and the subsequently carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Company's investment in the Associate Company includes goodwill identified on acquisition. The unrealized profits/losses on transactions with the Associate Company are eliminated by reducing the carrying amount of investments.
- (b) The CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the 'Company's standalone financial statements'.

b. Segment Reporting

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

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

c. Foreign Currency Translation

- (i) Functional and presentation currency: Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is the Company's functional and presentation currency.
- (ii) Transactions and balances: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary Assets and Liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss.
- (iii) Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, as part of finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis as part of other gains/ (losses).

d. Revenue Recognition

- (i) Sales of Manufactured Goods: Revenue is measured at fair value of consideration received or receivable for goods supplied or services rendered. Revenue from the sale of goods and services is recognized when the company performs its obligation to its customer and amount of revenue can be measured reliably and the recovery of consideration is probable. 'Sales' which are net of returns includes packing charges which are net of returns, excluding amounts collected on behalf of third parties such as Goods and Services Tax. The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue from the sale of goods is recognized when the control over the goods is transferred to the customer, which is mainly upon the delivery of the goods, and in the case of services, in the period in which such services are rendered, and there are no unfulfilled obligations.

The Company does not adjust transaction prices for the time value of money as it does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

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

e. Income Tax

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

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

f. Deferred Tax

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

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

The carrying amount of a Deferred Tax Asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Income Tax Asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

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

g. Leases

On March 30, 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116 - Leases as part of the Companies (Indian Accounting Standards) Amendment Rules, 2019. Ind AS 116 replaces the existing standard on leases i.e. Ind AS 17 - Leases for accounting periods beginning on or after April 1, 2019. The Company adopted Ind AS 116 "Leases" for all lease contracts existing on April, 2019, using the modified retrospective method of adoption, along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability as provided under Para C8(c)(ii) in Appendix C of Ind AS 116. The effect of this adaptation is not material on the profit for the year and earnings per share.

The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low value assets. The Company recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the modified retrospective method of adoption, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability.

Land (Leasehold) is carried at cost less amortization;

Leasehold land and Leasehold improvements are being amortized on the straight line method over the period of lease.

Refer note 34 for detailed impact on adoption of Ind AS 116 "Leases" on the financial statements of the Company.

h. Impairment of Assets

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

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

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

i. Cash and Cash Equivalents

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

j. Trade Receivables

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

k. Investments

(i) Investments in Associates is accounted for, using the "Equity Method".

(ii) Investments are carried at cost less accumulated impairment, if any.

(iii) Profit or loss on sale of investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.

l. Inventories

(i) Raw materials, packing materials, stores and spares, furnace oil and fuel are valued at cost or net realizable value, whichever is lower. Cost comprises of basic cost (net of GST, if any) and other costs incurred in bringing them to their respective present location and condition. Cost is determined on a Weighted Average basis.

(ii) Work-in-Progress and finished goods are valued at cost or net realizable value, whichever is lower. Cost includes all direct costs and a proportion of other fixed manufacturing overheads based on normal operating capacity. Cost is determined on a Weighted Average basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

- (iii) Catalysts which have a life of less than one year are treated as inventory and are valued at cost or net realizable value, whichever is lower. Cost comprises of basic cost (net of GST, if any) and other costs incurred in bringing them to their respective present location and condition. Cost is determined on a weighted average basis.

m. Financial Assets

- (i) Classification: The Company classifies its financial Assets under the following measurement categories:

- Those measured at amortized cost.
- Those to be measured subsequently at fair value (through Statement of Profit and Loss), and
- Those to be measured subsequently at fair value (through OCI).

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

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

- (ii) Measurement: Financial Asset include Investment, Trade Receivable, Advances, Security Deposits, Cash and Cash Equivalents. These are initially recognised at transaction price, when the company becomes party to contractual obligation. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Debt instruments :-

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

- (a) Amortized cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized as profit or loss, when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income.
- (b) Fair value through OCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financials assets is included in Other Income.
- (c) Fair value through Statement of Profit and Loss: Assets that do not meet the criteria for amortized cost or Fair Value through Other Comprehensive Income (FVOCI), are measured at fair value through Statement of Profit and Loss. A gain or loss on a debt investment that is subsequently measured at fair value through Statement of Profit and Loss and is not part of a hedging relationship, is recognized as profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in Other Income.

Equity Instruments :-

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

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

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

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

- the Company has transferred the rights to receive cash flows from the Financial Asset, or
- retains the contractual rights to receive the cash flows of the Financial Asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

n. Financial Liabilities

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

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

o. Derivative Financial Instruments and Hedge Accounting

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

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

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

All derivative contracts are initially recognized at fair value on the date of the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognized in OCI in the Cash Flow Hedge Reserve under Other Equity. In such cases, gains or losses are reclassified to Statement of Profit and Loss when, the impact from hedged item is recognized in the Statement of Profit and Loss.

The gain or loss on the ineffective portion is recognized immediately in Statement of Profit and Loss.

Derivatives are carried as Financial Assets when the fair value is positive and Financial Liabilities when the fair value is negative.

p. Property, Plant and Equipment and Others

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

Land (Freehold) is carried at cost;

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

(ii) An item of Property, Plant and Equipment is recognized as an Asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items such as spare parts, stand-by equipment and servicing equipment are recognized under property, plant and equipment, if those meet the definition thereof; else, such spare parts, etc. are classified as inventory.

(iii) The cost comprises of - purchase price (net of goods and service tax), including import duties and non-refundable taxes, after deducting trade discounts and rebates, any cost incurred which is directly attributable to bring the Asset to the location and condition necessary for it to be capable of operating in the manner intended by management and interest on borrowings attributable to the acquisition of qualifying Assets up to the date on which the Asset is ready for its intended use, if any. It also includes exchange difference capitalized, if any, in terms of Ind AS 21 on "Effects of Changes in Foreign Exchange Rates".

(iv) Items of Property, Plant and Equipment which are not yet ready to be capable of operating in the manner intended by management are carried at cost, comprising direct cost, related incidental expenses and attributable interest, and are disclosed as "Capital Work-in-progress".

(v) Items of Property, Plant and Equipment which are retired from active use and held for disposal, and where the sale is highly probable, are classified as "Assets held for disposal" under "Other Current Assets" the same are carried at the lower of their carrying amount and net realizable value.

(vi) Intangible Assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets under Development".

Depreciation methods, estimated useful lives and residual value

(i) The charge of depreciation on Property, Plant and Equipment is commenced when the relevant asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

- (a) Where the cost of a part of the Asset which is significant to the total cost of the Asset and useful life of the part is different from the useful life of the remaining Asset, the Company has determined the useful life of the significant part separately (“Component Accounting”) and accordingly, provided depreciation on such parts.
- (b) Depreciation on Plant and Machinery (including those identified under the Component Accounting) other than those not specifically covered under the classification ‘Special Plant and Machinery used in manufacturing of Chemicals’ and Roads is provided on the straight line method over the useful lives as determined by the internal technical evaluation done by the management’s expert, which are as follows:

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

Catalyst: 5 years.

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

Roads : 10 to 25 years

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

- (ii) Intangible Assets are amortized on the straight line method over their estimated useful life as follows:

Development of R & D Products/Processes (Internally generated): 5 years.

Patents: 10 years.

REACH Registration: 5 years.

Computer Software: 10 years.

- (iii) Depreciation on Assets purchased/sold during the period is proportionately charged.

- (iv) The residual values are not more than 5% of the original cost of the assets. The asset’s residual values and useful lives are reviewed, and adjusted if appropriate.

q. Non-Current Asset Held for Sale

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

r. Trade and Other Payables

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

s. Borrowings

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

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

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

t. Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying Asset are capitalized during the period of time that is required to complete and prepare the Asset for its intended use or sale. Qualifying Assets are Assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

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

u. Employee Benefits

- (i) Short-term obligations: Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The Liabilities are presented as current employee benefit obligations in the Balance Sheet.
- (ii) Other long-term employee benefit obligations: The liabilities for privilege leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized as profit or loss. The obligations are presented as Current Liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.
- (iii) Post-employment obligations: The Company operates the following post-employment schemes:
 - (a) Defined benefit plans such as gratuity: In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ('Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the Statement of Profit and Loss as income or expense. The Company has an employee gratuity fund managed by Life Insurance Corporation of India ('LIC'), except for the Managing Director, for which also the necessary provision is made based on an actuarial valuation.

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

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

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

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

v. Share based payment transactions:

Employee Stock Option Plans ("ESOPs"):

The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that employee becomes unconditionally entitled to the options. The expense is recognised separately on the basis of multiple vesting of options granted during the period. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "Employee Stock Options Outstanding account".

Stock Options are granted to eligible employees in accordance with "Alkyl Amines Employees Stock Option Plan" (ESOPs 2018), as approved by the Shareholders and the Nomination and Remuneration Committee of the Board of Directors (the Committee) in accordance with the SEBI (Share based employee benefits) Regulations, 2014.

Eligible employees for this purpose includes employees falling under below schemes:

Plan A : Rewards ESOPs (based on past performance)

Plan B : Retention ESOPs (based on future performance)

Under Ind AS 102 on Share based Payment, the cost of stock options is recognised based on the fair value of stock options as on the grant date (refer note 30B).

w. Research and Development Costs

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

(ii) Development Expenditure:

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

x. Contributed Equity

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

y. Earnings Per Share

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

z. Provisions, Contingent Liabilities and Contingent Assets

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

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

1.1 Companies included in Consolidated Financial Statements

Name of Company	Subsidiary/ Associate	Country of incorporation	% of holding	
			As At March 31, 2020	As At March 31, 2019
Diamines and Chemicals Limited	Associate	India	-	30.44

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

2. Critical Judgements, Estimates and Assumptions

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

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

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

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

(i) Judgements:

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

a. Arrangements in the nature of lease

The Company has entered into sub-contracting arrangements with its service providers wherein the Company supplies all the raw materials required for the manufacture and/ or processing along with specifications to manufacture the products to the service provider, thereby retaining the title to all products.

