

# GUJARAT AMBUJA EXPORTS LIMITED

CIN - L15140GJ1991PLC016151

Regd. Off.: "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev,  
P.O. Thaltej, Ahmedabad - 380 059. Phone: +91 79 - 61556677, Fax: +91 79 - 61556678

Email Id: info@ambujagroup.com, Website: www.ambujagroup.com

REF : GAEL\STOCK31\2019\42

Date : 4<sup>th</sup> July, 2019

BY E-FILING

To, The General Manager- Listing Department The National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051  Ref.:- Symbol GAEL	To, The General Manager- Market Operations BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001  Ref.:- Security Code: 524226
--	---

**Sub.:- Submission of Annual Report of the Company for the Financial Year 2018-19**

Dear Sir / Madam,

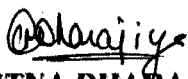
Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Annual Report for the Financial Year 2018-19 (comprising of Notice calling 28<sup>th</sup> Annual General Meeting along with route map, Audited Financial Statements, Directors' Report, Auditor's Report etc.).

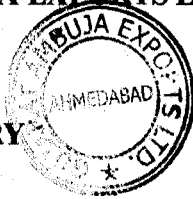
Kindly take the same on your records.

Thanking you.

Yours faithfully,

For, GUJARAT AMBUJA EXPORTS LIMITED

  
CHETNA DHARAJIYA  
COMPANY SECRETARY



Encl.: As above



# GROWING STRONGER WITH EVERY MOVE

**GUJARAT AMBUJA**  
EXPORTS LIMITED

28<sup>th</sup> Annual Report  
2018-2019



**Chalisgaon**  
(Maharashtra)



**Hubli**  
(Karnataka)



**Mandasaur**  
(Madhya Pradesh)



**Sitarganj**  
(Uttarakhand)



**Akola**  
(Maharashtra)



**Himmatnagar  
Cotton Yarn**  
(Gujarat)



**Himmatnagar  
Biochem**  
(Gujarat)



**Kadi** (Gujarat)



**Pithampur**  
(Madhya Pradesh)

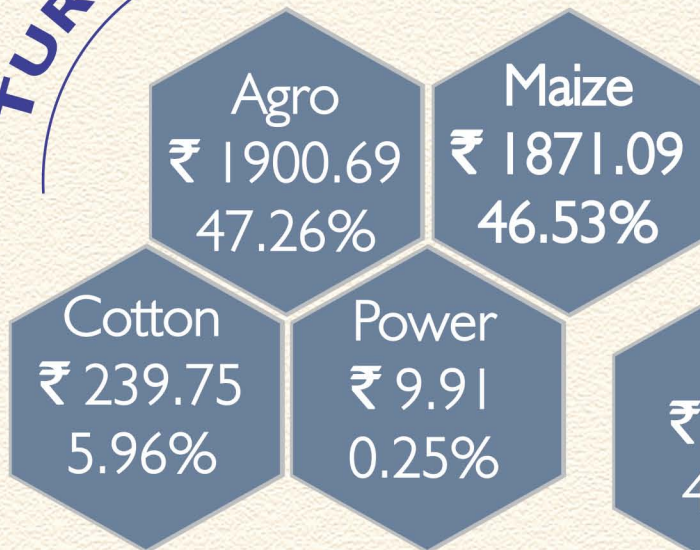


**THE MENTOR**  
**LATE SHRI VIJAYKUMAR GUPTA**  
(1<sup>st</sup> July, 1949 - 23<sup>rd</sup> May, 2018)

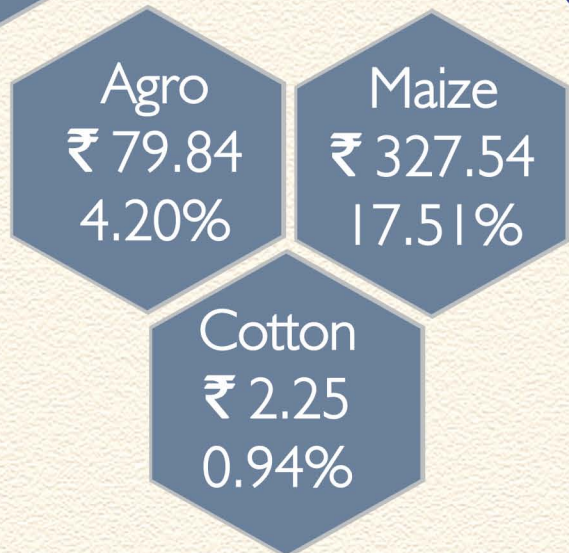
*Committed to Growth*

# FINANCIAL HIGHLIGHTS

## TURNOVER



## EBIDTA



₹ in crores

Scan this code  
with a QR  
reader app on  
your smartphone  
or tablet to  
download  
the Annual  
Report



### FORWARD-LOOKING STATEMENT

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances. New risks and uncertainties come up from time to time and its impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not accour and has to be understood and read along with this supplemental disclosure.



## 28<sup>TH</sup> ANNUAL REPORT 2018-19

### Mission

**Committed to become leading Company in the  
Global & Domestic Markets for Quality Agro  
Products & Yarns**

**Day : Saturday**  
**Date : 3<sup>rd</sup> August, 2019**  
**Time : 11.00 a.m.**  
**Venue : H. T. Parekh Hall, 1<sup>st</sup> Floor, Ahmedabad Management  
Association (AMA), Vikram Sarabhai Marg, Vastrapur,  
Ahmedabad - 380015**

### Schedule of Annual General Meeting

**Support the Company's "Green Initiative"**

To view the online version of this report or for other information log on to [www.ambujagroup.com](http://www.ambujagroup.com)

### Vision

**Committed to Growth**

### Contents

Corporate Information	01
Chairman & Managing Directors' Speech	02
Notice	04
Directors' Report	16
Report on Corporate Governance	27
Management Discussion and Analysis Report	46
Business Responsibility Report	49
Independent Auditors' Report on Standalone Financial Statements	73
Standalone Financial Statements	81
Financial Highlights - Five Years	123
Segment Wise Financial Highlights - Five Years	124
Shareholders' Referencer	125
Proxy Form & Attendance Slip	130
Route Map	131



## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Late Shri Vijaykumar Gupta\*  
*Chairman & Managing Director*

Shri Manish Gupta<sup>§</sup>  
*Chairman & Managing Director*

Shri Sandeep Agrawal  
*Whole-Time Director*

Smt. Sulochana Gupta  
*Non-Executive Director*

Shri Rohit Patel

Shri Sudhin Choksey

Shri Rashmikant Joshi

Shri Vishwavir Saran Das

Shri Sandeep Singhi

Ms. Maitri Mehta (w.e.f. 25<sup>th</sup> May, 2019)

### **AUDIT COMMITTEE**

Shri Sudhin Choksey  
*Chairman*

Shri Rohit Patel

Shri Rashmikant Joshi (upto 19<sup>th</sup> May, 2018)

Shri Sandeep Singhi (w.e.f. 20<sup>th</sup> May, 2018)

### **NOMINATION AND REMUNERATION COMMITTEE**

Shri Rashmikant Joshi (upto 19<sup>th</sup> May, 2018)  
*Chairman*

Shri Sandeep Singhi (w.e.f. 20<sup>th</sup> May, 2018)  
*Chairman*

Shri Rohit Patel

Shri Vishwavir Saran Das

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Shri Rohit Patel  
*Chairman*

Late Shri Vijaykumar Gupta (upto 23<sup>rd</sup> May, 2018)

Shri Manish Gupta (w.e.f. 24<sup>th</sup> May, 2018)

Smt. Sulochana Gupta

### **SHARE TRANSFER COMMITTEE**

Late Shri Vijaykumar Gupta (upto 23<sup>rd</sup> May, 2018)  
*Chairman*

Smt. Sulochana Gupta

Shri Manish Gupta (w.e.f. 24<sup>th</sup> May, 2018)  
*Chairman*

Shri Rashmikant Joshi (upto 19<sup>th</sup> May, 2018)

Shri Vishwavir Saran Das (w.e.f. 20<sup>th</sup> May, 2018)

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Late Shri Vijaykumar Gupta (upto 23<sup>rd</sup> May, 2018)  
*Chairman*

Shri Manish Gupta (w.e.f. 24<sup>th</sup> May, 2018)

*Chairman*

Smt. Sulochana Gupta (w.e.f. 24<sup>th</sup> May, 2018)

Shri Rohit Patel

### **RISK MANAGEMENT COMMITTEE**

Shri Manish Gupta

*Chairman*

Shri Sandeep Agrawal

Chief Financial Officer

Company Secretary

### **INVESTMENT COMMITTEE**

Late Shri Vijaykumar Gupta (upto 23<sup>rd</sup> May, 2018)  
*Chairman*

Shri Manish Gupta (w.e.f. 24<sup>th</sup> May, 2018)

*Chairman*

Shri Sandeep Agrawal

### **INTERNAL COMMITTEE OF DIRECTORS**

Late Shri Vijaykumar Gupta (upto 23<sup>rd</sup> May, 2018)  
*Chairman*

Shri Manish Gupta (w.e.f. 24<sup>th</sup> May, 2018)

*Chairman*

Shri Sandeep Agrawal

### **CHIEF FINANCIAL OFFICER**

Shri Dinesh Shah

### **COMPANY SECRETARY**

Ms. Chetna Dharajiya

### **AUDITORS**

M/s. Arpit Patel & Associates  
Chartered Accountants

### **REGISTERED OFFICE**

"Ambuja Tower",  
Opp. Sindhu Bhavan, Sindhu Bhavan Road,  
Bodakdev, P.O. Thaltej,  
Ahmedabad - 380 059  
Phone: 079-61556677  
Fax: 079-61556678

### **LISTED AT**

BSE Limited  
National Stock Exchange of India Limited

### **WEBSITE**

[www.ambujagroup.com](http://www.ambujagroup.com)

### **SHARE TRANSFER AGENT**

Jupiter Corporate Services Limited  
"Ambuja Tower", Opp. Sindhu Bhavan,  
Sindhu Bhavan Road, Bodakdev, P.O. Thaltej,  
Ahmedabad - 380 059  
Phone: 079-61556677 | Fax: 079-61556678  
Email Id: [jayvijay@ambujagroup.com](mailto:jayvijay@ambujagroup.com)

### **INVESTOR SERVICES EMAIL ID**

[investor-icsl@ambujagroup.com](mailto:investor-icsl@ambujagroup.com)

### **CORPORATE IDENTIFICATION NUMBER**

L15140GJ1991PLC016151

### **BANKERS**

Bank of India  
State Bank of India  
Union Bank of India  
HDFC Bank Limited  
Yes Bank Limited  
ICICI Bank Limited

\* Due to demise, ceased to be Chairman, Managing Director & Director of the Company w.e.f. 23<sup>rd</sup> May, 2018

§ Re-appointed as Chairman & Managing Director w.e.f. 28<sup>th</sup> December, 2018

# STATEMENT FROM THE CHAIRMAN & MD DESK

*Dear Members,*

Greetings from Ambuja!!!!!!!!!!

As I sit down to pen my thoughts on the year gone by, the first thought that strikes me is that earlier, it used to be Founder Promoter and Chairman & Managing Director, Late Shri Vijaykumar Gupta addressing all of us through his annual letter. He was embodiment of the Philosophy – **“Whether I am or not, my identity will remain even if one leaf survives green on the branch. I am sowing seeds of compassion for a unique cycle of fragrance to continue”**. He was always eager to learn, he would spend hours interacting with the younger generation of employees, understanding their views and drawing inspiration to keep the Organisation’s culture and imperatives relevant with times. His extraordinary vision and passion continues to be the guiding spirit for Gujarat Ambuja Exports Limited. I will always cherish and take strength from his reassuring smile in my endeavour to lead this organisation to greater heights.