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

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

b. Segment Reporting

Ind AS 108- Operating Segments requires the Company to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the Board of Directors to assess the performance and allocate resources. The standard also requires the Company to make judgements with respect to aggregation of certain operating segments into one or more reportable segment.

Operating segments used to present segment information are identified based on the internal reports used and reviewed to assess performance and allocate resources. The Company has determined that some of the segments exhibit similar economic characteristics and meet other aggregation criteria and are accordingly aggregated into one primary reportable segment i.e. 'Speciality Chemicals' and two geographical reportable segments i.e. domestic and exports.

c. Stores and Spares Inventories

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

d. Income Taxes

The Company in making judgement for the resolution of the uncertainty over income tax treatments as per Appendix C to Ind AS 12, The Company has considered; (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination. The Company determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. Thus, the said Appendix did not have a material impact on the financial statements of the Company.

e. Contingent Liability Judgement

Note-27 describes claims against the Company not acknowledged as debt. It includes certain penalties and charges payable to a Government agency although as per the contracts, the Company, based on past experience, believes that the penalties and charges are negotiable and not certain, and accordingly, are not considered as an obligation as at the Balance Sheet date and are disclosed as Contingent Liabilities.

(ii) Estimates and Assumptions:

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

a. Defined Benefit Plans (Gratuity Benefits)

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

Further details about gratuity obligations are given in Note 30.

b. Fair Value Measurement of Financial Instruments

When the fair values of Financial Assets and Financial Liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible; but where this is not feasible, a degree of 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. Refer Note 43 for further disclosures.

c. Impairment of Non-Financial Assets

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

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

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

e. Litigations

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

f. Cash Flow Hedge Reserve

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

g. Provision for expected credit losses (ECL) of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision matrix is based on the Company's historical observed default rates which are negligible over the years. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. However based on the information about the historical data the ECLs on the Company's trade receivables considered as Nil.

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET
3. PROPERTY, PLANT AND EQUIPMENT AND OTHERS

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK		
	As At April 1, 2019	During the year		As At April 1, 2019	For the year	Deduction/ (Adjustments)	As At March 31, 2020	As At April 1, 2019	For the year	Deduction/ (Adjustments)	As at March 31, 2020	As At March 31, 2019
		Additions	Other Adjustments									
Current Year (2019-2020)												
A. Property, Plant and Equipment												
Land												
Freehold Land	82.35	-	-	-	-	-	82.35	-	-	-	82.35	82.35
Leasehold Land	2,936.53	-	-	61.31	-	-	-	-	-	-	-	2,875.22
Less: Reclassified to ROU on account of adoption of Ind AS 116 (Refer Note 4)	(2,936.53)	-	-	(61.31)	-	-	-	-	-	-	-	-
Leasehold Improvements	50.98	-	-	20.77	-	-	-	-	-	-	-	30.21
Less: Reclassified to ROU on account of adoption of Ind AS 116	(50.98)	-	-	(20.77)	-	-	-	-	-	-	-	-
Buildings	4,682.31	491.64	-	476.26	214.74	0.50	690.51	-	-	-	4,477.16	4,206.05
Plant and Machinery (Refer Note 3.2 and 3.3)												
Machinery	32,933.04	6,181.82	-	3,959.70	2,184.07	451.57	5,692.20	116.78	-	-	116.78	28,856.56
Electrical Equipments	167.57	23.51	-	22.63	12.63	-	35.25	-	-	-	155.83	144.94
Furniture and Fixtures	228.59	127.05	-	42.59	22.33	22.24	42.68	-	-	-	289.06	186.00
Vehicles	143.57	72.21	-	21.96	21.12	7.12	35.96	-	-	-	153.89	121.61
Office Equipments	244.88	71.48	-	105.41	48.55	4.01	149.96	-	-	-	159.80	139.47
Electrical Installations	1,137.77	360.34	-	228.60	119.38	2.78	345.21	-	-	-	1,149.43	909.17
Total	39,620.08	7,328.05	-	4,857.16	2,622.82	488.22	6,991.77	116.78	-	-	39,224.45	37,551.58
B. Capital Work-in-Progress												
	4,315.18	7,725.86	-	4,488.06	-	-	4,488.06	-	-	-	4,488.06	4,315.18
Total	4,315.18	7,725.86	-	4,488.06	-	-	4,488.06	-	-	-	4,488.06	4,315.18
C. Intangible Assets												
Patents	40.55	-	-	9.14	2.28	-	11.42	-	-	-	29.13	31.41
REACH Registration	82.15	73.99	-	81.44	15.25	-	96.69	-	-	-	59.45	0.71
Others	65.47	13.74	-	6.42	4.33	-	10.75	-	-	-	68.46	59.05
Total	188.17	87.73	-	97.00	21.86	-	118.86	-	-	-	157.04	91.17

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

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				IMPAIRMENT			NET BLOCK	
	As At April 1, 2019	During the year		As At March 31, 2020	As At April 1, 2019	For the year	Deduction/ (Adjustments)	As At March 31, 2020	As At April 1, 2019	For the year	Deduction/ (Adjustments)	As at March 31, 2020	As At March 31, 2019
		Additions	Other Adjustments										
A. Property, Plant and Equipment													
Leasehold Improvements	50.98	-	-	50.98	20.76	-	-	-	-	-	-	-	-
Less: Reclassified to ROU on account of adoption of Ind AS 116 (Refer Note 4)	(50.98)	-	-	(50.98)	(20.76)	-	-	-	-	-	-	-	-
Plant and Machinery													
Machinery	108.96	16.97	-	108.96	24.74	5.04	-	29.78	-	-	-	96.15	84.22
Electrical Equipments	12.89	-	-	12.89	2.32	1.06	-	3.38	-	-	-	9.51	10.57
Furniture and Fixtures	13.30	-	-	13.30	3.11	1.14	-	4.25	-	-	-	9.05	10.19
Vehicles	24.78	-	(10.60)	24.78	7.21	4.13	1.62	9.72	-	-	-	4.47	17.58
Office Equipments	8.97	0.46	-	8.97	6.88	0.55	-	7.44	-	-	-	2.00	2.09
Electrical Installations	0.89	-	-	0.89	0.25	0.08	-	0.34	-	-	-	0.55	0.64
Current year	169.78	17.43	(10.60)	176.61	44.51	12.01	1.62	54.90	-	-	-	121.73	125.28
Previous year	203.98	16.80	-	220.78	42.79	22.48	-	65.27	-	-	-	155.53	161.21
B. Capital Work-in-Progress													
Current year	7.06	10.38	-	-	-	-	-	-	-	-	-	-	7.06
Previous year	4.40	24.17	-	7.06	-	-	-	-	-	-	-	7.06	-
C. Intangible Assets													
Patents	47.09	-	-	47.09	20.35	4.67	-	25.02	-	-	-	22.07	26.74
Current year	47.09	-	-	47.09	20.35	4.67	-	25.02	-	-	-	22.07	26.74
Previous year	47.09	-	-	47.09	15.68	4.67	-	20.35	-	-	-	26.74	31.41

₹ In Lakhs

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			IMPAIRMENT			NET BLOCK	
	As At April 1, 2018	During the year		As At April 1, 2018	For the year	Deduction/ (Adjustments)	As At March 31, 2019	For the year	Deduction/ (Adjustments)	As at March 31, 2019	As At March 31, 2018
		Additions	Other Adjustments								
Previous Year (2018-19)											
A. Property, Plant and Equipment											
Land											
Freehold Land	82.35	-	-	-	-	-	82.35	-	-	82.35	82.35
Leasehold Land	1,952.41	984.12	-	30.24	31.07	-	2,936.53	61.31	-	2,875.22	1,922.17
Leasehold Improvements	50.98	-	-	13.84	6.93	-	50.98	20.77	-	30.21	37.14
Buildings	4,241.16	441.15	-	284.17	192.09	-	4,682.31	476.26	-	4,206.05	3,956.99
Plant and Machinery (Refer Note 3.2 and 3.3)											
Machinery	30,151.79	2,904.40	-	2,204.01	1,872.95	117.26	32,933.04	3,959.70	116.78	116.78	27,831.00
Electrical Equipments	163.97	3.60	-	10.68	11.95	-	167.57	22.63	-	144.94	153.29
Furniture and Fixtures	210.19	18.40	-	21.96	20.63	-	228.59	42.59	-	186.00	188.23
Vehicles	139.24	18.84	-	17.60	14.79	10.43	143.57	21.96	-	121.61	121.65
Office Equipments	216.41	28.47	-	57.20	48.21	-	244.88	105.41	-	139.47	159.21
Electrical Installations	1,096.82	45.20	-	117.95	111.06	0.41	1,137.77	228.60	-	909.17	978.87
Total	38,305.32	4,444.18	-	2,757.65	2,309.69	128.10	42,607.59	4,939.24	116.78	37,551.58	35,430.90
B. Capital Work-in-Progress	1,840.47	6,948.29	-	-	-	-	4,315.18	-	-	4,315.18	1,840.47
Total	1,840.47	6,948.29	-	4,473.58	4,473.58	-	4,315.18	-	-	4,315.18	1,840.47
C. Intangible Assets											
Patents	40.55	-	-	9.14	-	-	40.55	9.14	-	31.41	31.41
REACH Registration	70.81	11.34	-	57.44	24.00	-	82.15	81.44	-	0.71	13.37
Others	47.42	18.05	-	6.42	-	-	65.47	6.42	-	59.05	41.00
Total	158.78	29.39	-	73.00	24.00	-	188.17	97.00	-	91.17	85.78

Above Assets include Research and Development Assets as mentioned below:

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				IMPAIRMENT			NET BLOCK	
	As At April 1, 2018	During the year		As at March 31, 2019	As At April 1, 2018	For the year	Deduction/ (Adjustments)	As At March 31, 2019	For the year	Deduction/ (Adjustments)	As at March 31, 2019	As At March 31, 2018	As At March 31, 2018
		Additions	Other Adjustments										
A. Property, Plant and Equipment													
Leasehold Improvements	50.98	-	-	50.98	13.84	6.92	-	20.76	-	-	30.22	37.14	
Machinery	96.97	11.99	-	108.96	16.40	8.34	-	24.74	-	-	84.22	80.57	
Electrical Equipments	9.29	3.60	-	12.89	1.56	0.76	-	2.32	-	-	10.57	7.73	
Furniture and Fixtures	12.09	1.21	-	13.30	2.07	1.04	-	3.11	-	-	10.19	10.02	
Vehicles	24.78	-	-	24.78	4.06	3.14	-	7.21	-	-	17.58	20.72	
Office Equipments	8.97	-	-	8.97	4.69	2.19	-	6.88	-	-	2.09	4.28	
Electrical Installations	0.89	-	-	0.89	0.16	0.09	-	0.25	-	-	0.64	0.73	
Current year	203.96	16.80	-	220.76	42.79	22.48	-	65.27	-	-	155.51	161.19	
Previous year	183.85	20.14	-	203.99	22.87	19.91	-	42.78	-	-	161.21	-	
B. Capital Work-in-Progress													
Current year	4.40	24.17	-	7.06	-	-	-	-	-	-	7.06	4.40	
Previous year	4.40	-	-	4.40	-	-	-	-	-	-	4.40	-	
C. Capital Work-in-Progress													
Patents	47.09	-	-	47.09	15.68	4.67	-	20.35	-	-	26.74	31.41	
Current year	47.09	-	-	47.09	15.68	4.67	-	20.35	-	-	26.74	31.41	
Previous year	80.71	-	-	80.71	49.30	4.67	-	53.97	-	-	26.74	31.41	

- 3.2 Plant, Machinery and Equipment include Rs 17.16 lakhs (Previous Year Rs 17.16 lakhs) being value of machinery installed at third party premises of Job Contractor, duly confirmed by them.
- 3.3 Plant, machinery and Equipment lying at the premises of third party “Diamines And Chemicals”, was impaired due to technological obsolescence and declining market demands in the earlier year. Now reclassified as “Held for Sale”. At Re.1.
- 3.4 On all the above items of Property, Plant and Equipment first charge is created except on Freehold Land, Leasehold Improvements, Buildings at Vashi, Worli, Plot no.D-6/2 at Kurkumbh and Residential Quarters and Vehicles.

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
US\$ 7.5 millions ECB Loan from Citibank secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	5,175.00	5,175.00
US\$ 7.5 millions ECB Loan from Standard Chartered Bank secured against first charge on Immovable Properties and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	5,175.00	5,175.00
US\$ 6.00 millions ECB Loan from State Bank of India secured against first charge on Immovable Properties (except Dahej Properties) Land and second pari passu charge by way of hypothecation of Raw material, Inventory, Book Debts, movable machineries, both present and future.	3,990.00	3,990.00
Working Capital Facilities from Consortium Bank consisting of State Bank of India, Standard Chartered Bank, Citibank and Axis Bank secured by hypothecation of Stocks of raw materials, semi finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as well as by way second mortgage of specific immovable properties.	16,838.00	16,838.00

4 Right of Use- Lease asset

DESCRIPTION	GROSS BLOCK						DEPRECIATION				NET BLOCK			
	As At April 1, 2019	Transition impact as on April 1, 2019	Reclassification from PPE as April 1, 2019	During the year		As At March 31, 2020	As At March 31, 2019	During the year		As At March 31, 2020	As At March 31, 2020			
				Additions	Other Adjustments			Deduction/Transfer	Reclassification from PPE as April 1, 2019			Deduction/ (Adjustments)		
Leasehold Land	-	-	2,936.53	44.90	-	10.55	-	2,970.88	-	61.31	31.57	-	92.88	2,878.00
Leasehold Improvement	-	-	50.98	-	-	-	-	50.98	-	20.77	6.92	-	27.69	23.29
Leasehold Premises	-	72.92	-	-	-	-	-	72.92	-	-	7.81	-	7.81	65.11
TOTAL	-	72.92	2,987.51	44.90	-	10.55	-	3,094.78	-	82.08	46.30	-	128.38	2,966.40

4.1 Above Assets include Research and Development Assets as mentioned below:

DESCRIPTION	GROSS BLOCK						DEPRECIATION				NET BLOCK			
	As At April 1, 2019	Transition impact as on April 1, 2019	Reclassification from PPE as April 1, 2019	During the year		As At March 31, 2020	As At March 31, 2019	During the year		As At March 31, 2020	As At March 31, 2020			
				Additions	Other Adjustments			Deduction/Transfer	Reclassification from PPE as April 1, 2019			Deduction/ (Adjustments)		
Leasehold Improvement	-	-	50.98	-	-	-	-	50.98	-	20.77	6.92	-	27.69	23.29
	-	-	50.98	-	-	-	-	50.98	-	20.77	6.92	-	27.69	23.29

4.2 Lease period of land at Patalganga and Kurkumbh is 95 years and land at Dahej is 99 years & building at Hadapsar is 5 years

4.3 Amalgamation of our MIDC Plot no. D-6/2 at Kurkumbh with our adjacent MIDC Plot no D-6/1 by sub-lease agreement with permission of MIDC is in process.

Rs. In Lakhs

Particulars	No. of equity shares	As At	
		March 31, 2020	March 31, 2019
5. NON CURRENT FINANCIAL ASSETS - INVESTMENTS			
Investment in equity instruments			
Investment in Associate Company			
Quoted, fully paid Equity shares of Rs. 10 each	-	-	29,77,997
TOTAL Diamines and Chemicals Limited	-	-	29,77,997

Rs. In Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Cost	Market Value	Cost	Market Value
Aggregate amount of Quoted Investments	-	-	144.11	3,582.53
Aggregate amount of UnQuoted Investments	-	-	-	-
TOTAL	-	-	144.11	3,582.53

Rs. In Lakhs

Particulars	As At	
	March 31, 2020	March 31, 2019
6A. NON CURRENT FINANCIAL ASSETS - LOANS		
(a) Loans to Employees	42.28	45.55
TOTAL	42.28	45.55
6B. NON CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS		
(a) Other Financial Assets		
(i) Security Deposits	232.33	272.78
(ii) Margin Money against the Bank Guarantees	20.44	13.07
TOTAL	252.77	285.85
6C. CURRENT FINANCIAL ASSETS - LOANS		
(a) Loans to Employees	23.46	19.72
TOTAL	23.46	19.72
6D. CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS		
a) Derivatives	765.27	181.95
b) Other Financial Assets		
(i) Security deposits	3.93	1.46
(ii) Interest on Bank deposits	22.59	18.99
TOTAL	791.79	202.40

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
7A. OTHER NON CURRENT ASSETS		
a) Capital Advances	1,028.65	268.38
b) Advance recoverable in cash or kind	18.26	23.92
c) VAT Receivable	279.66	544.77
d) Duty paid under protest	21.07	21.07
TOTAL	1,347.64	858.14
7B. OTHER CURRENT ASSETS		
a) Advance recoverable in cash or kind	189.18	350.98
b) Advance to Suppliers	362.42	679.50
c) GST and other receivables	32.62	2,100.95
TOTAL	584.22	3,131.43
7C. NON CURRENT TAX ASSET (NET)		
Taxes Paid	4,690.92	8,257.15
Less : Provision for Taxes	(4,245.74)	(7,900.18)
TOTAL	445.18	356.97
8. INVENTORIES		
a) Raw Materials	3,058.49	4,418.80
b) Packing Materials	132.56	144.70
c) Work-in-Progress	799.05	986.27
d) Finished Goods	3,408.86	4,049.43
e) Stores and Spares	677.68	680.40
f) Fuel	289.90	289.69
TOTAL	8,366.54	10,569.29
(Valued at lower of cost or Net Realisable Value)		
8A. GOODS IN TRANSIT INCLUDED IN ABOVE INVENTORIES		
a) Raw Material	36.02	23.43
b) Packing Materials	5.44	1.16
c) Finished Goods	554.75	746.66
d) Stores and Spares	-	4.01
TOTAL	596.21	775.26

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
8B. DETAILS OF INVENTORIES		
Work-in-Progress		
Amines and Amines Derivatives	770.75	591.26
Other Speciality Chemicals	28.30	395.01
TOTAL	799.05	986.27
Finished Goods		
Amines and Amines Derivatives	3,091.60	3,786.61
Other Speciality Chemicals	316.62	262.13
Industrial Gases	0.64	0.69
TOTAL	3,408.86	4,049.43
9. TRADE RECEIVABLES		
Trade Receivables (at amortised cost):		
Unsecured considered good	16,422.15	15,263.39
Gross Trade Receivables	16,422.15	15,263.39
Less: Allowances for expected credit losses	-	-
TOTAL	16,422.15	15,263.39

- (i) The Company has called for balance confirmations from Trade Receivables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.
- (ii) Trade Receivables are non interest bearing and are generally on terms of average 60 days.
- (iii) The impact on account of Revenue Recognition for Domestic and Exports is booked under common Debtors account in place of individual customer accounts.

9.1 Details of expected credit loss on Trade Receivables for year ended March 31, 2020

Rs. In Lakhs

Type of sale	As at March 31, 2020	Not Due (Rs.)	Due 0 to 30 Days	Due 31 to 120 Days
Domestic	13,146.09	11,373.20	1,524.07	249.49
Expected credit loss	-	-	-	-
Export	3,276.06	2,715.89	560.16	-
Expected credit loss	-	-	-	-
Grand Total	16,422.15	14,089.09	2,084.23	249.49

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
10. CASH AND CASH EQUIVALENTS		
a) Balances with Banks		
(i) Current Accounts	1,541.46	1,743.81
(ii) EEFC Accounts	487.97	179.18
(iii) Fixed Deposit Accounts	1,090.00	9.54
b) Cash on Hand	4.43	1.38
TOTAL	3,123.86	1,933.91
10A. OTHER BANK BALANCES		
a) Unpaid Dividend Accounts	87.31	64.10
b) Margin Money against the Bank Guarantees	14.27	18.92
c) Fixed Deposits with Banks	1.00	0.50
TOTAL	102.58	83.52

- (i) During the year, the Company has transferred Rs. 3.70 Lakhs to Investor Education & Protection Fund (for the year ended March 31, 2019 Rs. 3.41 lakhs)
- (ii) Fixed Deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from Balance Sheet date are disclosed above.