Looking back at F.Y. 2018-19, it turned out to be another roller-coaster period with its share of uncertainty and volatility. It was also a turbulent year for the global economy, characterised by geopolitical uncertainties and trade wars. Further China’s deceleration follows tightening of economy-wide regulatory controls and rising trade tensions with the US.

Amidst all these, India continues to be one of the fastest-growing major economies in the world backed by healthy domestic consumption. Successful implementation of the Government’s structural initiatives towards improving the ease of doing business such as enhancing transparency, speeding up approvals, resolving policy issues and fostering more significant levels of value addition also played a crucial role in sustaining performance. Further, the Indian rupee suffered because of the crude price shock and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Notwithstanding unforeseen global events or local political surprises, growth for India is estimated to remain upward of 7 percent for the year ahead. These projections could be attributed to the sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructure development.

At the overall level, it feels me proud to share with you the performance we have been able to deliver not withstanding difficult business conditions. Our industry beating growth, on our market position, is definitely an achievement that every stakeholder of this organisation should be proud of.

## **Year at a glance – Company Performance:**

Despite of various macro and micro uncertainties and challenging business environment, the Company came back strongly and delivered volume growth as well as achieved robust profitable growth to finish the financial year on a high.

In F.Y. 2018-19, your Company posted strong performance with Operational Revenue of ₹ 4021.44 crores, EBITDA ₹ 384.02 crores and Profit after tax ₹ 198.15 crores.

In keeping with our consistent track record and tradition of directing surplus cash and consistently rewarding the shareholders, the Board has recommended a final dividend @ 50% i.e. ₹ 1/- per equity shares of ₹ 2/- each, subject to the approval of Members at this Annual General Meeting.

Further, Company’s continued focus on cost reduction and productivity enhancement initiatives supported by market buoyancy has resulted into considerable gains in profitability and also we have enhanced our product offerings and reached out to specific profitable segments successfully.

## **Changing landscapes:**

Your Company has also started new green field project of 750 TPD Maize processing project at Malda in West Bengal. The total project cost is estimated at ₹ 219 crores. The Company has already acquired land at the project location and also entered into lease agreement with the West Bengal Government agency. The project is expected to be completed by March 2021.



**Giving back to the Society:**

Your Company firmly believes in making a positive contribution to our communities and giving back to society. As an organization, we continue to take responsibility for social wellness through our focused CSR efforts. We have continued to work closely in promoting education, environment sustainability, drinking water, sanitation facilities, welfare and sports activities to spread happiness in the society. Our CSR philosophy remains, that happy people are successful people, they become better citizens to productively serve their community.

**Looking forward:**

The year seems to be good for Indian economy growth. India is improving its global ranking as per reports of IMF and other agencies. This would improve the future outlook of the country. Various factors are in stable or positive mode for India. This would give more stability of currency, equity and other dominant factors which determine the growth of the Company. The Company is also quite confident to contribute to the nation growth. With its future plans and present scenario encouraging growth is visible in this F.Y.

**Acknowledgement:**

I would like to take this opportunity to acknowledge and thank our bankers and vendors for their trust and support. I am deeply thankful to the continued support of our esteemed consumers, business associates, suppliers and legal authorities for their loyalty and trust in all our activities. Most importantly, also my sincere appreciation to all the shareholders for the trust reposed by them in the Management of the Company and also for continued support in our journey to create long-term value.

**Conclusion:**

As the new government at the center brings fresh hope and promise to the nation, which is on the threshold of reaping accelerated demographic dividends to create a knowledge economy, I want to assure you that your Company remains deeply committed to delivering on our promises to honorable shareholder and also to the customers, associates and society through our robust journey of growth.

*With best wishes,*

*Sincerely,*

*Manish Gupta*

**NOTICE**

Notice is hereby given that the Twenty Eight Annual General Meeting of the Members of **GUJARAT AMBUJA EXPORTS LIMITED** will be held on Saturday, 3<sup>rd</sup> August, 2019 at 11.00 a.m. at H. T. Parekh Hall, 1<sup>st</sup> Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015 to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Auditors thereon for the financial year ended 31<sup>st</sup> March, 2019.
2. To declare Final Dividend on equity shares for the financial year 2018-19.
3. To appoint a Director in place of Shri Sandeep Agrawal (holding DIN 00027244), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:****4. Ratification of remuneration of Cost Auditors for the Financial Year 2019-20**

To consider and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other Rules framed there under, payment of remuneration of ₹ 2,20,000/- plus out of pocket expenses and applicable taxes to M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad (Membership No. 7907), appointed by the Board of Directors of the Company for carrying out Cost Audit of the Company for financial year 2019-20, be and is hereby approved and ratified.”

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

**5. Remuneration to Non-Executive Directors of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s)

thereof, for the time being in force) and the Articles of Association of the Company, consent of the Company be and is hereby accorded for the payment of remuneration in the form of commission, in addition to the sitting fees being paid / payable for attending the meetings of the Board of Directors of the Company and its Committees thereof, not exceeding in aggregate one percent (1%) of the net profits of the Company for each Financial Year computed in accordance with Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, to its Directors (other than Managing Director and Whole-Time Director or any other Executive Director) of the Company for a period of 5 (five) years commencing from 1<sup>st</sup> April, 2019, provided that all the aforesaid Directors taken together shall receive a sum not exceeding ₹ 25,00,000/- (Rupees Twenty Five Lacs only) in a financial year.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, be and is hereby authorized to determine the amount and terms of payment of the commission to the Directors (other than Managing Director and Whole-Time Director or any other Executive Director) of the Company (to be divided amongst them in such proportion as may be determined by the Board of Directors from time to time and equally in default of such determination).”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company or Committee(s) thereunder be and is hereby authorized to do all such acts, deeds, matters and things and give such directions, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regards.”

**6. Appointment of Ms. Maitri Mehta (DIN 07549243) as an Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulations 16(1)(b), 17 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Nomination and Remuneration Policy of the Company, Ms. Maitri Mehta (DIN : 07549243) who was





appointed as an Additional Director of the Company effective from 25<sup>th</sup> May, 2019, in terms of Section 161(1) of the Act and holding office upto the date of this Annual General Meeting and being qualified for appointment as Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 2 (two) consecutive years for a term upto 24<sup>th</sup> May, 2021 and shall not be liable to retire by rotation.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197, 198 and any other applicable provisions of the Act and rules made thereunder read with Regulation 17(6)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Maitri Mehta be paid such fees and remuneration and profit related commission as the Company may decide from time to time and within the limits prescribed or may be prescribed from time to time.”

**7. Re-appointment of Shri Sandeep Agrawal as Whole-Time Director of the Company w.e.f. 1<sup>st</sup> August, 2019 till 31<sup>st</sup> July, 2024**

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

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 and 203 and all other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (‘Act’) and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Nomination and Remuneration Policy of the Company and any subsequent amendment / modification in the Rules, Act and / or applicable laws in this regard and subject to such approvals, consents, permissions and sanctions of the concerned authorities as may be necessary and subject to such conditions and modifications as may be prescribed, imposed or suggested by such concerned authorities while granting such approvals, consents, permissions and sanctions and as agreed to by the Board of Directors of the Company (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated), the approval of the Members of the Company be and is hereby accorded

for the re-appointment and payment of remuneration to Shri Sandeep Agrawal (holding DIN 00027244) as Whole-Time Director of the Company for a period of 5 (five) years with effect from 1<sup>st</sup> August, 2019 to 31<sup>st</sup> July, 2024 (both the days inclusive) on the terms and conditions as mentioned in the draft agreement to be entered into between the Company and Shri Sandeep Agrawal, a draft whereof duly initialed by the Chairman for the purpose of identification as placed before this meeting, which Agreement is hereby specifically approved with powers to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner as may be agreed upon by the Board of Directors and Shri Sandeep Agrawal within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof:

**1. Terms of Re-appointment:**

With effect from 1<sup>st</sup> August, 2019 to 31<sup>st</sup> July, 2024

**2. Remuneration:**

**I Salary :** ₹ 3,00,000/- per month (Rupees Three Lacs per month only) up to a maximum of ₹ 6,00,000/- per month (Rupees Six Lacs per month only) with increments as may be decided by Board of Directors of the Company from time to time.

**II Perquisites and allowances :** In addition to the salary, Shri Sandeep Agrawal shall also be entitled to the perquisites and allowances like house rent allowance, rent free furnished accommodation, house maintenance allowance, gas, electricity, water and furnishing at residence, conveyance allowance, transport allowance, medical reimbursement, leave travel allowance, special allowance, use of Company car for official purposes, telephone at residence, contribution to provident fund, superannuation fund, payment of gratuity, leave encashment at the end of tenure and such other perquisites and allowances in accordance with the rules of the Company not exceeding ₹ 1,00,000/- per month (Rupees One Lac per month only). The nature and break up of the perquisites and allowances will be determined in accordance with schemes / policies / rules of the Company or may be decided by the Chairman of the Company or by the Board of Directors from time to time.

**3. Minimum Remuneration:**

The Minimum Remuneration is subject to the limit of 5% of the Annual Net Profits of the Company and subject to the overall limit of 10% of the Annual Net Profits of the Company on the remuneration of Managing Director / Whole-Time Director / Manager of the Company taken together as per Section 197 of the Companies Act, 2013 and Rules made thereunder (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard)). Provided, however, that in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Whole-Time Director, the payment of salary, allowances, perquisites and all other payments shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013 or any subsequent amendments or modifications made thereto, as may be decided by the Board of Directors, subject to necessary sanctions and approvals, if required.

**4. Overall Remuneration:**

The aggregate of salary, perquisites and allowances in any one financial year, as may be decided by the Board of Directors i.e. total remuneration payable by the Company shall be within the prescribed limits of total managerial remuneration payable to all Managing Director / Whole-Time Director / Manager in aggregate under Section 197 and Rules made thereunder read with Schedule V of the Companies Act, 2013 (including any subsequent amendments or modifications made thereto).

**5. Other Terms and Conditions:**

- (a) As long as Shri Sandeep Agrawal functions as Whole-Time Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- (b) The office of Shri Sandeep Agarwal shall be liable to determination of retirement by rotation but the re-appointment by way of retirement by rotation shall not be construed as break in terms of his appointment.
- (c) Shri Sandeep Agrawal shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively for the business purpose of the Company.
- (d) The Office shall be liable to termination with 3 months' notice from either side.
- (e) The terms and conditions of the said re-appointment and / or agreement may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit, within the limits prescribed in Schedule V to the Companies Act, 2013 or any subsequent amendments or modifications made thereto."

**"RESOLVED FURTHER THAT** notwithstanding to the above, in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Shri Sandeep Agrawal, Whole-Time Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Schedule V read with Sections 196 and 197 to the Companies Act, 2013 and subject to the approval of the Central Government / Members at the General Meeting, if required, as amended from time to time subject to the compliance of provisions thereof but in any event shall not exceed the remuneration payable as provided in the Agreement when the profits of the Company are adequate."

**"RESOLVED FURTHER THAT** the Office of Shri Sandeep Agrawal, Whole-Time Director shall be liable to retire by rotation pursuant to Section 152(6) of Companies Act, 2013 and Rules made thereunder and any subsequent amendment(s) and / or modification(s) in the Act, Rules and / or applicable laws in this regard and Article 141 of the Articles of Association of the Company."

**"RESOLVED FURTHER THAT** Shri Sandeep Agrawal, Whole-Time Director of the Company be and is hereby authorised, empowered and vested with the powers of the management of the various Plants of the Company viz. Akola, Uttarakhand, Hubli, Pithampur, Mandsour and Chalisgaon and / or other divisions of the Company, as may be decided by the Board from time to time, for carrying out the affairs and activities of the said plants / divisions of the Company subject to the superintendence, control and direction of the Board of Directors of the Company and whose office shall be liable to retirement by rotation."

**"RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to enter into an Agreement (including any revision in terms and conditions of aforesaid re-appointment and / or agreement, if required) on behalf of the Company with Shri Sandeep Agrawal, in terms of the aforesaid draft agreement."

**"RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

**By Order of the Board**

**Manish Gupta**

**Chairman & Managing Director  
(DIN: 00028196)**

**Place : Ahmedabad  
Date : 25<sup>th</sup> May, 2019**

**Registered Office:**

"Ambuja Tower",  
Opp. Sindhu Bhavan, Sindhu Bhavan Road,  
Bodakdev, P.O. Thaltej, Ahmedabad - 380 059  
CIN: L15140GJ1991PLC016151  
Phone: 079-61556677, Fax: 079-61556678  
Website: [www.ambujagroup.com](http://www.ambujagroup.com)  
Email Id: [investor-jcsl@ambujagroup.com](mailto:investor-jcsl@ambujagroup.com)



**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 28<sup>TH</sup> ANNUAL GENERAL MEETING (MEETING) IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER. THE PROXY HOLDER SHALL PROVE HIS / HER IDENTITY AT THE TIME OF ATTENDING THE MEETING.
2. Relevant Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 read with Regulation 17 of 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), in respect of Special Business i.e. item nos. 4 to 7, as set out above is annexed hereto.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, read with Rule 10 of Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of members and share transfer books of the Company will remain closed from Saturday, 27<sup>th</sup> July, 2019 to Saturday, 3<sup>rd</sup> August, 2019 (both the days inclusive) for determining the entitlement of the shareholders to the payment of dividend.
4. Final dividend on equity shares, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting, payment of such dividend will be credited / dispatched to the members on or after 7<sup>th</sup> August, 2019:
  - a. to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, 26<sup>th</sup> July, 2019; and
  - b. to all Members in respect of shares held in physical form, after giving effect to all the valid transfers in respect of transfer requests lodged with the Company / Registrar and Transfer Agent as of the close of business hours on Friday, 26<sup>th</sup> July, 2019.
5. Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
6. Members who hold shares in physical form in multiple folios, in identical names or joint holding in the same order of names are requested to send share certificates to Share Transfer Agent of the Company, for consolidation into a single folio.
7. To support the 'Green Initiative', we request the Members of the Company to register their Email Ids with their DP or with the Share Transfer Agent of the Company, to receive documents/notices electronically from the Company in lieu of physical copies. Please note that, in case you have already registered your Email Id, you are not required to re-register unless there is any change in your Email Id. Members holding shares in physical form are requested to send email at [jayvijay@ambujagroup.com](mailto:jayvijay@ambujagroup.com) to update their Email Ids.
8. Members are requested to bring their attendance slip along with their copy of Annual Report at the Meeting. Route Map along with landmark is forming part of this Annual Report.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. As per Securities and Exchange Board of India (SEBI) Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30<sup>th</sup> November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1<sup>st</sup> April, 2019 unless the securities are held in the dematerialized form with the depositories. With the said changes which came into effect from 1<sup>st</sup> April, 2019, Equity Shares of the Company shall be eligible for transfer only in dematerialized form. Therefore, the Members are requested to take necessary actions to dematerialize their physical Equity Shares of the Company promptly.
11. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission / transposition and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents of the Company i.e., Jupiter Corporate Services Limited.
12. Unclaimed dividends upto the financial year 2011-2012 (Interim Dividend) have been deposited with the Investors Education and Protection Fund (IEPF). Unclaimed dividend for the financial year 2012-2013 (Interim Dividend) & onwards will be deposited with the IEPF as per following chart. Those Members, who have not encashed the dividend warrant for these years are requested to immediately forward the same, duly discharged to the Company's Share Transfer Agent to facilitate payment of the dividend:

Financial Year	Date of AGM	Date of Dividend Warrant	Due Date of Transfer to Unpaid Account	Due Date of accepting claim by the Company	Due date for Transfer to Investors Education and Protection Fund
2012-13	14 <sup>th</sup> September, 2013 Interim : Note: a	7 <sup>th</sup> August, 2012	25 <sup>th</sup> August, 2012	21 <sup>st</sup> July, 2019	25 <sup>th</sup> August, 2019
2013-14	13 <sup>th</sup> September, 2014 Interim : Note: b	15 <sup>th</sup> November, 2013	30 <sup>th</sup> November, 2013	26 <sup>th</sup> October, 2020	30 <sup>th</sup> November, 2020
2014-15	12 <sup>th</sup> September, 2015 Interim : Note: c	24 <sup>th</sup> September, 2014	11 <sup>th</sup> October, 2014	6 <sup>th</sup> September, 2021	11 <sup>th</sup> October, 2021
2015-16	10 <sup>th</sup> September, 2016 Interim : Note: d	20 <sup>th</sup> February, 2016	5 <sup>th</sup> March, 2016	30 <sup>th</sup> January, 2023	5 <sup>th</sup> March, 2023
2016-17	9 <sup>th</sup> September, 2017 Final : Note: e	14 <sup>th</sup> September, 2017	15 <sup>th</sup> October, 2017	9 <sup>th</sup> September, 2024	9 <sup>th</sup> October, 2024
2017-18	28 <sup>th</sup> July, 2018 Final : Note: f	1 <sup>st</sup> August, 2018	3 <sup>rd</sup> September, 2018	2 <sup>nd</sup> September, 2025	2 <sup>nd</sup> October, 2025

There are no shares in the demat suspense account or unclaimed suspense account.

Note:

- a. For F.Y. 2012-13, Interim Dividend @ 40% p.a. was approved at the meeting of Board of Directors held on 21<sup>st</sup> July, 2012 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 22<sup>nd</sup> Annual General Meeting held on 14<sup>th</sup> September, 2013.
  - b. For F.Y. 2013-14, Interim Dividend @ 35% p.a. was approved at the meeting of Board of Directors held on 26<sup>th</sup> October, 2013 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 23<sup>rd</sup> Annual General Meeting held on 13<sup>th</sup> September, 2014.
  - c. For F.Y. 2014-15, Interim Dividend @ 42% p.a. was approved at the meeting of Board of Directors held on 6<sup>th</sup> September, 2014 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 24<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> September, 2015.
  - d. For F.Y. 2015-16, Interim Dividend @ 40% p.a. was approved at the meeting of Board of Directors held on 30<sup>th</sup> January, 2016 and was paid as interim dividend and the same was approved/ confirmed by the Members at the 25<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> September, 2016.
  - e. For F.Y. 2016-17, Final Dividend @ 40% p.a. was recommended at the meeting of Board of Directors held on 13<sup>th</sup> May, 2017 and the same was approved and declared by the Members at the 26<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> September, 2017 and was paid as Final Dividend.
  - f. For F.Y. 2017-18, Final Dividend @ 45% p.a. was recommended at the meeting of Board of Directors held on 19<sup>th</sup> May, 2018 and the same was approved and declared by the Members at the 27<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> July, 2018 and was paid as Final Dividend.
13. In terms of the provisions of Sections 124, 125 and other applicable provisions of the Companies Act, 2013, the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Principle Rules, 2016") were notified on 5<sup>th</sup> September, 2016, further amended by the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, ("Principle Rules along with IEPF Rules") which were notified on 28<sup>th</sup> February, 2017. The Principle Rules along with IEPF Rules provides that the amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) years from the due date is required to be transferred to the IEPF, constituted by the Central Government. Further it also provides the manner of transfer of shares in respect of which dividend has remained unpaid or unclaimed for 7 (seven) consecutive years by the shareholders, to Demat Account of the IEPF Authority.
  14. In compliance with Principle Rules along with IEPF Rules and as per Secretarial Standard - 3 issued by the Institute of Company Secretaries of India, the Company had sent reminder letters dated 4<sup>th</sup> December, 2018, to those shareholders who have not encashed dividend for a period of 7 (seven) years and whose shares were liable to be transferred to IEPF and simultaneously also published advertisements in newspapers on 5<sup>th</sup> December, 2018, to enable the shareholders to make a valid claim for encashment of dividend for the last 7 (seven) years (starting from 2011-12) and whose dividend were liable to be transferred to IEPF Authority. In absence of any valid claim, unclaimed dividends upto the financial year 2011-2012 (Interim Dividend) have been deposited with the IEPF of the Central Government on 12<sup>th</sup> March, 2019.
  15. Further, in compliance with Principle Rules along with IEPF Rules and as per Secretarial Standard - 3 issued by the Institute of Company Secretaries of India, the



- Company had transferred 741946 equity shares of ₹ 2/- each, in respect of Interim dividend (2011-12) which were unclaimed / unpaid for seven consecutive years, to the Demat Account of the IEPF Authority, Ministry of Corporate Affairs maintained with Central Depository Services (India) Limited.
16. Members are requested to note that no claim shall lie against the Company in respect of any dividend amount and shares, which were unclaimed and unpaid for a period of 7 years and transferred to IEPF of the Central Government. However, in the event of transfer of shares and the unclaimed dividends amount to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed e-Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with the requisite documents enumerated in the e-Form IEPF-5 to the Registered Office of the Company for verification of the claim. It is advised to read the instructions given in the help-kit carefully before filling the form. Members can file only one consolidated claim in a financial year as per the Principle Rules along with IEPF Rules. The brief procedures / steps for claiming shares and / or dividend from IEPF is provided on page no. 129.
  17. Unclaimed dividend for the financial year 2012-2013 (Interim Dividend) & onwards will be deposited with the IEPF as per aforesaid chart as mentioned in Note 12. Members are requested to ensure that they claim their unclaimed dividends, before it is transferred to the IEPF Authority.
  18. Pursuant to the provisions of the 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 of dividend lying with the Company as on 28<sup>th</sup> July, 2018 (date of last Annual General Meeting) on the website of the Company [www.ambujagroup.com](http://www.ambujagroup.com) and also on the website of Investor Education and Protection Fund Authority, Ministry of Corporate Affairs [www.iepf.gov.in](http://www.iepf.gov.in).
  19. All documents referred to in the Notice are available for inspection at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., except Sundays and holidays, upto the date of Meeting and will also be available at the venue of the Meeting. Copies shall be also available for inspection in electronic form on request during the time mentioned above.
  20. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be made available for inspection at the venue of the Meeting by the Members attending the Meeting.
  21. The Register of contracts or arrangements, in which Directors are interested shall be produced at the commencement of the Meeting of the Company and shall remain open and accessible during the continuance of the Meeting to any person having the right to attend the Meeting.
  22. Members who hold shares in dematerialised form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the Meeting.
  23. Re-appointment of Directors {Disclosure under Regulation 36(3) of the of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement}.  
At the Meeting, Shri Sandeep Agrawal retires by rotation and being eligible, offer himself for re-appointment. The Board of Directors of the Company recommends his re-appointment. The information or brief profile to be provided for the aforesaid Director is set out in the Annexure to the Explanatory Statement.
  24. Electronic copy of the Annual Report for 2018-19 is being sent to all the Members whose Email Ids are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their Email Ids, physical copies of the Annual Report for 2018-19 are being sent in the permitted mode.
  25. Members may also note that the Notice of the 28<sup>th</sup> Annual General Meeting and the Annual Report for 2018-19 will also be available on the Company's website [www.ambujagroup.com](http://www.ambujagroup.com) for download. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m., except Sundays and holidays. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the Members may also send requests to the Company's investor services Email Id: [investor-jcsl@ambujagroup.com](mailto:investor-jcsl@ambujagroup.com)
  26. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Secretarial Standard-2 issued by the Institute of

Company Secretaries of India, as amended from time to time, the Company is pleased to provide Members with the facility to exercise their right to vote on resolutions proposed to be considered at the 28<sup>th</sup> Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).