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
11. EQUITY SHARE CAPITAL		
Authorised:		
3,00,00,000 (Previous Year 3,00,00,000) Equity Shares of Rs. 5 each par value	1,500.00	1,500.00
15,00,000 (Previous Year 15,00,000) Cumulative Redeemable Preference Shares of Rs. 100 each par value	1,500.00	1,500.00
	3,000.00	3,000.00
Issued, Subscribed and Paid Up:		
2,03,96,392 (Previous Year 2,03,96,392) Equity Shares of Rs. 5 each par value, fully paid	1,019.82	1,019.82
Shares forfeited	0.78	0.78
TOTAL	1,020.60	1,020.60

11.1 Reconciliation of the number of shares outstanding and amount of share capital

Rs. In Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Rs. In Lakhs	No. of shares	Rs. In Lakhs
Equity Shares of Rs 5 par value				
At the beginning of the year	20,396,392	1,019.82	20,396,392	1,019.82
Changes during the year	NIL	NIL	NIL	NIL
At the end of the year	20,396,392	1,019.82	20,396,392	1,019.82

11.2 Rights, preferences and restrictions

- i. The Company has only one class of shares, referred to as equity shares, having a par value of Rs 5. Each holder of equity shares is entitled to one vote per share.
- ii. The Company declares and pays dividend in Indian rupees. Final dividend of Rs 10. per share for face value of Rs. 5 each, proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.
 During the year ended March 31, 2020, the amount per share of final dividend pertaining to the year ended 31 March 2019, distributed to equity shareholders was Rs. 8 for a face value of Rs. 5 each. The dividend appropriation for the year ended March 31, 2020, amounts to Rs.1,967.11 lakhs, including corporate dividend tax of Rs. 335.40 lakhs. During the year ended March 31, 2020, the amount per share of interim dividend pertaining to the year ended 31 March 2019, distributed to equity share holders was Rs 10 for a face value of Rs 5 each. The interim dividend appropriation for the year ended March 31, 2020, amounts to Rs.2,458.99 lakhs, including corporate dividend tax of Rs. 419.35 lakhs.
- iii. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Rs. In Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% held	No. of shares	% held
Name of the Shareholder				
Yogesh M. Kothari	12,206,622	59.85	12,206,622	59.85

Particulars	As At March 31, 2020	As At March 31, 2019
12. OTHER EQUITY		
a) Retained Earnings		
(i) Statement of Profit and Loss :		
Balance brought forward from last year	32,136.07	25,330.18
Profit for the year (before Exceptional item)	20,132.34	8,610.39
Other Comprehensive Income (Net of tax)		
Remeasurement of defined benefit obligations	(130.79)	(48.15)
Deferred gains/(losses) on cash flow hedges	0.62	(20.70)
Share of OCI in Associate Company transfer from Investments	(12.63)	(14.35)
	52,125.61	33,857.37
Appropriations		
Interim/Final Dividend paid	3,671.35	1,427.76
Tax on Interim/Final Dividend	754.75	293.54
	4,426.10	1,721.30
	47,699.51	32,136.07
(ii) General Reserve		
Balance as per last account	3,559.27	3,559.27
	3,559.27	3,559.27
Total Retained Earnings (i+ii)	51,258.78	35,695.34
b) Securities Premium	1,290.97	1,290.97
c) Capital Reserve	142.70	142.70
d) Capital Redemption Reserve	25.00	25.00
e) Cash Flow Hedge Reserve (OCI)	(266.57)	(370.09)
f) Employee Stock Option Outstanding	188.18	103.19
Total Other Components of Equity (b+c+d+e+f)	1,380.28	1,191.77
Total Other Equity	52,639.06	36,887.11
13A. NON CURRENT FINANCIAL LIABILITY - SECURED BORROWINGS (AT AMORTISED COST)		
Long Term Secured Borrowings		
Term Loans		
From Banks	4,752.02	7,775.37
TOTAL	4,752.02	7,775.37

Nature of Security and Terms of Repayment of Long-term Borrowings:
Term Loan from Banks:

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

Rs. In Lakhs

Particulars	Rate of Interest	Rs. In Lakhs	
		As At March 31, 2020	As At March 31, 2019
USD 6.00 million repayable in 16 quarterly instalments beginning from April, 2017 (covered by Interest and Currency rate swap).	3 month LIBOR plus 1.65% p.a.	1,149.90	2,245.44

- (ii) Foreign Currency Term Loans to part finance Company's Dahej Project are secured by creation of a pari passu charge on the Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga, Maharashtra, Plot no. D-6/1 at Kurkumbh, Maharashtra and Plot No. D-2/CH/149/2 at Dahej, Gujarat and also a second pari passu charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, both present and future of :

USD 7.5 million repayable in 18 quarterly instalments beginning from October 2018 (covered by Interest and Currency rate swap). Hypothecation is completed, creation of mortgage is completed.	3 month LIBOR plus 1.40% p.a.	3,833.00	4,678.00
USD 7.5 million repayable in 18 quarterly installments beginning from August 2018 (covered by Interest and Currency rate swap). Hypothecation is completed, creation of mortgage is completed.	1 month LIBOR plus 0.80% p.a.	3,513.58	4,385.63
		8,496.48	11,309.07
Less : Other finance charges deferred over the period of loan (Ind AS Adjustments)		39.23	71.98
		8,457.25	11,237.09
Less : Current Maturities of Long-term Debt (Refer Note 15 C(a) (i))		3,705.23	3,461.72
TOTAL		4,752.02	7,775.37

Rs. In Lakhs

Particulars	Rs. In Lakhs	
	As At March 31, 2020	As At March 31, 2019
13B. NON CURRENT FINANCIAL LIABILITY - UNSECURED BORROWINGS (AT AMORTIZED COST)		
Long term Unsecured Borrowings	Nature and Terms of Repayment	
a) Other Loans		
Deferred Payment Liabilities	Sales Tax Deferral under the Package Scheme of Incentives, 1993.	
	Interest free deferral period repayable after 10 years from the respective year in which actual tax was collected, commencing from April 26, 2012.	
	129.37	240.72
	129.37	240.72
Less : Current Maturities of Deferred payment liabilities (Refer Note 15C (a) (ii))	87.91	111.35
TOTAL	41.46	129.37

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
13C. CURRENT FINANCIAL LIABILITY - SHORT TERM SECURED BORROWINGS (AT AMORTIZED COST)		
Repayable on Demand		
From Banks	3.87	3,508.32
TOTAL	3.87	3,508.32

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

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
13D. CURRENT FINANCIAL LIABILITY-SHORT TERM UNSECURED BORROWINGS (AT AMORTIZED COST)		
a) Loans and Advances Repayable within 12 months from the date of from Related Parties Balance sheet and carries interest rate ranging from 7.25% p.a. to 8.25% p.a.	-	1,547.00
TOTAL	-	1,547.00
13E. NON-CURRENT FINANCIAL LAIBILITY - LEASE LIABILITY (AT AMORTISED COST)		
(a) Lease Liability (Refer note 34)	67.80	-
Less : Transfer to Current Lease Liability (Refer Note 15(B(i)))	5.63	
TOTAL	62.17	-
14. NON CURRENT - DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liabilities (Refer Note No.41)		
Unrealised Exchange Gain on Forward Contract	0.20	24.73
Related to Plant, Property and Equipment	4,415.48	5,498.44
(A)	4,415.68	5,523.17
Deferred Tax Assets		
Unrealised Exchange Loss on Forward Contract	53.29	38.13
Provision for Employee Benefit	149.33	227.95
Other disallowances under section 43B	66.76	78.13
Impact of Ind AS 116-Leases	0.68	-
Other impact giving rise to temporary differences	109.35	112.65
(B)	379.41	456.86
Net Deferred Tax Liabilities (A-B)	4,036.27	5,066.31

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
15A.CURRENT FINANCIAL LIABILITY-TRADE PAYABLES		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	31.70	58.88
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	7,045.79	12,340.14
TOTAL	7,077.49	12,399.02
<p>(i) The Company has called for balance confirmations from Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.</p> <p>(ii) Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:</p> <p>Principal amount remaining unpaid and interest due thereon</p> <p>- Principal Amount 31.70 58.88</p> <p>- Interest NIL NIL</p> <p>Interest paid in terms of Section 16 0.00 0.14</p> <p>Interest due and payable for the period of delay in payment NIL 0.05</p> <p>Interest accrued and remaining unpaid NIL NIL</p> <p>Interest due and payable even in succeeding years NIL NIL</p> <p>This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.</p>		
15B.CURRENT FINANCIAL LIABILITY - LEASE LIABILITY (AT AMORTIZED COST)		
(a) Lease Liability (Refer Note 34)	5.63	-
TOTAL	5.63	-
15C.CURRENT FINANCIAL LIABILITY - OTHER FINANCIAL LIABILITIES		
a) Current maturities of long-term debts		
(i) Secured Debts		
Term loans from Banks	3,705.23	3,461.72
(ii) Unsecured Debts		
Deferred Payment Liabilities		
b) Derivatives	87.91	111.35
c) Interest accrued but not due on borrowings	211.72	110.91
d) Unpaid Dividends	118.47	166.88
e) Other Payables	87.31	64.10
(i) Capital Expenses		
(ii) Commission payable to Directors	398.44	644.52
(iii) Others	1,646.92	805.33
TOTAL	1,134.46	930.61
TOTAL	7,390.46	6,295.42