27. The facility for voting through ballot paper shall be made available at the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.
28. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
29. **Voting Process and other instructions regarding remote e-voting:**

The remote e-voting period commences on Wednesday, 31<sup>st</sup> July, 2019 at 9.00 a.m. and ends on Friday, 2<sup>nd</sup> August, 2019 at 5:00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 27<sup>th</sup> July, 2019, may cast their votes electronically. The e-voting module shall be disabled by the CDSL for voting thereafter.

#### Section A: Voting Process

The Members should follow the following steps to cast their votes electronically:

- Step 1: Open your web browser during the voting period and log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com)
- Step 2: Click on “Shareholders” to cast your vote(s).
- Step 3: Please enter User ID –
  - a. For account holders in CDSL: Your 16 digits beneficiary ID.
  - b. For account holders in NSDL: Your 8 Character DP ID followed by 8 digits Client ID.
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Step 4: Enter the Image Verification as displayed and click on “LOGIN”.
- Step 5: If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you have forgotten the password, then enter the User ID and the image verification code and click on “FORGOT PASSWORD” and enter the details as prompted by the system.

Step 6: Follow the steps given below if you are:

- 6.1 holding shares in physical form or holding shares in demat form and are a first time user:

PAN	Enter your 10 digit alpha-numeric PAN* issued by Income Tax Department (applicable for both demat Members as well as physical Members). * Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on the address sticker at the back of the Annual Report copy through physical mode and mentioned in the covering E-mail in case of dispatch of soft copy.
-----	---

DOB <sup>#</sup>	Enter the Date of Birth (DOB) as recorded in your demat account or registered with the Company for the said demat account or folio in dd/mm/yyyy format.
------------------	--

Dividend Bank Details <sup>#</sup>	Enter the Dividend Bank Details (account number) as recorded in your demat account or registered with the Company for the said demat account or folio.
------------------------------------	--

<sup>#</sup> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company, please enter the number of shares held by you prefixed by “GAEL” in the Dividend Bank details field as mentioned above.

- 6.2 After entering these details appropriately, click on “SUBMIT” tab.

#### 6.3 For Demat holding:

Members holding shares in demat form will now reach “PASSWORD CREATION” menu wherein they are required to create their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**

#### For Physical holding:

Members holding shares in physical form will then directly reach the Company selection screen. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- Step 7: Click on the EVSN of the Company i.e. 190531011 to vote.

- Step 8: On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES / NO” for voting. Select the option YES or NO as desired for casting your vote. The option “YES” implies that you assent to the resolution and option “NO” implies that you dissent to the resolution.



- Step 9: Click on “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.
- Step10: After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Step 11: Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote. You can also take print-out of the voting done by you by clicking on “CLICK HERE TO PRINT” option on the Voting page.
- Step 12: If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- ❖ Members can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. i Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- Section B: Other instructions regarding remote e-voting**
- i. Non-Individual Members (i.e. Members other than Individuals, HUF, NRI, Custodian etc.) are additionally requested to note and follow the instructions mentioned below, if they are first time user:
- Non-Individual Members and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which user wishes to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- ii. Non-Individual Members (i.e. Members other than Individuals, HUF, NRI, etc.) are required to upload the following in PDF format in the system for the scrutinizer to verify the same:
- a. Copy of the Board Resolution (where institution itself is voting);
  - b. Power of Attorney (PoA) issued in favour of the Custodian (if PoA is not uploaded earlier) as well as Board Resolution of Custodian.
- iii. **Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.**
- vi. Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- v. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- vi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or call on 1800225533 or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
30. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 27<sup>th</sup> July, 2019, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or Share Transfer Agent’s Email Id at [jayvijay@ambujagroup.com](mailto:jayvijay@ambujagroup.com)
31. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting / voting at the Meeting through ballot paper.
32. Shri Niraj Trivedi, Practicing Company Secretary (Membership No. FCS 3844) has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
33. The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “Ballot Paper” / “Polling Paper” for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
34. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall provide, not later than forty eight (48) hours of the conclusion of the Meeting, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
35. The results shall be declared forthwith by the Chairman or a person so authorised by him in writing on receipt of consolidated report from the Scrutinizer. The Results declared along with Scrutinizer’s Report shall be placed on the Company’s website [www.ambujagroup.com](http://www.ambujagroup.com) and on the website of CDSL and shall also be communicated to the BSE Limited and National Stock Exchange of India Limited. Members may contact at Email Id [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) for any grievances connected with voting by electronic means.
36. The resolutions shall be deemed to be passed on the date of the Meeting, subject to the same being passed with requisite majority.

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH REGULATION 17 OF 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)

#### ITEM NO. 4

##### **Ratification of remuneration of Cost Auditors for the Financial Year 2019-20**

The Board of Directors, on the recommendation of the Audit Committee in their respective meetings held on 2<sup>nd</sup> February, 2019, has approved the appointment and remuneration of M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad (Membership No. 7907) as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2020.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors has to be subsequently ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in this item of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2019-20.

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

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members of the Company.

#### ITEM NO. 5

##### **Remuneration to Non-Executive Directors of the Company**

The Directors other than Managing Director and the Whole-time Director of the Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, technology, corporate strategy, information systems and finance.

Taking into account the responsibilities of the Directors other than Managing Director and the Whole-Time Director and to commensurate with the time devoted and the contribution made by them, the Board of Directors is of the view that it is necessary that adequate compensation be given to the Directors other than Managing Director and the Whole-Time Director so as to compensate them for their time and efforts.

The Member at the 23<sup>rd</sup> Annual General Meeting of the Company held on 13<sup>th</sup> September, 2014, accorded their consent for the payment of remuneration in the form of profit related commission to the Directors other than Managing Director and the Whole-Time Director be paid / payable for each of

the five financial years commencing from 1<sup>st</sup> April, 2014, not exceeding one percent (1%) per annum of the net profits of the Company computed in accordance with Sections 197 and 198 of the Companies Act, 2013, such that all the aforesaid Directors taken together shall receive a sum not exceeding ₹ 25,00,000/- (Rupees Twenty Five lacs only) in a financial year.

As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 25<sup>th</sup> May, 2019, subject to the approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 197, 198 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, read with Regulation 17(6)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, the approval of the Members of the Company be and is hereby accorded for the payment of profit related commission not exceeding one percent (1%) per annum of the net profits of the Company computed in accordance with provisions of Section 197 of the Companies Act, 2013 to the Directors of the Company other than Managing Director and Whole-Time Director, for a period of five years commencing from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024, provided that aforesaid Directors taken together shall receive a sum not exceeding ₹ 25,00,000/- (Rupees Twenty Five Lacs only) in a financial year.

Shri Manish Gupta, Chairman & Managing Director of the Company being relative of Smt. Sulochana Gupta, Non-Executive Director of the Company, is deemed to be concerned or interested in the proposed Resolution to the extent of the remuneration that may be received by her. The other Non-Executive Directors of the Company may be deemed to be concerned or interested in the resolution to the extent of the remuneration that may be received by them. Save as aforesaid, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out in the Notice. This Explanatory Statement may also be regarded as an appropriate disclosure under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force).

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members of the Company

#### ITEM NO. 6

##### **Appointment of Ms. Maitri Mehta (DIN 07549243) as an Independent Director of the Company**

The SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, requires that w.e.f. 1<sup>st</sup> April, 2019, the Board of Directors of the top 500 listed entities shall have at least one independent woman director by 1<sup>st</sup> April, 2019 and for top 1000 listed entities by 1<sup>st</sup> April, 2020.





Accordingly, Ms. Maitri Mehta (DIN 07549243), aged 38 years, is appointed as Non-Executive Independent Director of the Company. She joined the Board of the Directors of the Company on 25<sup>th</sup> May, 2019 as an Additional Independent Director.

Ms. Maitri Kirankumar Mehta is a practicing Cost Accountant. She is a fellow member of the Institute of Cost Accountants of India (FCMA), MBA (Finance) and Fellow member of Insurance Institute of India (FIII-Life). She is proficient in the field of Cost and Management Accountancy and has an experience of more than 10 years.

Ms. Maitri Mehta does not hold any shares of the Company. Ms. Maitri Mehta is not related to any other directors of the Company.

In terms of the Nomination and Remuneration Policy of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors, in their respective meetings held on 25<sup>th</sup> May, 2019 has appointed Ms. Maitri Mehta as Independent Director in the category of Additional Director, effective from 25<sup>th</sup> May, 2019. Pursuant to the provisions of Section 161 of the Companies Act, 2013 (the 'Act'), Ms. Maitri Mehta hold office upto the date of ensuing Annual General Meeting and is eligible for appointment as Director of the Company. As per Section 149 of the Act, an Independent Director shall hold office for a term upto 5 (five) consecutive years on the Board of a company and shall not be liable to retire by rotation.

Notice under Section 160 of the Act has been received from a member intending to propose the candidature of Ms. Maitri Mehta for appointment as Director of the Company. Ms. Maitri Mehta has given her consent to act as Director.

In the opinion of the Nomination and Remuneration Committee and Board of Directors of the Company, Ms. Maitri Mehta is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has received declarations from Ms. Maitri Mehta that she meets the criteria of independence as stipulated under Section 149(6) read with Schedule IV of the Act and Rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and is independent of the management.

Keeping in view her vast expertise and knowledge, it will be desirable and in the interest of the Company and the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, in their respective meetings held on 25<sup>th</sup> May, 2019 and subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulations 16(1)(b), 17 and

other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Nomination and Remuneration Policy of the Company, had approved the appointment of Ms. Maitri Mehta as an Independent Director to hold office for 2 (two) consecutive years commencing from 25<sup>th</sup> May, 2019.

Her term of office shall not liable to be determined by rotation. Copy of the draft letter for appointment of Ms. Maitri Mehta as an Independent Director, setting out the terms and conditions of appointment is available for inspection by the Members between 11.00 a.m. and 1.00 p.m. on all working days, except Sundays and Holidays at the Registered Office of the Company.

Disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to avail services of Ms. Maitri Mehta as an Independent Director.

Except Ms. Maitri Mehta, being an appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution set out in the Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members of the Company

#### **ITEM NO. 7**

#### **Re-appointment of Shri Sandeep Agrawal, Whole-Time Director of the Company w.e.f 1<sup>st</sup> August, 2019 till 31<sup>st</sup> July, 2024**

Shri Sandeep Agrawal, aged 47 years, is a Commerce Graduate and MBA. He is associated as Director with Gujarat Ambuja Exports Limited (Company) since 1995. Presently, he is Whole-Time Director of the Company. He possesses varied and rich experience of more than 28 years.

He has been vested with the substantial powers of management of various units / divisions of the Company viz. Akola, Uttarakhand, Hubli, Pithampur, Mandsour and Chalisgaon subject to the supervision, control and direction of the Board. Further, he has overview of entire operations of Maize and Agro segments of the Company, monitoring day to day operations and ensures compliances of environmental & local requirements of afore mentioned units / division. He has made expansion of new value added derivatives in Hubli Plant. He is also initiating CSR activities in all plants, setting up bench marking parameters between plants and regular monitoring for improvement, overview of Group HR & IT activities. He plans and organizes the work effectively and in accurate manner, thorough and careful work performance along with monitoring and continually improving processes

and work methods at various plants. He also monitors the commercial operations and expansion of the Chalisgaon unit of the Company.

He is also on the board of Sealac Agro Ventures Limited. He is an Executive & Non Independent Director of the Company and not related with any other Director(s) of the Company. As on 31<sup>st</sup> March, 2019, he holds 7089 equity shares of ₹ 2/- each of the Company.

Shri Sandeep Agrawal, Whole-Time Director of the Company was re-appointed pursuant to provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013 by the Members in the 23<sup>rd</sup> Annual General Meeting held on 13<sup>th</sup> September, 2014 for a period of 5 (five) years with effect from 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019.

As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 25<sup>th</sup> May, 2019, subject to approval of Members at this Annual General Meeting and considering the increased activities, responsibilities and contribution of Shri Sandeep Agrawal in development and growth of the Company, consent of the Members is sought for the re-appointment of Shri Sandeep Agrawal as a Whole-Time Director of the Company for further period of 5 years w.e.f. 1<sup>st</sup> August, 2019 to 31<sup>st</sup> July, 2024, on the terms and conditions mentioned in the resolution and as per draft agreement to be executed between Shri Sandeep Agrawal and the Company.

Shri Sandeep Agrawal satisfies all the conditions set out in Part I of Schedule V to the Companies Act, 2013 (including any amendments thereto) and also the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 (including any amendments thereto). The terms and condition as set out in this item of the Notice may be treated as a written memorandum setting out the terms of re-appointment of Shri Sandeep Agrawal under Section 190 of the Companies Act, 2013.

Disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board recommends the resolution for consent of the Members for passing the special resolution in relation to the re-appointment of Shri Sandeep Agrawal as Whole-Time Director of the Company for a period of 5 years w.e.f. 1<sup>st</sup> August, 2019 till 31<sup>st</sup> July, 2024.

As per provisions of Section 190 of the Companies Act, 2013, the draft Agreement to be entered into between the Company and Shri Sandeep Agrawal for his re-appointment is available for inspection by the Members between 11.00 a.m. and 1.00 p.m. on all working days, except Sundays and Holidays at the Registered Office of the Company.

Shri Sandeep Agrawal, Whole-Time Director of the Company may be considered to be concerned or interested in the said resolution as also in the draft Agreement since it relates to his own re-appointment. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members of the Company.

**By Order of the Board**

**Place : Ahmedabad  
Date : 25<sup>th</sup> May, 2019**

**Manish Gupta  
Chairman & Managing Director  
(DIN: 00028196)**

**Registered Office:**

"Ambuja Tower",  
Opp. Sindhu Bhavan, Sindhu Bhavan Road,  
Bodakdev, P.O. Thaltej, Ahmedabad - 380 059  
CIN: L15140GJ1991PLC016151  
Phone: 079-61556677, Fax: 079-61556678  
Website: [www.ambujagroup.com](http://www.ambujagroup.com)  
Email Id: [investor-jcsl@ambujagroup.com](mailto:investor-jcsl@ambujagroup.com)



**ANNEXURE TO THE EXPLANATORY STATEMENT**

**PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (INCLUDING ANY STATUTORY MODIFICATION(S) OR RE-ENACTMENT(S) THEREOF, FOR THE TIME BEING IN FORCE) AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED IS FURNISHED BELOW:**

<b>Name of Director</b>	<b>Shri Sandeep Agrawal</b>	<b>Ms. Maitri Mehta</b>
<b>Directors Identification Number (DIN)</b>	00027244	07549243
<b>Age</b>	47 Years	38 Years
<b>Qualification</b>	Commerce Graduate and MBA	Cost & Management Accountant and MBA (Finance)
<b>Experience and expertise</b>	28 Years, expertise in Business Management	10 Years, Practicing Cost Accountant, fellow member of the Institute of Cost Accountants of India (FCMA), MBA (Finance) and fellow member of Insurance Institute of India (FIII-Life), proficient in the field of Cost and Management Accountancy
<b>Date of first Appointment on the Board of the Company</b>	7 <sup>th</sup> January, 1995	25 <sup>th</sup> May, 2019
<b>Shareholding in Gujarat Ambuja Exports Limited</b>	7089 equity shares as on 31 <sup>st</sup> March, 2019	Nil
<b>Terms and conditions of re-appointment</b>	As per the resolution at item no. 7 of the Notice convening Annual General Meeting held on 3 <sup>rd</sup> August, 2019 read with explanatory statement thereto	As per the resolution at item no. 6 of the Notice convening Annual General Meeting held on 3 <sup>rd</sup> August, 2019 read with explanatory statement thereto
<b>Remuneration last drawn</b>	Refer to Report on Corporate Governance	-
<b>Number of Meetings of the Board attended during the year</b>	4 out of 4	-
<b>List of Directorship held in other companies</b>	Sealac Agro Ventures Limited	<ul style="list-style-type: none"> <li>- Sintex Industries Limited</li> <li>- Dishman Carbogen Amcis Limited</li> <li>- AksharChem (India) Limited</li> <li>- Korba West Power Company Limited</li> <li>- Carbogen Amcis AG, Switzerland</li> </ul>
<b>Membership / Chairmanship in Committees of other companies as on date</b>	Refer to Report on Corporate Governance	<ul style="list-style-type: none"> <li>- Sintex Industries Limited <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• FCCB Committee</li> </ul> </li> <li>- Korba West Power Company Limited <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Nomination &amp; Remuneration Committee</li> </ul> </li> <li>- AksharChem (India) Limited <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Nomination &amp; Remuneration Committee</li> <li>• Stakeholders Relationship Committee</li> <li>• CSR Committee</li> </ul> </li> </ul>
<b>Relationships between Directors inter-se</b>	Refer to Report on Corporate Governance	Nil

**DIRECTORS' REPORT**

To,  
The Members,  
Gujarat Ambuja Exports Limited

Your Directors have pleasure in presenting the 28<sup>th</sup> Annual Report of the Company together with the Standalone Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019.

Pursuant to notification dated 16<sup>th</sup> February, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 (as amended from time to time) with effect from 1<sup>st</sup> April, 2016 and the accounts are prepared under Ind AS.

**FINANCIAL HIGHLIGHTS**

The summary of the financial results for the year and appropriation of divisible profits is given below:

PARTICULARS	STANDALONE	
	2018-19	2017-18
Net Revenue from Operations & Other Income (Including Exports – FOB Value)	4033.08	3385.74
Profit Before Interest, Depreciation & Taxes	384.02	326.38
Less:		
a. Finance Costs	18.82	17.94
b. Depreciation & Amortization Expenses	95.65	76.29
c. Provision For Taxation (including Deferred Tax)	71.40	52.28
Net Profit for the Year	198.15	179.88
Other Comprehensive Income and other adjustments	0.18	0.42
Total Comprehensive Income for the year	198.33	180.30
Earnings Per Share (Face Value of ₹ 2/- each) - Basic & Diluted	17.28	15.69

**Note: Previous year's figures have been regrouped / reclassified wherever necessary in conformity with Indian Accounting Standards (Ind AS) to correspond with the current year's classification / disclosure and may not be comparable with the figures reported earlier.**

**DIVIDEND**

The Company has a consistent track record of dividend payment. Based on Company's performance, the Board of Directors, at its meeting held on 25<sup>th</sup> May, 2019 recommended final dividend of ₹ 1/- per equity share of ₹ 2/- each for the financial year 2018-19 amounting to ₹ 11.47 crores, subject to the approval of Members at the ensuing Annual General Meeting of the Company. The Corporate Dividend Tax, on such dividend if approved by the Members, will be ₹ 2.36 crores (previous year ₹ 2.12 crores).

**DIVIDEND DISTRIBUTION POLICY**

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") requires top 500 listed entities, based on market capitalization calculated as on March 31 of every Financial Year, to formulate a Dividend Distribution Policy and disclose the same in their Annual Report and on their websites. The Dividend Distribution Policy of the Company aims to ensure fairness, sustainability and consistency in distributing profits to the Shareholders. The Policy is annexed as **Annexure-A** to this report and is also available on the website of the Company under the "Investor Relation" section.

**BUSINESS OPERATIONS / STATE OF THE COMPANY'S AFFAIRS****a. Operational Performance**

The Company recorded operational revenue of ₹ 4021.44 crores as compared to ₹ 3376.63 crores during the previous financial year. The Company achieved EBIDTA margin of 9.55% in F.Y. 2018-19 against the same at the level of 9.67% in F.Y. 2017-18.

Export Sales for the F.Y. 2018-19 was ₹ 1206.46 crores as compared to ₹ 592.47 crores for the F.Y. 2017-18 mainly due to availability of more remunerative prices in export market. The Company achieved Earnings before Interest, Depreciation and Tax (EBIDTA) of ₹ 384.02 crores for the F.Y. 2018-19 against that of ₹ 326.38 crores for the F.Y. 2017-18.

**b. Capital Projects for the year 2018-19**

During the year the Company has invested about ₹ 85.12 crores in the ongoing projects. Out of this, the Company has spent ₹ 41.24 crores as routine capital expenditures in modifications of existing projects. This investment was for its maize processing units at all locations and agro processing segments. Execution of various derivative products manufacturing facility at Chalisgaon is under progress. The Company has so far spent ₹ 41.88 crores on this.

Apart from above, Company has also started new green field project of 750 TPD Maize processing project at Malda in West Bengal. The total project cost is estimated at ₹ 219 crores. The Company has already acquired land at the project location and also entered into lease agreement with the West Bengal Government agency. The project is expected to be completed by March 2021.

**SHARE CAPITAL**

There was no change in the issued and subscribed capital of the Company. The paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2019 stands at ₹ 22,93,35,330 divided into 11,46,67,665 equity shares of ₹ 2/- each.

During the year under review, the Company has not issued shares with differential voting rights or granted stock options or issued sweat equity.

**TRANSFER TO RESERVE**

The Company has not transferred any amount to the General Reserve for the financial year ended 31<sup>st</sup> March, 2019.

**CORPORATE MATTERS****a. Corporate Governance**

The Company makes due compliance of Corporate Governance guidelines and requirements of the Listing Regulations. In compliance with Regulations 17 to 22 and Regulation 34 of the Listing Regulations, a separate report on Corporate Governance, along with a certificate from the Statutory Auditors confirming the compliance of Corporate Governance requirements is annexed as **Annexure-B** to this report.

**b. Management Discussion and Analysis**

A statement on management discussion and analysis with detailed highlights of performance of different divisions / segments of the Company is annexed as **Annexure-C** to this report.

**c. Business Responsibility Report**

As stipulated under Regulation 34 of the Listing Regulations, the Business Responsibility Report on Company's business as required by Regulation 34(2) of the Listing Regulations, initiatives on environmental, social and governance aspects is annexed as **Annexure-D** forming part of this report.

**SUBSIDIARY COMPANY**

The Company does not have any subsidiary company as on 31<sup>st</sup> March, 2019. Hence, requirement of consolidated financial statement is not applicable to the Company.

Further pursuant to provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is not required to be attached.

**FINANCE AND INSURANCE****a. Working Capital**

The working capital ("WC") requirements of the Company during the year had reducing trends. The year started with peak use of WC limits of about ₹ 508 crores in April 2018 and ended with lowest use of WC limits of around ₹ 210 crores in March 2019. The sharp fall in use of WC limits was largely due to lower availability of Maize in the second half of the F.Y., lower operative margin for Agro processing activities and the lower buying of oil seeds, post November 2018. During the year under review, the WC use has increased only during November 2018. The WC use composition was also equally shared by fund based limits and trade credit for imports.

During the F.Y. 2018-19, the Commercial Paper ("CP") investment in the Company also had reducing trends. The Company had placed CP of ₹ 100 crores in April 2019 and redeemed during the year. The CP market has lower preference of investors due to NBFC and infrastructure segment crisis. This has resulted in higher cost of borrowing through CP. The CP market currently is traded at higher than CC interest rates.

The Company is in the process to realign the WC limits and restructure the consortium. The Company shall take view after appropriate study and applicability of RBI guidelines on loan delivery system by the bankers. The new guidelines are operational from 1<sup>st</sup> April, 2019.