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
16A. NON CURRENT FINANCIAL LIABILITY - LONG TERM PROVISIONS		
Provision for employee benefits (Refer Note 30A)		
(i) Gratuity	40.92	-
(ii) Leave Encashment	237.19	186.30
TOTAL	278.11	186.30
16B. CURRENT FINANCIAL LIABILITY - SHORT TERM PROVISIONS		
Provision for employee benefits (Refer Note 30A)		
(i) Gratuity	433.13	376.60
(ii) Leave Encashment	129.57	89.51
TOTAL	562.70	466.11
17. OTHER CURRENT LIABILITIES		
(i) Statutory Dues	48.91	135.91
(ii) Advances received from Customers	227.08	366.01
(iii) Deposits from Customers	7.30	6.70
(iv) Employee recoveries and Employer contributions	57.82	51.67
TOTAL	341.11	560.29
18. NON-CURRENT- LIABILITIES FOR TAX (NET)		
Provision for Tax	9,058.74	3,599.11
Less: Taxes Paid	(8,931.27)	(3,179.73)
TOTAL	127.47	419.38

NOTES FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT & LOSS

Rs. In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
19. REVENUE FROM OPERATIONS		
(a) Sale of Products - Manufactured Goods (Refer Note.19A)	97,304.95	83,221.85
(b) Other Operating Income		
Toll and Other Processing Income	1,256.58	730.73
Scrap and Raw Material Sales	174.66	122.65
Export Incentives	544.82	538.75
Miscellaneous Income	6.75	26.11
TOTAL	99,287.76	84,640.09
19A. DETAILS OF SALE OF PRODUCTS		
Amines and Amines Derivatives	68,359.85	63,386.90
Other Speciality Chemicals	26,136.00	16,415.45
Industrial Gases	2,809.09	3,419.50
TOTAL	97,304.95	83,221.85
20. OTHER INCOME		
(a) Interest Income		
(i) on Fixed Deposits with Banks	74.88	3.75
(ii) on Margin Money	4.19	6.30
(iii) on Income Taxes	63.88	-
(iv) on Value Added Tax	21.96	15.43
(v) on Others	14.60	5.96
Net Interest Income	179.51	31.44
(b) Profit on sale of Capital Assets	-	13.39
(c) Insurance claims received	138.49	79.44
(d) Provision for Doubtful Debts/Advances no longer required, written back	118.48	51.94
(e) Net gain on foreign currency transactions	197.35	5.92
(f) Miscellaneous Income	7.77	48.83
TOTAL	462.09	199.52
21. COST OF MATERIALS CONSUMED		
(a) Raw Materials consumed (Refer note 21A)		
Opening Stock	4,418.80	3,795.13
Add: Purchases	43,433.62	46,387.50
	47,852.42	50,182.63
Less: Closing Stock	3,058.49	4,418.80
	44,793.93	45,763.82

Rs. In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(b) Packing Materials consumed		
Opening Stock	143.55	141.61
Add: Purchases	2,811.33	2,414.72
	2,954.88	2,556.33
Less: Closing Stock	127.13	143.55
	2,827.75	2,412.78
TOTAL	47,621.68	48,176.60
21A. DETAILS OF RAW MATERIALS CONSUMED		
Denatured Ethyl Alcohol, Methanol and other Alcohols	31,233.28	30,958.21
Industrial Gases	7,309.10	6,092.29
Others	6,251.55	8,713.33
TOTAL	44,793.93	45,763.82
22. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
(a) Finished Goods		
Closing Stock	3,408.86	4,049.43
Less: Opening Stock	4,049.43	2,145.63
	640.57	(1,903.80)
(b) Work-In-Progress		
Closing Stock	799.05	986.26
Less: Opening Stock	986.26	800.65
	187.21	(185.61)
TOTAL	827.78	(2,089.41)
23. EMPLOYEE BENEFITS EXPENSE		
(a) Salaries and Wages		
(i) Directors' Remuneration	462.45	412.06
(ii) Salaries, Wages and Benefits	4,152.84	3,277.41
(b) Commission to Directors	1,412.00	670.54
(c) Contribution to Provident and other Funds	388.52	341.59
(d) Employee Stock Option Expenses (Refer Note 30B)	84.99	103.19
(e) Staff Welfare Expenses	463.35	473.11
TOTAL	6,964.15	5,277.90

Rs. In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
24. FINANCE COSTS		
(a) Interest Expense		
(i) Interest on Cash Credit Facilities/Buyers' Credit	91.74	155.61
(ii) Interest on Term Loans	739.99	1,030.25
(iii) Interest on Others	54.82	142.73
(b) Other Finance Charges	138.84	148.07
TOTAL	1,025.39	1,476.66
25 DEPRECIATION & AMORTIZATION EXPENSES		
(a) Depreciation of Property, Plant & Equipment (Refer Note 3)	2,622.82	2,309.69
(b) Depreciation of Right of Use of Asset (Refer Note 4)	46.30	-
(c) Amortization of Intangible Assets (Refer Note 3)	21.86	24.00
TOTAL	2,690.98	2,333.69
26. OTHER EXPENSES		
(a) Power, Fuel and Water Charges	9,605.88	8,813.07
(b) Stores and Spares consumed	1,092.28	1,191.78
(c) Processing Charges	835.43	726.42
(d) Rent	46.90	46.94
(e) Rates and Taxes	40.15	35.27
(f) Repairs and Maintenance		
(i) Building	144.85	191.65
(ii) Plant and Machinery	730.22	684.04
(iii) Others	236.29	342.77
	1,111.36	1,218.46
(g) Insurance	273.13	64.02
(h) Auditor's Remuneration		
(i) Audit Fees	18.50	17.00
(ii) Tax Audit Fees	3.50	3.50
(iii) Other Services (certification fees)	3.50	5.38
(iv) Reimbursement of Expenses	1.57	1.02
	27.07	26.90
(i) Legal and Professional Fees	241.93	215.35
(j) Export Expenses	1,023.57	1,159.31
(k) Freight Outward	2,014.24	1,750.47
(l) Bad Debts written off	-	29.39
(m) Commission on Sales	234.55	217.00
(n) Security Charges	161.75	156.60
(o) Commission to Other Directors & Sitting Fees	246.21	145.13
(p) Travelling & Conveyance	158.51	146.40
(q) Corporate Social Responsibility (CSR) expenses (Refer Note 29)	192.38	162.98
(r) Miscellaneous expenses	856.20	734.41
TOTAL	18,161.54	16,839.91

Rs. In Lakhs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
27A CONTINGENT LIABILITIES AND COMMITMENTS		
Contingent Liabilities : (to the extent not provided for)		
i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts.	26.51	23.73
ii. Disputed liabilities in respect of Income tax demand	193.96	210.11
iii. Disputed liabilities in respect of Excise duty	914.40	867.62
iv. Penalty u/s 29(3) of MVAT Act 2002 for disallowed input credit and penalty on job work charges as per assessment order	-	35.66
	1,134.87	1,137.12
No contingent assets has been recognized as at the reporting date		
27B COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account	4,934.64	752.29
Less : Capital Advances	(1,028.65)	(268.38)
Net Estimated Amount	3,905.99	483.91
28. EXPENSES INCURRED ON RESEARCH AND DEVELOPMENT DURING THE YEAR ARE INCLUDED IN THE STATEMENT OF PROFIT AND LOSS		
Cost of Material Consumed (In Note 21)		
Raw Materials	0.27	0.07
Packing Materials	0.04	0.52
Changes of inventories of FG and WIP		
Finished goods	0.06	0.16
Employee Benefits Expense (In Note 23)		
Salaries and Wages	325.08	244.58
Contribution to Provident and Other Funds	26.95	22.70
Staff Welfare Expenses	4.70	10.38
	356.73	277.66
Depreciation	12.10	10.55
Other Expenses (In Note 26)		
Stores and Spares Consumed	15.99	18.46
Power and Fuel	-	0.01
Repairs and Maintenance:		
Plant and Machinery	1.16	2.77
Others	2.33	4.30
Insurance	-	0.17
Miscellaneous Expenses	25.41	35.66
	44.89	61.37
TOTAL	414.09	350.33

Rs. In Lakhs

Particulars	Rs. In Lakhs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
28A. EXPENSES INCURRED ON RESEARCH AND DEVELOPMENT DURING THE YEAR ARE INCLUDED IN THE PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK IN PROGRESS		
Property Plant & Equipment		
Furniture & Fixtures	16.97	11.99
Office Equipments	-	1.21
Electrical Equipments	0.46	-
TOTAL	-	3.60
	17.43	16.80
29. EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES		
a. Gross amount required to be spent by the Company during the year :	214.93	167.14
b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
Nature of Expenses		
Other Expenses (Other than for Construction/ Acquisition of any asset)		
Environment Sustainability and Rural Development	40.17	43.38
Education/ Sports	115.10	77.63
Health/ Woman Empowerment	33.17	38.89
Others	3.94	3.08
TOTAL	192.38	162.98

30. EMPLOYEE BENEFITS

Rs. In Lakhs

Particulars	Gratuity	
	For the year ended March 31, 2020	For the year ended March 31, 2019
30A AS PER ACTUARIAL VALUATION		
I. Expense recognized in the Statement of Profit and Loss for the year ended		
a. Current service cost	52.41	47.06
b. Net Interest on Net Defined Liability/ Asset	26.58	16.58
c. Total Expenses	78.99	63.64
II. Amount recognized in Other Comprehensive Income		
a. Actuarial (Gains)/ Losses on Liability	172.98	67.09
b. Return on Plan Assets excluding amount included in Net Interest on Defined Liability/ (Asset) above	(1.81)	7.13
c. Total	171.17	74.22
III. Net Assets/ (Liability) recognized in the Balance Sheet		
a. Present Value of Defined Benefit Obligation	1,498.51	1,244.67
b. Fair Value of Plan Assets	1,024.46	868.08
c. Funded Status [Surplus/ (Deficit)]	474.05	376.60
Net (Asset)/ Liability	474.05	376.60