The Company has decent rating of A+ with stable outlook for long term working capital facilities from CRISIL as per the applicable regulatory norms.

**b. Term Loans**

During the F.Y. 2018-19, the Company has not availed any fresh term loan. The Company is regular in making repayment of term loan installments to HDFC Bank Limited. The term loan is reaffirmed rating of A+ with stable outlook from CARE as per regulatory norms.

**c. Insurance**

All assets and insurable interests of the Company, including building, plant & machineries, stocks, stores and spares have been adequately insured against various risks and perils. The Company has also taken Director's and Officer's Liability Policy to provide coverage against the liabilities arising on them.

**PUBLIC DEPOSITS**

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

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Company is well supported by the knowledge and experience of its Directors and Executives. Pursuant to provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Sandeep Agrawal, Whole-Time Director of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment.

Late Shri Vijaykumar Gupta has ceased to be Chairman & Managing Director of the Company considering the unexpected demise on 23<sup>rd</sup> May, 2018.

Shri Manish Gupta was re-appointed as Chairman & Managing Director for a period w.e.f. 28<sup>th</sup> December, 2018 till 27<sup>th</sup> December, 2023.

The Nomination and Remuneration Committee and Board of Directors at their respective meetings held on 25<sup>th</sup> May, 2019, have recommended and approved the appointment of Ms. Maitri Mehta, as Independent Director in the category of Additional Director and proposed her such appointment for a period of 2 years w.e.f. 25<sup>th</sup> May, 2019 subject to approval of Members at the ensuing Annual General Meeting of the Company.

Due notice under Section 160 of the Companies Act, 2013 has been received from member of the Company proposing the appointment of Ms. Maitri Mehta as Independent Director of the Company at this Annual General Meeting.

Brief resume, nature of expertise, details of directorships held in other companies of the above Directors proposed to be appointed / re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an annexure to the Notice of the Annual General Meeting.

Considering the health issues, Shri Rashmikant Joshi, Independent Non-Executive Director has expressed his unwillingness to be re-appointed for second term at the ensuing Annual General Meeting of the Company. His first term as Independent Non-Executive Director of the Company will be expiring on 14<sup>th</sup> September, 2019.

The Members at the Annual General Meeting held on 28<sup>th</sup> July, 2018, through special resolution, had approved the re-appointment of Shri Manish Gupta, Chairman & Managing Director for a period of 5 years w.e.f. 28<sup>th</sup> December, 2018 at an overall remuneration which may exceed 5% of the net profits of the Company as calculated under Section 198 of Companies Act, 2013 and which shall be within the prescribed limits of total remuneration being payable to all Managing Director / Whole-Time Director / Manager in aggregate under Section 197 read with Schedule V of the Companies Act, 2013 or such higher percentage of net profits of Company as may be prescribed from time to time. Regulation 17(6)(e) of the Listing Regulations, effective from 1<sup>st</sup> April, 2019, requires fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if the annual remuneration payable to such executive director exceeds rupees 5 crores or 2.5 per cent of the net profits of the listed entity, whichever is higher and such approval shall be valid till the expiry of term of such director. Further the special resolution has already been passed by members for remuneration payable to Shri Manish Gupta, being the Promoter Director. Accordingly the requirement as referred in above Listing Regulations for payment of annual remuneration exceeding rupees 5 crores or 2.5 per cent of the net profits of the Company, whichever is higher, during his term is considered to be deemed compliance under the provisions of the said Regulation. Accordingly, after the enactment of referred Regulation, the Company is not required to take the consent of the shareholders by way of special resolution for the remuneration being payable to Shri Manish Gupta and such consent shall prevail till the term of this re-appointment viz. 27<sup>th</sup> December, 2023.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and not debarred or disqualified by the SEBI / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Director of the Company or any other Company where such Director holds such position in terms of Regulation (10)(i) of Part C of Schedule V of Listing Regulations.

**Key Managerial Personnel:**

Pursuant to the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended from time to time), the following are the Key Managerial Personnel of the Company:



1. Shri Manish Gupta: Chairman & Managing Director;
2. Shri Sandeep Agrawal: Whole-Time Director;
3. Shri Dinesh Shah: Chief Financial Officer;
4. Ms. Chetna Dharajiya: Company Secretary.

During the year under review, Shri Manish Gupta was re-designated from “Managing Director” to “Chairman & Managing Director” of the Company w.e.f. 28<sup>th</sup> December, 2018 which was already approved by the members of the Company in the 27<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> July, 2018.

#### **DIRECTORS’ RESPONSIBILITY STATEMENT**

In terms of Section 134(3)(c) of the Companies Act, 2013 (Act), in relation to financial statements of the Company for the year ended 31<sup>st</sup> March, 2019, the Board of Directors states that:

- a. in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and of the profit of the Company for the year ended 31<sup>st</sup> March, 2019;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts / financial statements have been prepared on a ‘going concern’ basis;
- e. proper internal financial controls are in place and are operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended from time to time), is set out herewith as **Annexure-E** to this report.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, BETWEEN BALANCE SHEET DATE AND DATE OF DIRECTORS’ REPORT**

There were no material changes and commitments between the end of the financial year of the Company to which the Financial Statements relates and date of Directors’ Report affecting the financial position of the Company.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statements.

#### **RELATED PARTY TRANSACTIONS**

During the F.Y. 2018-19, the Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm’s length basis and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder and as per Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

All transactions with related parties were reviewed and approved by the Audit Committee. The approval of members for remuneration to Shri Siddharth Agrawal, brother of Shri Sandeep Agrawal, was for a period of three years with effect from 1<sup>st</sup> October, 2015. Further considering the Industry Standards, the performance of unit handled, the overall performance of the employee, the HR Policy of the Company, the remuneration level being paid to employees of the cadre of various companies of same size of the Company, being the major factors for deriving at a remuneration level, such remuneration was considered and approved as a transaction to be in the ordinary course of business and at arm’s length basis by the Audit Committee and the Board of Directors which would not require further approval from the members. The details of the related party transactions as per Indian Accounting Standard (Ind AS) - 24 are set out in Note No. 41 to the Standalone Financial Statements forming part of this Annual Report.

Further the transactions of the Company with person or entity belonging to the promoter / promoter group i.e. Shri Manish Gupta and Smt. Sulochana Gupta who hold(s) 10% or more shareholding in the Company are set out in Note No. 41(b)(e) to the Standalone Financial Statements forming part of this Annual Report.

The Form AOC - 2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as **Annexure-F** to this report.

**AUDITORS****a. Statutory Auditors and Auditor's Report**

As per the provisions of Sections 139, 142 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) at the 26<sup>th</sup> Annual General Meeting of the Company held on 9<sup>th</sup> September, 2017, the Members of the Company had appointed M/s. Arpit Patel & Associates, Chartered Accountants (Firm Registration No. 144032W), as Statutory Auditors of the Company to hold the office for a term of 5 (five) years from the conclusion of 26<sup>th</sup> (twenty sixth) Annual General Meeting till the conclusion of the 31<sup>st</sup> (thirty first) Annual General Meeting to be held in the year 2022.

Further the Ministry of Corporate Affairs (MCA) vide notification dated 7<sup>th</sup> May, 2018 has done away with the requirement of ratification of appointment of Statutory Auditors at every Annual General Meeting, as per the first proviso of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Amendment Rules, 2018. Accordingly, the Company is not required to pass any resolution pertaining to ratification of the appointment of Statutory Auditors in the Annual General Meeting.

The Statutory Auditors' report does not contain any qualification, reservation or adverse remark and is self-explanatory and unmodified and thus does not require any further clarifications / comments. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

**b. Cost Auditors**

The Company had appointed M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad (Membership No. 7907) as Cost Auditors of the Company for audit of cost accounting records of its activities for the F.Y. 2018-19. Pursuant to Section 148 of the Companies Act, 2013 read with the Rules issued thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Board of Directors of the Company, on the recommendations made by the Audit Committee, at its meeting held on 2<sup>nd</sup> February, 2019 has approved the appointment of M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad (Membership No. 7907) as Cost Auditor of the Company to conduct the audit of cost records for the F.Y. 2019-20. The remuneration proposed to be paid to the Cost Auditors, subject to ratification of members at the ensuing 28<sup>th</sup> Annual General Meeting, would not exceed ₹ 2,20,000/- (Rupees Two Lacs Twenty Thousand only) excluding taxes and out of pocket expenses, if any.

The Company has received certificate from the Cost Auditors for eligibility u/s 141(3)(g) of the Companies Act, 2013 for appointment as Cost Auditors and his / its independence and arm's length relationship with the Company.

**c. Secretarial Auditors**

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Shri Niraj Trivedi, Practising Company Secretary, Vadodara as Secretarial Auditors of the Company for the F.Y. 2018-19 to conduct Secretarial Audit and the Secretarial Audit Report in Form MR-3 was furnished by him. The Secretarial Audit Report is annexed herewith as **Annexure-G** to this report. The Secretarial Auditors' report does not contain any qualification, reservation or adverse remark and is self-explanatory and thus does not require any further clarifications / comments.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has adopted Vigil Mechanism / Whistle Blower Policy, which was approved and adopted by the Board of Directors of the Company at its meetings held on 26<sup>th</sup> July, 2014. The said policy provides a formal mechanism for all Directors and employees of the Company to approach Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior, actual or suspected fraud and violation of the Company's Code of Conduct and Business Ethics. Under the Policy, each Director / employee of the Company has an assured access to the Chairman of the Audit Committee.

Further, SEBI vide its notification dated 31<sup>st</sup> December, 2018, has amended the provisions under the SEBI (Prohibition of Insider Trading) Regulations, 2015, by issuance of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, to be effective from 1<sup>st</sup> April, 2019, which inter alia, provides for the "Written Policies and Procedures" for inquiry in case of leak of unpublished price sensitive information ("UPSI") or suspected leak of UPSI and to have a "Whistler-Blower Policy" and to make Directors and employees aware of such policy to enable them to report instances of leak of UPSI.

Pursuant to above and in order to effect the amendments as notified in the above Amendment Regulations, the Board of Directors of the Company has approved and adopted the revised "Vigil Mechanism / Whistle Blower Policy" on 30<sup>th</sup> March, 2019. The Policy is displayed on the website of the Company.

(URL: <https://www.ambujagroup.com/wp-content/uploads/2019/05/Vigil-Mechanism.pdf> )

**CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

With core business interest of the Company in agro-processing and its exports, the Company plays an important role in strengthening the fabric of society by generating employment and business opportunities. The Company is committed to conduct its business in a socially responsible, ethical and environment friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. We believe that the sustainable development of our businesses is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially the communities we work with. The Company has framed a policy for the Corporate Social Responsibility laying down the





guidelines for sustainable development of the society. During the year, the Company has undertaken directly and indirectly various initiatives contributing to the environment including environmental sustainability, reduced waste generation, improved waste management, implementing environmental plan through power generation, providing safe drinking water facilities, sanitation facilities, contribution for orphans upliftment etc. The Company has also developed comprehensive plan for carrying out activities focusing on promoting education, health care including preventive health care programmes to eradicate hunger, poverty & malnutrition. The Company also developed comprehensive plan for carrying out employment and employability through skill development and training, upliftment of rural and backward area through Rural Development Projects and also supporting various community development projects in locations, where the Company operates.

The Board of Directors at its meeting held on 24<sup>th</sup> May, 2014 has approved and adopted the Corporate Social Responsibility Policy of the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, based on the recommendations of the CSR Committee.

Further the Ministry of Corporate Affairs vide its notifications dated 23<sup>rd</sup> May, 2016 and 19<sup>th</sup> September, 2018 had notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2016 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2018 respectively and accordingly the Board of Directors on 30<sup>th</sup> March, 2019 has approved and adopted the revised Corporate Social Responsibility Policy of the Company, to effect the above mentioned amendments.