Rs. In Lakhs

Particulars	Gratuity	
	For the year ended March 31, 2020	For the year ended March 31, 2019
IV. Change in Present value of Obligation		
a. Present Value of Defined Benefit Obligation at the beginning of the year	1,244.67	1,080.32
b. Current Service Cost	52.41	47.06
c. Interest Cost	94.20	82.28
d. Benefit paid	(65.75)	(32.07)
e. Actuarial (Gain)/ Loss on obligation	172.98	67.09
Present Value of Defined Benefit Obligation at the end of the year	1,498.51	1,244.67
V. Actual Return on Plan Assets		
Expected Return on Plan Assets	67.62	65.71
Actuarial Gain/ (Loss) on Plan Assets	1.81	(7.13)
Actual Return on Plan Assets	69.43	58.58
VI. Balance Sheet Reconciliation		
Opening Net Liability	376.60	241.15
Expenses Recognized in Profit & Loss Account	78.99	63.64
Amount recognized in Other Comprehensive Income	171.17	74.22
Less: Employer's Contribution	152.71	2.40
Amount Recognized in Balance Sheet (Asset) / Liability	474.05	376.60

Sensitivity Analysis:

Rs. In Lakhs

Projected Benefit Obligation on Current Assumptions	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Increase	Decrease	Increase	Decrease
Delta Effect of +1% Change in Rate of Discounting	60	-	45	-
Delta Effect of -1% Change in Rate of Discounting	-	69	-	52
Delta Effect of +1% Change in Rate of Salary Increase	-	70	-	53
Delta Effect of -1% Change in Rate of Salary Increase	61	-	47	-
Delta Effect of +1% Change in Rate of Employee Turnover	-	9	-	11
Delta Effect of -1% Change in Rate of Employee Turnover	11	-	13	-

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

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

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

Maturity Analysis of the Benefit Payments from the Fund:

Projected Benefits Payable in Future years from the date of reporting	Rs. In Lakhs	
	As at March 31, 2020	As at March 31, 2019
1st Following Year	552	475
2nd Following Year	34	33
3rd Following Year	87	49
4th Following Year	70	76
5th Following Year	22	60
Sum of Years 6 To 10	320	251
Sum of Years 11 and above	970	835

Particulars	Rs. In Lakhs	
	Leave Salary	
	For the year ended March 31, 2020	For the year ended March 31, 2019
I. Expense recognized in the Statement of Profit and Loss for the year ended		
a. Current Service Cost	21.27	22.61
b. Net Interest on net Defined Liability/ Asset	21.49	20.33
c. Actuarial (Gains)/Losses on Liability	73.29	(12.56)
d. Total Expenses	116.05	30.38
II. Net Assets / (Liability) recognized in the Balance Sheet as on		
a. Present Value of Unfunded Obligations	366.76	275.81
b. Unrecognised Past Service Cost	-	-
c. Fair Value of Plan Assets	-	-
d. Net Liability	366.76	275.81
III. Change in Present value of Obligation during the year ended		
a. Present Value of Unfunded Obligation at the beginning of the year	275.81	259.69
b. Current Service Cost	21.27	22.61
c. Interest Cost	21.49	20.33
d. Actuarial Gain/Loss	73.29	(12.56)
e. Benefit paid	25.10	14.26
f. Present Value of Unfunded Obligation at the end of the year	366.76	275.81

Experience adjustment:-

Gratuity	Rs. In Lakhs	
	2019-20	2018-19
Present Value of Unfunded Obligations	1,498.51	1,244.67
Fair Value of Plan Assets	1,024.46	868.07
Funded Status [(Surplus)/ Deficit]	474.05	376.60
Experience adjustments on Plan Liabilities	117.20	65.15
Experience adjustments on Plan Assets	1.81	(7.13)
TOTAL	119.01	58.02

The expected contributions for Defined Benefit Plan for the next Financial Year will be in line with 2019-20

Rs. In Lakhs

Particulars	2019-20	2018-19
Present Value of Unfunded Obligations	366.74	275.81
Fair Value of Plan Assets	-	-
Funded Status [(Surplus)/Deficit]	366.74	275.81
Experience adjustments on Plan Liabilities	51.97	(13.31)
Experience adjustments on Plan Assets	-	-
TOTAL	51.97	(13.31)

Rs. In Lakhs

Assumptions	As at March 31, 2020	As at March 31, 2019
1. Discount Rate	6.86%	7.79%
2. Expected Return on Plan Assets	6.86%	7.79%
3. Salary Growth Rate	5.00%	5.00%
4. Withdrawal Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

30B Share Based Payments

The Company has in place an Employee Stock Option Plan approved by the Shareholders of the Company in the compliance with Securities & Exchange Board of India (Share Based Employee benefits) Regulations, 2014. -**Alkyl Amines Employees Stock Option Plan 2018**

Summary of Options granted, vested and exercised during the year under Plan :

Particulars	2019-20	2018-19
Options outstanding at the beginning of year	54,621	54,621
Options granted during the year	-	-
Options vested and exercised during the year*	-	-
Options lapsed during the year	-	-
Options outstanding at the end of the year	54,621	54,621

* Vested but not exercised

Employee Stock Option Plan

Particulars	Grant I	Grant II	Grant III	Grant IV
No. of Options	4,416	23,805	8,800	17,600
Method of Accounting	Fair Value method			
Vesting period (in years)	1	2	3	5
Exercise period (in years) from date of vesting	5	5	5	5
Grant date	25-Mar-19	25-Mar-19	25-Mar-19	25-Mar-19
Expected life (in years)	5	2	5	5
Exercise price (Rs.)	150.00	150.00	700.00	700.00
Market price (Rs.)	812.20	812.20	812.20	812.20
Vesting Condition	Based on past performance		Based on future performance rating	
Mode of Settlement	Equity shares			

Fair Valuation of Employee Stock Option

Particulars	Grant I	Grant II	Grant III	Grant IV
No. of Options	4,416	23,805	8,800	17,600
Model used	Black-Scholes Model			
Expected volatility	40%	40%	40%	40%
Risk free interest rate	7.47%	7.47%	7.47%	7.47%
Weighted Average Fair Value (Rs.)	683.05	687.78	359.93	399.81

31. SEGMENT REPORTING

31.1 Primary Segment:

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

31.2 Secondary Segment (by Geographical Segment):

Rs. In Lakhs

Particulars	Within India		Outside India		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Revenue	80,154.19	67,073.88	19,133.57	17,566.21	99,287.76	84,640.09
Carrying amount of Segment Assets	74,617.19	70,996.78	3,276.05	3,498.45	77,893.24	74,495.24
Capital Expenditure	46,743.14	41,884.47	92.80	73.46	46,835.94	41,957.93

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

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

32. LIST OF RELATED PARTIES AND THEIR RELATIONSHIPS

I. Associate Company:

Diamines and Chemicals Limited (upto 17th November'2019)

II. Key Management Personnel:

- i. Yogesh M. Kothari - Chairman & Managing Director
- ii. Kirat Patel - Executive Director
- iii. Suneet Y. Kothari - Executive Director

III. Relative of Key Management Personnel:

Hemendra M. Kothari

IV. Entities over which Key Management Personnel has Control:

- i. Anjyko Investments Private Limited
- ii. Niyoko Trading & Consultancy LLP
- iii. YMK Trading & Consultancy LLP
- iv. SYK Trading & Consultancy LLP

33. RELATED PARTY DISCLOSURES

Following transactions were carried out in the ordinary course of business with the parties Referred to in 32 above. There was no amount written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

Rs. In Lakhs

Particulars	Key Management Personnel and their relative	Entities on which Key Management Personnel has control	Entities on which relative of Key Management Personnel has Control
	[with 33 (II) and (III) above]	[with 33 (IV) above]	[with 33 (V) above]
Miscellaneous Expenses (Travelling and Others)			
Loans and Advances - Unsecured :			
Loan from Directors – Received			
Yogesh Kothari	1,000.00 (2,250.00)		
Suneet Kothari	NIL (327.00)		
Loan from Directors – Repaid			
Yogesh Kothari	2,450.00 (800.00)		
Suneet Kothari	97.00 (296.50)		
Interest Expenses :			
On Loans from Directors			
Yogesh Kothari	36.91 (96.62)		
Suneet Kothari	0.64 (6.60)		
Directors' Remuneration:			
Yogesh Kothari	1,174.55 (607.16)		
Kirat Patel	360.16 (245.19)		
Suneet Kothari	353.04 (239.41)		
Hemendra Kothari			
Sitting Fees	0.20 (0.72)		
Commission	5.36 (17.81)		
Outstanding Balance As At March 31, 2020			
Loans From Directors			
Yogesh Kothari	NIL (1,450.00)		
Suneet Kothari	NIL (97.00)		

34. RIGHT OF USE OF ASSET

Rs. In Lakhs

Particulars	Right of use Asset			Total Assets
	Leasehold Land	Leasehold Improvement	Leasehold Building	
Balance as at April 1, 2019	-	-	-	-
Transition impact on account of adoption of Ind AS 116 "Leases"	-	-	72.92	72.92
Reclassified from property, plant and equipment on account of adoption of Ind AS 116 "Leases"	2,936.53	50.98	-	2,987.51
Total Right of Use on the date of transition	-	-	-	-
Additions during the year	44.90	-	-	44.90
Deletion during the year	10.55	-	-	10.55
Depreciation of Right of use assets	92.88	27.69	7.81	128.39
Balance as at March 31, 2020	2,878.01	23.29	65.11	2,966.40

Lease Liability

Rs. In Lakhs

Particulars	Liability Amount
Balance as at April 1, 2019	-
Transition impact on account of adoption of Ind AS 116 "Leases"	72.93
Additions during the year	-
Finance cost accrued during the year	12.87
Deletion during the year	-
Payment of lease liabilities	18.00
Balance as at March 31, 2020	67.80
Current maturities of Lease liability	5.63
Non-Current Lease Liability	62.17

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April, 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability as provided under Para C8(c)(ii) in Appendix C of Ind AS 116. Accordingly, comparatives year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption is not material on the profit for the year and earnings per share.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

The incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.40%

The Summary of practical expedients elected on initial application

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
- Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

35. EARNINGS PER SHARE

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

Rs. In Lakhs

Particulars	For the	For the
	Year ended March 31, 2020	Year ended March 31, 2019
Numerator for Basic Earnings per Share		
Net Profit after Tax for the year before Preference Dividend	20,132.33	8,610.39
Net Profit after Tax for the year (a)	20,132.33	8,610.39
Denominator for Basic Earnings per Share		
Weighted Average Number of Shares (b)	2,03,96,392	2,03,96,392
Basic Earnings per Share [(a) / (b)] (In Rs)	98.71	42.22
Face value per Share (In Rs)	5.00	5.00

Rs. In Lakhs

Particulars	For the	For the
	Year ended March 31, 2020	Year ended March 31, 2019
Numerator for Diluted Earnings per Share		
Net Profit after Tax for the year before Preference Dividend	20,132.33	8,610.38
Net Profit after Tax for the year (a)	20,132.33	8,610.38
Denominator for Diluted Earnings per Share		
Weighted Average Number of Shares (b)	20,396,392	20,396,392
Stock Options granted- [c]	54,621	54,621
Diluted Earnings per Share [(a) / (b+c)] (In Rs)	98.44	42.10
Face value per Share (In Rs)	5.00	5.00

36. PROPOSED DIVIDEND

Rs. In Lakhs

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Proposed Dividend	2,039.64	1,631.71
Tax on Proposed Dividend	-	335.48

37. CONSUMPTION OF IMPORTED/INDIGENOUS MATERIALS

Rs. In Lakhs

Particulars	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
	Percentage	Value	Percentage	Value
Raw Materials				
Imported	27.41%	12,276.28	22.11%	10,118.12
Indigenous	72.59%	32,517.65	77.89%	35,645.70
TOTAL	100.00%	44,793.93	100.00%	45,763.82
Stores and Spares				
Imported	2.20%	24.08	7.35%	87.59
Indigenous	97.80%	1,068.20	92.65%	1,104.20
TOTAL	100.00%	1,092.28	100.00%	1,191.79

Rs. In Lakhs

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
38. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS		
Raw Materials	4,865.94	8,097.92
Stores and Spares	2.24	8.16
Capital Goods	18.81	72.75
TOTAL	4,886.99	8,178.83
39. EXPENDITURE IN FOREIGN CURRENCY		
i. Interest		
Term Loan	306.35	448.07
Others	71.51	111.63
ii. Other Finance Charges	11.56	13.44
iii. Other Expenses		
Commission on Sales	80.65	81.66
Professional Charges	85.05	30.77
Miscellaneous Expenses	23.58	33.63
Freight Outward	-	5.62
TOTAL	578.70	724.82
40. EARNINGS IN FOREIGN CURRENCY		
Export of Goods at F.O.B. value	16,150.24	14,715.39
Other Income	-	22.36
TOTAL	16,150.24	14,737.75

41. INCOME TAXES

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

Rs. In Lakhs

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Accounting Profit Before Tax		
Business Income	23076.75	13255.43
Capital Gain	41.53	-
Tax rate - Corporate Tax	25.17%	34.94%
- Capital Gains Tax	11.20%	-
Computed income tax expense-Business Income	5808.42	4631.45
Computed income tax expense-Capital Gain	4.65	-
Total Computed income tax expenses	5,813.07	4631.45
Tax effect of Items disallowed/ (allowed)	775.96	72.39
Tax effect Unrealised Exchange Gain/Loss on Forward Contract	53.08	2.28
Tax effect on Depreciation	(1,180.59)	(975.38)
Tax effect on Profit of Associates	(98.16)	(82.45)
Tax effect on Research & Development expenses allowable u/s 35 (2AB) of The Income Tax Act, 1961	-	(65.67)
Total Income Tax Expense	5,363.36	3,582.63

b. Significant component of Deferred Tax Assets and Liabilities for the year ended March 31, 2020

Rs. In Lakhs

Particulars	As At April 1, 2019	Deferred tax expense/ (income recognized in Profit and Loss Statement)	Deferred tax expense/ (income recognized in OCI Statement)	As At March 31, 2020
Deferred Tax Assets (A)				
Impact of Ind AS 116-Leases	-	0.68	-	0.68
Expenses allowable on payment basis	313.50	(156.88)	-	156.62
Other items giving rise to temporary differences	118.61	103.29	-	221.90
Sub total	432.11	(52.91)	-	379.20
Deferred Tax Liabilities (B)				
Depreciation on Property Plant Equipment for Tax Purpose	5,498.42	(1,082.95)	-	4,415.47
Sub total	5,498.42	(1,082.95)	-	4,415.47
Net Deferred Tax Liability (B)-(A)	5,066.31	(1,030.04)	-	4,036.27

c. Significant component of Deferred Tax Assets and Liabilities for the year ended March 31, 2019

Rs. In Lakhs

Particulars	As At April 1, 2018	Deferred tax expense/ (income recognized in Profit and Loss Statement)	Deferred tax expense/ (income recognized in OCI Statement)	As At March 31, 2019
Deferred Tax Assets (A)				
Expenses allowable on payment basis	176.87	136.63	-	313.50
Other items giving rise to temporary differences	94.25	24.36	-	118.61
Sub total	271.12	160.99	-	432.11
Deferred Tax Liabilities (B)				
Depreciation on Property Plant Equipment for Tax Purpose	4,319.50	(1,178.90)	-	5,498.42
Sub total	4,319.50	(1,178.90)	-	5,498.42
Net Deferred Tax Liability (B)-(A)	4,048.38	(1,017.91)	-	5,066.31

42. During the year, the company has disposed of its entire shareholding in its associate-Diamines and Chemicals Ltd. on 18 November, 2019 at a consideration of Rs.3428.27 Lakhs. Subsequent to the disposal, Diamines and Chemicals Ltd. ceases to be an Associate of the Company from 18 November, 2019. Consequently, the Company has recognised the Profit on sale of Investment amounting to Rs. 1498.39 Lakhs under the head 'Exceptional Items'.

43. Financial and Other Derivative Instruments

Refer Note No. 1 (m), (n) and (o) for accounting policies on Financial Instruments.

43.1 Capital Management

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

The Gearing ratio at the end of the reporting period

Rs. In Lakhs

Particulars	As At	As At
	April 1, 2020	March 31, 2019
A. Debt	8,590.50	16,533.12
B. Cash and Bank Balance	3,226.45	2,017.43
C. Net Debt (A-B)	5,364.05	14,515.70
D. Total Equity	53,659.66	37,907.71
E. Gearing Ratio (C/D)	0.10 times	0.38 times

The Company is subject to externally imposed capital requirements as part of its debt covenants such as maintaining a Total Debt to EBIDTA ratio of 0.32 times, a Debt Service Coverage ratio of 6.98 times and a Total Debt to Tangible Net Worth ratio of 0.16 times. Management do not consider any challenges for managing the capital due to the impact of ongoing pandemic COVID 19

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

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

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
A. Total Debt	8,590.50	16,533.12
B. EBIDTA *	26,793.12	17,065.76
Total Debts to EBIDTA (A/B)	0.32 times	0.97 times

* One time Exceptional Item not considered

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

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
A. EBIDTA	26,793.12	17,065.77
B. Interest	1,025.39	1,476.66
C. Loan Repayment	2,812.59	2,237.33
D. Total Interest and Loan Repayment (B+C)	3,837.98	3,713.99
E. Debts Service Coverage Ratio (A/D)	6.98 times	4.59 times

Other Significant Ratios

Particulars	As At	As At
	March 31, 2020	March 31, 2019
A. Debtors Turnover Ratio (No. of Days)	50.02	51.57
B. Inventory Turnover Ratio (No. of Days Production)	50.90	54.74
C. Current Ratio	1.91 times	1.26 times
D. Interest Coverage Ratio	21.80 times	8.41 times

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

Rs. In Lakhs

Particulars	As At	As At
	March 31, 2020	March 31, 2019
A. Total Debt	8,590.50	16,533.12
B. Tangible Net Worth	53,659.66	37,907.71
C. Total Debt to Tangible Net Worth (A/B)	0.16 times	0.44 times

43.2 Financial instruments by category

Rs. In Lakhs

Particulars	As At March 31, 2020				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
Financial Assets					
Investment	-	-	-	-	-
Trade Receivables	-	-	16,422.15	16,422.15	-
Cash and Cash Equivalents	-	-	3,226.45	3,226.45	-
Deposits	-	-	236.26	236.26	-
Loans	-	-	86.18	86.18	-
Derivative Asset	764.48	0.79	-	-	765.27
Other Financial Assets	-	-	22.59	22.59	-
TOTAL	764.48	0.79	19,993.64	19,993.64	765.27
Financial Liabilities					
Borrowings	-	-	4,797.35	4,797.35	-
Trade Payables	-	-	7,077.50	7,077.50	-
Derivative Liability	211.72	-	-	-	211.72
Other Financial Liabilities	-	-	7,178.73	7,178.73	-
TOTAL	211.72	-	19,053.58	19,053.58	211.72

43.2 Financial instruments by category

Rs. In Lakhs

Particulars	As At March 31, 2019				
	FVTPL	FVOCI	Amortised cost	Carrying value	Fair value
Financial assets					
Investment	-	-	1,552.50	1,552.50	-
Trade Receivables	-	-	15,263.39	15,263.39	-
Cash and Cash Equivalents	-	-	2,017.43	2,017.43	-
Deposits	-	-	274.24	274.24	-
Loans	-	-	78.35	78.35	-
Derivative Asset	181.95	-	-	-	181.95
Other Financial Assets	-	-	18.99	18.99	-
TOTAL	181.95	-	19,204.89	19,204.89	181.95
Financial Liabilities					
Borrowings	-	-	12,960.06	12,960.06	-
Trade Payables	-	-	12,399.02	12,399.02	-
Derivative Liability	110.90	-	-	-	110.90
Other Financial Liabilities	-	-	6,184.50	6,184.50	-
TOTAL	110.90	-	31,543.58	31,543.58	110.90

i) Fair value hierarchy

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

Rs. In Lakhs

Financial assets and liabilities measured at fair value -recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
Derivatives designated as hedges:					
Derivative Assets:					
March 31, 2020	(i)	-	-	765.27	765.27
March 31, 2019	(ii)	-	-	181.95	181.95
Derivatives designated as hedges:					
Derivative Liability:					
March 31, 2020	(i)	-	-	211.72	211.72
March 31, 2019	(ii)	-	-	110.90	110.90

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

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

iii) Valuation process

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

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

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

43.3 Financial Risk Management Policies and Objectives

The Company, in the course of its business, is exposed to a variety of financial risks, viz. market risk, credit risk and liquidity risk, which can adversely impact the financial performance. The Company's endeavor is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company has a risk management policy that not only covers the foreign exchange risk but also other risks such as interest rate risk and credit risk which are associated with financial assets and liabilities. The risk management policy of the Company is approved by its board of directors. The risk management framework focuses on actively securing the Company's short to medium term cash flows by minimizing the exposure to financial markets.