The initiatives undertaken by the Company during the F.Y. 2018-19 in Corporate Social Responsibility activities have been detailed in this Annual Report.

The brief outline / salient features of Company's Corporate Social Responsibility Policy, inter alia, includes:

I) Objectives:

- a. lay down guidelines for sustainable development for the society and supplement the role of the Government in enhancing welfare measures of the society;
- b. take up programmes that benefit communities and enhance the quality of life & economic well-being of the local populace;
- c. serve the socially and economically weak, disadvantaged, underprivileged, & destitute sections of the society;
- d. extend humanitarian services in the community to further enhance the quality of life like health facilities, education, basic infrastructure facilities;

II) Areas / Activities to be undertaken under CSR:

This majorly cover the areas / activities specifically mentioned under Schedule VII of the Companies Act, 2013

III) Execution and implementation by CSR committee:

- a. decision on activities to be undertaken under CSR;
- b. interaction with implementing agency(ies);
- c. recommendation of quantum of budget for CSR activities;
- d. interact with concerned State Officials / Government Officials to confirm the areas for undertaking CSR activities;
- e. monitoring and reviewing the progress of activities undertaken / completed.

IV) Program Identification for CSR activities.

V) Monitoring of implementation of CSR activities and amount spent.

The Corporate Social Responsibility Policy is displayed on the website of the Company.

(URL: <https://www.ambujagroup.com/wp-content/uploads/2019/05/CSR-Policy.pdf> )

The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out herewith as **Annexure-H** to this report.

### MEETINGS OF THE BOARD

4 (Four) meetings of the Board of Directors were held during the F.Y. 2018-19. The details of the meetings of the Board / Committees of the Board, are given in the Report on Corporate Governance, which forms part of this report.

### AUDIT COMMITTEE

During the F.Y. 2018-19, the Committee consisted of Independent Directors of the Company viz. Shri Sudhin Choksey (Chairman), Shri Rohit Patel, Shri Rashmikant Joshi (upto 19<sup>th</sup> May, 2018) and Shri Sandeep Singhi (w.e.f. 20<sup>th</sup> May, 2018), Members of the Audit Committee. As per Section 177(8) of the Companies Act, 2013, as amended from time to time, the Board has accepted all the recommendations of the Audit Committee during the F.Y. 2018-19.

### RISK MANAGEMENT

The Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans. The Company through

its risk management process, strives to contain impact and likelihood of the risks within the risk appetite as agreed from time to time with the Board of Directors. As required under Regulation 21 of the Listing Regulations, the Company has voluntarily constituted a Risk Management Committee to oversee the risk management efforts in the Company which currently constitutes of Shri Manish Gupta, Chairman & Managing Director, as the Chairman of the Committee and other Members being Shri Sandeep Agrawal, Whole-Time Director, the Chief Financial Officer and the Company Secretary of the Company. Further the provisions of the constitution of the Risk Management Committee is applicable to Company also (considering the applicability to the top 500 listed entities, determined on the basis of market capitalisation, as at the end of the immediate previous financial year) i.e. as on 31<sup>st</sup> March, 2019.

The Committee reports to the Board of Directors of the Company. At plants / units level, Internal Committees have been formed, headed by plants / units heads of respective plants / units and functional departmental heads. Such Committees report to the Risk Management Committee from time to time. The Board of Directors has developed and implemented Risk Management Policy for the Company. There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis Report, which forms part of this report.

#### **DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES**

In accordance with Section 178 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Board of Directors of the Company at its meeting held on 26<sup>th</sup> July, 2014, based on recommendation of Nomination and Remuneration Committee (NRC) of the Board at its meeting held on 24<sup>th</sup> May, 2014, has approved the Remuneration Policy of the Company. Further in accordance with Section 178 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company has adopted revised Policy in meeting of Board of Directors held on 30<sup>th</sup> July, 2016 which includes the role of the NRC.

Further pursuant to amendments notified under Companies (Amendment) Act, 2017 and SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2018, the Board of Directors at its meeting held on 2<sup>nd</sup> February, 2019, has approved and adopted a revised Nomination and Remuneration Policy of the Company relating to the remuneration for the Directors, Key Managerial Personnels (KMPs) and other employees of the Company, based on the recommendations of the NRC, which, inter alia, now includes criteria of quorum, amendment in certain definitions, additional role of the NRC etc.

The brief outline / salient features of Nomination and Remuneration Policy, inter alia, includes:

- I) Objects of the Policy:
  - a. ensure that Directors, KMPs and Senior Management Personnels are remunerated in a way that reflects the Company's long-term strategy;
  - b. align individual and team reward with business performance in both the short term and long term;
  - c. encourage executives to perform to their fullest capacity;
  - d. to be competitive and cost effective;
  - e. formulation of criteria for identification and selection of the suitable candidates for the various positions;
  - f. to recommend policy relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company;
  - g. recommend to Board on appropriate performance criteria for the Directors and carry on the performance evaluation of the Directors;
  - h. to identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding options of the business, the industry and their legal responsibilities and duties;
  - i. to assist Board in ensuring Board nomination process in accordance with the Board Diversity policy;
  - j. to recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- II) The Nomination and Remuneration Committee shall recommend remuneration considering below criteria / principle:
  - a. level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
  - c. remuneration to Directors, KMPs and Senior Management Personnels involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- (III) Criteria for selection of members on the Board of Directors and candidates for KMP and Senior Management Personnel



- (IV) Term / tenure of appointment, removal, retirement
- (V) Remuneration Policy for Directors, KMPs and other employees
- (VI) Contents of Remuneration Package
- (VII) Evaluation process

The Nomination and Remuneration Policy of the Company is displayed on the website of the Company.  
(URL: <https://www.ambujagroup.com/wp-content/uploads/2019/05/Nomination-and-Remuneration-Policy.pdf> )

The information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendments Rules, 2016, as amended from time to time, in respect of Directors / employees of the Company is set out in **Annexure-I** to this report.

#### **ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive and Non-Executive Directors of the Company as per Section 178 of the Companies Act, 2013, as amended from time to time, and as per Regulation 19 of the Listing Regulations. The criteria was set based on various attributes, inter alia, profile, experience, contribution, dedication, knowledge, sharing of information with the Board, regularity of attendance, aptitude & effectiveness, preparedness & participation, team work, decision making process, their roles, rights, responsibilities in the Company, monitoring & managing potential conflict of interest of management, providing fair and constructive feedback & strategic guidance and contribution of each Director to the growth of the Company.

The Company has devised the Board's Performance Evaluation Policy document along with performance evaluation criteria / form for Independent and Non-Independent Directors of the Company and criteria for evaluation of Board's / Committee's performance along with remarks and suggestions. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

Separate meeting of Independent Directors of the Company was held on 2<sup>nd</sup> February, 2019 and it reviewed the performance of Non-Independent Directors & the Board as a whole and also reviewed the performance of Chairman of the Company. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

#### **LISTING**

The Equity Shares of the Company continue to remain listed on BSE Limited and National Stock Exchange of India Limited. The annual listing fees for the F.Y. 2019-20 has been paid to these Stock Exchanges.

#### **INTERNAL COMPLAINTS COMMITTEE**

The Board of Directors of the Company at its meeting held on 30<sup>th</sup> January, 2016, has approved and revised the Policy for Prevention of Sexual Harassment of Women as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended from time to time). As per the provisions of the said Act, the Company has constituted Committees in the name of "Internal Complaints Committee" for the Registered Office & Units of the Company. During the F.Y. 2018-19, there was no case filed under the said Act.

Further pursuant to amendments in Schedule V, Part C of Listing Regulations, the Company is required to disclose the number of complaints filed and disposed during the financial year and pending as on end of the financial year. Considering the above amendments to be included in the existing policy, the Board of Directors of the Company has approved and adopted revised 'Policy on Protection of Women against Sexual Harassment at Workplace' on 30<sup>th</sup> March, 2019. Further the details / disclosure pertaining to number of complaints filed during the F.Y. 2018-19, disposed during the F.Y. 2018-19 and pending as on end of the financial year i.e. 31<sup>st</sup> March, 2019 forms part of the Corporate Governance Report.

#### **DECLARATION OF INDEPENDENCE**

The Company has received necessary declarations from each of the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) & 25 of the Listing Regulations and also in the opinion of the Board and as confirmed by these Directors, they fulfill the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder about their status as Independent Directors of the Company.

#### **EXTRACTS OF ANNUAL RETURN**

As required under the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the extracts of Annual Return in Form No. MGT-9 is annexed herewith as **Annexure-J** to this report.

**INTERNAL FINANCIAL CONTROLS AND LEGAL COMPLIANCE REVIEW**

The Company has in place adequate internal financial controls with reference to financial statements. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

The Company has devised systems to ensure compliance with the provisions of all applicable laws to the Company. During the year, the Internal Auditor of the Company were assigned the responsibility for ensuring and reviewing the adequacy of legal compliance systems in the Company as required under the Companies Act, 2013. Compliance with all laws applicable to the Company was checked by the Internal Auditor and no non-compliance with laws applicable to the Company was reported to the Company.

**SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS**

There were no significant / material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

**MAINTENANCE OF COST RECORDS**

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the Company.

**COMPLIANCE OF PROVISIONS RELATING TO THE CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE**

As mentioned above, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended from time to time).

**HEALTH, SAFETY AND ENVIRONMENT**

The safety excellence journey is a continuing process of the Company. The safety of the people working for and on behalf of your Company, visitors to the premises of the Company and the communities we operate in, is an integral part of business. Structured monitoring & review and a system of positive compliance reporting are in place. There is a strong focus on safety with adequate thrust on employees' safety. The Company is implementing programmes to eliminate fatalities and injuries at work place. Quarterly reports on health, safety and environment from each plants / units of the Company are received by the Company and the same are placed before the Board of Directors for their review.

The Company has been achieving continuous improvement in safety performance through a combination of systems and processes as well as co-operation and support of all employees. Each and every safety incidents at plants / units, if any, are recorded and investigated.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Human Resources are vital and most valuable assets for the Company. They play a significant role in your Company's growth strategy. Your Company emphasizes on talent nurturing, retention and engaging in a cordial, amicable and constructive relationship with employees with a focus on productivity and efficiency and underlining safe working practices. Your Directors also value the professionalism and commitment of all employees of the Company and place on record their appreciation and acknowledgement of the efforts, dedication and contribution made by employees at all levels that has contributed to Company's success and remain in the forefront of Agro based Industry business. Your Directors wish to place on record the co-operation received from all the valuable employees, staff and workers at all levels and at all plants / units.

**ENHANCING SHAREHOLDERS VALUE**

The Company accords top priority for creating and enhancing shareholders value. All the Company's operations are guided and aligned towards maximizing shareholders value.

**APPRECIATION & ACKNOWLEDGEMENT**

The Board of Directors would like to express their sincere thanks to the Shareholders & Investors of the Company for the trust reposed on us over the past several years. Your Directors are highly grateful for all the guidance, support, assistance and co-operation received from the Banks, Departments of Central Government & State Governments, other Government Departments, Members, Esteemed Customers and Suppliers during the year under review. Your Directors also wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the Executives, Staff and Workers that the Company continues to be a significant and leading player under agro-processed products Industry.

**For and on behalf of the Board of Directors**

Place : Ahmedabad  
Date : 25<sup>th</sup> May, 2019

**Manish Gupta**  
Chairman & Managing Director  
(DIN: 00028196)



## **ANNEXURE-A TO DIRECTORS' REPORT: DIVIDEND DISTRIBUTION POLICY**

This Policy will regulate the process of dividend declaration and its pay-out by Gujarat Ambuja Exports Limited (hereinafter referred to as "the Company") in accordance with the provisions of Companies Act 2013, read with the applicable Rules framed thereunder, as may be in force for the time being (hereinafter referred to as "the Act") and as per Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof (hereinafter referred to as "the Regulations").