Presented below is a description of our risks (market risk, credit risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks, based on selected changes in market rates and prices. These analysis reflect the management's view of changes which are reasonably possible to occur over a one year period. In the event of crisis caused due to external factor such as caused by recent pandemic "COVID-19", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash low forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumption are reviewed by board of directors.

Market risk

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

Foreign currency exchange rate risk:

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

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

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

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

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

Particulars	Foreign Currency	As at March 31, 2020		As at March 31, 2019	
		Amount In Foreign currency	Amount in Indian Rupees	Amount In Foreign currency	Amount in Indian Rupees
Forward Contracts for					
Forward Contracts for firm commitment for Export Trade	USD	60.19	4,462.49	21.30	1,451.60
	EURO	5.36	436.79	2.30	175.56
Forward Contracts for firm commitment for Import Trade	USD	21.68	1,662.07	59.38	4,166.48
Cross currency and Interest Rate Swap for					
ECB Loans	USD	110.83	8,496.48	161.17	11,309.07
Interest on ECB payable	USD	0.56	37.40	1.06	71.37

- b. Exposures in Foreign Currency:

Particulars	Foreign Currency	As at March 31, 2020			As at March 31, 2019		
		Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees	Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees
Amount In Lakhs							
I. Assets							
Trade Receivables	USD	74.14	36.77	2,725.88	68.15	35.46	2,409.97
	EURO	81.49	3.65	297.63	76.33	4.19	318.69
Hedged by Derivative Contracts	USD	74.14	36.77	2,725.88	68.15	21.30	1,451.60
	EURO	81.49	3.65	297.63	76.33	2.30	175.56
Unheeded Receivables	USD	74.14	-	-	68.15	14.16	958.37
	EURO	81.49	-	-	76.33	1.89	143.13

Amount In Lakhs

Particulars	Foreign Currency	As at March 31, 2020			As at March 31, 2019		
		Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees	Exchange Rate	Amount In Foreign currency	Amount in Indian Rupees
II. Liabilities							
Trade Payables	USD	76.66	0.33	25.37	70.17	60.17	4,222.08
	EURO	84.71	-	-	78.95	0.05	3.55
Buyers' Credit	USD	-	-	-	-	-	-
Borrowings (ECB and Others)	USD	76.66	110.83	8,496.48	70.17	161.17	11,309.07
Packing Credit in Foreign Currency	USD	-	-	-	70.17	37.54	2,634.38
	EURO	84.71	0.05	3.87	78.95	9.33	736.38
Balance with Bank	USD	74.14	6.58	487.97	68.15	2.63	179.18
Export Commission Payable	USD	76.66	0.11	8.29	70.17	0.29	20.56
	EURO	-	-	-	78.95	0.04	2.95
Total Payables	USD	76.66	117.85	9,018.11	70.15	261.80	18,365.27
	EURO	84.71	0.05	3.87	78.91	9.41	742.88
Hedged by Derivative Contracts	USD	76.66	117.85	9,018.11	70.17	220.28	15,456.74
	EURO	-	-	-	-	-	-
Unhedged Payables	USD	76.66	-	-	70.17	41.53	2,908.53
	EURO	84.71	0.05	3.87	78.95	9.41	742.88

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

Rs. In Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
Balance at the Beginning of the year	370.09	466.56
Gain/Loss arising on changes in the fair value of designated portion of hedging instruments entered into for cash flow hedge:		
- Forward foreign exchange contract	474.57	644.66
- Currency Swap	(578.08)	(743.76)
Gain/ Loss arising on changes in the fair value of designated portion of hedging instruments reclassified to Profit & loss:		
- Forward Foreign Exchange contract	-	2.63
- Currency Swap	-	-
Balance at the End of the year	266.58	370.09

Foreign Currency sensitivity analysis

An appreciation/ (depreciation) of 5% in USD rates with respect to INR would result in increase/ (decrease) in the Company's net profit before tax for the year ended March 31, 2020 and comparison for the year ended March 31, 2019 is explained below:

Rs. In Lakhs

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	5%	(-5%)	5%	(-5%)
Trade Receivables	151.18	(151.18)	136.83	(136.83)
Trade Payable	(1.27)	1.27	(211.28)	211.28
Buyer's Credit	-	-	-	-
Forward Cover Exports	251.31	(251.31)	83.13	(83.13)
Forward Cover Imports	(83.13)	83.13	(205.59)	205.59
Others Liabilities	(0.41)	0.41	(1.18)	1.18
	317.68	(317.68)	(198.09)	198.09

Interest rate risk

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

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

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

Interest rate sensitivity

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

Rs. In Lakhs

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	0.5%	(-0.5%)	0.5%	(-0.5%)
Cash Credit	-	-	(2.32)	2.32
PCFC	(0.19)	0.19	(13.87)	13.87
	(0.19)	0.19	(16.19)	16.19

Credit risk

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

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

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

In respect of Receivables other than Trade Receivables, the Company's exposure to any significant credit risk exposure to any single counter party or any groups of counter parties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term Financial Assets is considered negligible, since the counter parties are reputed banks with high quality external credit ratings.

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

The Company evaluate the concentration of risk with respect to trade receivable as low, as its customer are located in several jurisdiction and industries and operate in largely independent market.

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

Particulars	Rs. In Lakhs	
	Carrying amount	
	As At March 31, 2020	As At March 31, 2019
With in India	13,147.38	11,765.64
Other Regions	3,274.77	3,497.74
TOTAL	16,422.15	15,263.38

Liquidity risk

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

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposits which carry no mark to market risk.

The Company maintains the following lines of credit. Rs. 3.87 Lakhs Lakhs Working capital loans that is secured. Interest would be payable at the rate ranging from 4.20% of 9.50%.

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

Contractual cash flows

As At March 31, 2020	Carrying amount	Contractual amount	Rs. In Lakhs		
			0-1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Loan from Related Parties (Unsecured)					
From Directors	-	-	-	-	-
Secured/Unsecured from Bank and FI					
ECB	-	8,457.25	3,705.23	4,752.02	-
Working Capital	-	3.87	3.87	-	-
Deferred Payment Liabilities	-	129.37	87.91	41.45	-
Lease Liabilities	67.80	-	5.63	62.17	-
Trade Payables	-	7,077.49	7,077.49	-	-
Interest Accrued	-	118.47	118.47	-	-
Others	-	3,267.11	3,267.11	-	-
	67.80	19,121.36	14,265.72	4,855.64	-

Contractual cash flows

Rs. In Lakhs

As At March 31, 2019	Carrying amount	Contractual amount	0-1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Loan from Related Parties (Unsecured)					
From Directors	-	1,547.00	1,547.00	-	-
Secured/Unsecured from Bank and FI					
ECB	-	11,237.09	3,461.72	7,775.38	-
Working Capital	-	3,508.32	3,508.32	-	-
Deferred Payment Liabilities	-	240.72	111.35	129.37	-
Trade Payables	-	12,399.02	12,399.02	-	-
Interest Accrued	-	166.88	166.88	-	-
Others	-	2,444.56	2,444.56	-	-
	-	31,543.58	23,638.84	7,904.75	-

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

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

44. In view of the continuing lockdown situation due to COVID-19 pandemic across the country which commenced from 22nd March, 2020, the Company has reviewed and analysed the possible effects of the pandemic on its financial statements, particularly for the financial year 2020-2021. There has been no significant impact on the business and profits of the Company for the year ended March 31, 2020. As the Company is in the manufacture and sale of essential products, being mainly pharmaceuticals intermediate, the Company was allowed manufacturing activity in the first week of April 2020 at all its locations. By the end of May, 2020 the Company has achieved near optimum production in response to orders on hand, both domestic and exports, which is expected to continue going forward. The offices and Technical Centre employees have been working from home to provide support to the procurement, manufacturing and selling activities. Though the Company is not in position to gauge with certainty the future impact on its operations, the Company expects that the demand for its products from pharmaceuticals sector will continue and, as such, barring unforeseen circumstances there will not be a significant impact of COVID-19 on the operations of the Company for the financial year 2020-21. Also in assessing the recoverability of receivables and other financial assets, the Company has considered internal and external information up to the date of approval of these financial results. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.
45. Previous Year's figures, wherever necessary, have been regrouped/ reclassified to conform to the current year's presentation. Figures in brackets, unless specified, represent previous year's figures.

As per our Report of even date attached

For and on behalf of the Board of Directors

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

YOGESH M. KOTHARI
Chairman and Managing Director

VINAY D. BALSE
Partner
Membership No. 39434

RAHUL J. MEHTA
Chief Financial Officer

CHINTAMANI D. THATTE
General Manager
(Secretarial) and
Company Secretary

KIRAT PATEL
Executive Director

Place : MUMBAI
Dated : JUNE 23, 2020

Place : MUMBAI
Dated : JUNE 23, 2020

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES



E-learning facilities at Janta Kewalramani School, Jambusar, Bharuch, Gujarat.



E-learning facilities at Punyashlok Ahilyabai Holkar Secondary School, Loni, Maharashtra.



STEM Centre and Children Tinkering Lab at Zilla Parishad School, Pandherawadi, Kurkumbh, Maharashtra.



Swacch Bharat Abhiyan Drive at Patalganga, Maharashtra.



Support to Sanctuary Nature Foundation for Rewilding Project at Gothangaon, Nagpur, Maharashtra.