### **1. Preamble**

Dividend is the payment made by a company to its shareholders, usually in the form of distribution of its profits. The company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. Through this policy, the Company would endeavour to maintain a consistent approach to dividend pay-out plans.

### **2. Category of Dividends**

The Act provides for two forms of Dividend-Final & Interim. The Board of Directors shall have the right to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board of Directors also have the right to declare interim dividend during the financial year, as and when they consider it fit.

#### **2.1. Final Dividend:**

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the right to recommend the payment of final dividend to the shareholders in a general meeting or treat the interim dividend declared as final dividend.

*Process for approval of payment of Final Dividend:*

- Board may recommend quantum of final dividend payable to shareholders in its meeting in line with this policy;
- Quantum of the profits shall be arrived at as per the audited financial statements;
- Shareholders shall approve the same in Annual General Meeting;
- Final dividend shall be paid once in a financial year.

#### **2.2. Interim Dividend:**

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this policy. Normally, the Board shall consider declaring an interim dividend after finalization of quarterly / half yearly unaudited results. This would be in order to supplement the annual dividend or in exceptional circumstances. The Board also shall review and take inputs from Management and decide that the interim dividend declared and paid shall be the final dividend for the financial year.

*Process for approval of payment of Interim Dividend:*

- Board may declare interim dividend at its discretion in line with this policy;
- Interim dividend may be declared based on profits arrived at as per quarterly / half-yearly financial accounts including exceptional items;
- May be declared more than once in a financial year.

### **3. Circumstances under which the shareholders may or may not expect dividend**

The Board of Directors of the Company may not declare / recommend dividend for a particular period if it is of the view that it would be prudent to conserve funds to the best interest of the Company in order to make wealth maximization for their shareholders through the ongoing / future business expansion or other factors which may be considered appropriate by the Board from time to time.

### **4. Parameters to be considered while declaring Dividend**

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board of Directors will endeavour to take a decision with an objective to enhance shareholders wealth and market value of the shares. However, the decision regarding pay-out is subject to several factors and hence the Board shall decide the same as an optimal policy in this regard.

#### **4.1. Financial Parameter**

1. Subject to the provisions of the Act, Dividend shall be declared or paid only out of-
  - i) Current financial year's profit:
    - a) after providing for depreciation in accordance with applicable law;
    - b) after transferring to reserves such amount as may be prescribed by Act or as may be otherwise considered appropriate by the Board at its discretion.

- ii) The profits for any previous financial year(s):
    - a) after providing for depreciation in accordance with applicable law and;
    - b) remaining undistributed; or
  - iii) out of i) & ii) both.
2. However, while computing profits, any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded;
  3. In case of inadequacy or absence of profits in any financial year, the Company may declare dividend out of the accumulated profits earned by it in previous years and transferred by the Company to the Free Reserves, subject to fulfillment of preconditions provided in the Act.
  4. The Company may declare / pay dividend from its reserves other than free reserves, subject to fulfillment of preconditions provided in the Act.
  5. Interim Dividend
    - i) Subject to the provisions of the Act, Interim Dividend shall be declared or paid only out of –
      - a) surplus in the profit and loss account; or
      - b) profits of the financial year for which such interim dividend is sought to be declared; or
      - c) profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend.
    - ii) However, in case the Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the Company during the immediately preceding three financial years.

#### 4.2. Other Factors

Various other factors viz. external and internal factors, which, inter alia, includes following, shall also be considered while declaring the dividend, which may affect the dividend pay-out decision of the Company:

##### 4.2.1. External Factors:

1. Economy
2. Capital Markets
3. Statutory Restrictions

##### 4.2.2. Internal Factors:

1. Profits earned during the year
2. Liquidity position of the Company
3. Present & future capital requirements of the existing business, acquisition, expansion, etc.
4. Any other factor as deemed fit by the Board

#### 5. **Utilisation of retained earnings**

The Company shall endeavor to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

#### 6. **Parameters that shall be adopted with regard to various classes of shares**

The Company has issued only one class of shares viz. equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

#### 7. **Dividend payout**

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. Board will endeavour to maintain a dividend pay-out ratio based on the previous ten year trends and track records. However, determining the dividend pay-out is dependent upon several factors, both internal and external.

#### 8. **Conflict in Policy**

In the event of any conflict between this Policy and the provisions contained in the Act and the Regulations, the Act and the Regulations shall prevail.

#### 9. **Review and Amendment**

The Board of Directors of the Company shall review and amend the Policy from time to time, as may be required.



## **ANNEXURE-B TO DIRECTORS' REPORT: REPORT ON CORPORATE GOVERNANCE**

Corporate Governance is about maximizing shareholder value legally, ethically and on a sustainable basis. At Gujarat Ambuja Exports Limited, the goal of Corporate Governance is to ensure fairness for every stakeholder – our customers, investors, vendor-partners, the community and the governments of the countries in which we operate. We believe that sound Corporate Governance is critical in enhancing and retaining investor trust. It is a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity.

Company believes that sound Corporate Governance is vital to enhance and retain stakeholder trust. Good Governance underpins the success and integrity of the organisation, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment, systems and practices to ensure that the affairs of the Company are being managed in a way which ensure accountability, transparency, fairness in all its transactions in the widest sense and meeting its stakeholder's aspirations and societal expectations. It is the broad framework which defines the way the Company functions and interacts with its environment. Implementation of good governance indicates not only the compliance of the laws and regulations of the land but also indicates the values, practices and culture of your organisation. As a result, it brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and stakeholder value. Good Governance ensures that the best corporate practices are followed by a Company.

### **1. Company's philosophy on Code of Corporate Governance**

The philosophy underlying Corporate Governance seeks to create a system of "Checks and Balances" based on transparency, accountability, integrity, clarity and consistency in the dealings of the Company with its stakeholders. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with the adherence to the highest standards of transparency, accountability and business ethics. Our governance practices are a product of self-desire, reflecting the culture of trusteeship that is deeply ingrained in our value system and reflected in our strategic thought process.

Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target with a view to translate opportunities into reality. We believe in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and client satisfaction and enhancing shareholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation.

In line with this philosophy, the Company continuously strives for excellence through adoption of best governance and disclosure practices. The Company has adopted the Code of Conduct and Business Ethics for Employees, Board Members and Senior Managerial Personnel and also the Whistle Blower Policy in due compliance of Regulations 17 and 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), in pursuit of excellence in Corporate Governance. These Code / Policy are available on the Company's website [www.ambujagroup.com](http://www.ambujagroup.com). The Company's corporate governance philosophy has been further strengthened through the Code of practices and procedures for fair disclosures of unpublished price sensitive information and Code of Conduct for Prohibition of Insider Trading for its Employees and Connected persons / Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders pursuant to SEBI (Prohibition of Insiders Trading) Regulations, 2015 (as amended from time to time). The Company believes in timely and adequate information and protection to minority shareholders.

Above all, we believe that Corporate Governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and sense of responsibility & justice. Achieving this balance depends upon how accountable and transparent the Company is. Accountability improves decision making. Transparency helps to explain the rationale behind decisions and thereby creating long term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

### **2. Board of Directors**

During the F.Y. 2018-19, the Board of Directors of the Company comprised of 9 (Nine) members upto 23<sup>rd</sup> May, 2018 and 8 (eight) members from 24<sup>th</sup> May, 2018 (on account of sad demise of Late Shri Vijaykumar Gupta, Chairman & Managing Director). Shri Manish Gupta was re-appointed as Chairman & Managing Director w.e.f. 25<sup>th</sup> December, 2018. Out of 8 (eight) Directors on the Board, 6 (six) were Non-Executive Directors and out of 6 (six) Non-Executive Directors, 5 (five) Directors (62.50% of total number of Directors) were Independent Directors.

Thus, composition of the Board is in conformity with Regulation 17 of the Listing Regulations.

- (A) (i) The names and categories, inter personal relationship of the Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting (AGM), the number of Directorships in other Companies and Committee membership / chairpersonship held by them are given below:

Name of Director	Category & Inter personal relationship as on 31 <sup>st</sup> March, 2019	Attendance Particulars		As on 31 <sup>st</sup> March, 2019		
		Board meeting	Last AGM	Directorship in other Companies	Membership and Chairpersonship of the Committees*	Member Chairperson
Late Shri Vijaykumar Gupta**	Executive Director & Promoter, husband of Smt. Sulochana Gupta and father of Shri Manish Gupta	0	No	-	-	-
Shri Manish Gupta***	Executive Director & Promoter, son of Late Shri Vijaykumar Gupta and Smt. Sulochana Gupta	4	Yes	5 (including 2 private limited)	1	Nil
Smt. Sulochana Gupta	Non-Executive Director & Promoter, wife of Late Shri Vijaykumar Gupta and mother of Shri Manish Gupta	3	Yes	6 (including 4 private limited)	1	Nil
Shri Sandeep Agrawal	Executive & Non Independent Director Not related	4	Yes	3 public company	Nil	Nil
Shri Rohit Patel	Non-Executive & Independent Director Not related	4	Yes	1 public company	2	2
Shri Sudhin Choksey	Non-Executive & Independent Director Not related	3	Yes	4 (including 2 private limited)	Nil	2
Shri Rashmikant Joshi	Non-Executive & Independent Director Not related	4	Yes	Nil	Nil	Nil
Shri Vishwavir Saran Das	Non-Executive & Independent Director Not related	4	Yes	1 public company	Nil	1
Shri Sandeep Singhi	Non-Executive & Independent Director Not related	4	Yes	4 public companies	6	Nil

\* For the purpose of considering the limit of Committee Membership and Chairmanship of a Director, Audit Committee and Stakeholders Relationship Committee of Public Companies have been considered. Committee Membership & Committee Chairpersonship in the Company is included

\*\* Sad demise on 23<sup>rd</sup> May, 2018

\*\*\* Re-appointed as "Chairman & Managing Director" w.e.f. 28<sup>th</sup> December, 2018

- (ii) The details of Directorship of the Directors of the Board in various Listed Companies as on 31<sup>st</sup> March, 2019 is as below:

Shri Rohit Patel, Independent Director of the Company, also holds Independent Directorship in Vadilal Chemicals Limited.

Shri Sudhin Choksey, Independent Director of the Company, also holds position of Executive Director in GRUH Finance Limited and Independent Directorship in Deepak Nitrite Limited & HDFC Credila Financial Services Private Limited.

Shri Sandeep Singhi, Independent Director of the Company, also holds Independent Directorship in Sandesh Limited, Sintex Plastics Technology Limited and Adani Green Energy Limited.

- (B) As required under the provisions of Schedule V(C)(h) of the Listing Regulations, the Board of Directors has identified the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board as follows:





- |  |  |
|--|--|
| a. Entrepreneurship and Leadership                               | b. Financial Management                    |
| c. Business acumen   | d. Organization Management                 |
| e. Communication and Negotiation                                 | f. Marketing & Sales                       |
| g. Planning & Strategic Development                              | h. Project Management                      |
| i. Corporate Governance & Compliance                             | j. Performance Oriented                    |
| k. Banking, Treasury & Forex Management                          | l. Knowledge on Internal Control Mechanism |
| m. Human Resources, Administration and Inter Personal Management | n. Risk Management                         |
| o. Knowledge in legislations and processes of laws               |  |

**(C) Number of meetings of the Board of Directors held and the dates on which held:**

During the F.Y. 2018-19, 4 (four) meetings of the Board of Directors were held on 19<sup>th</sup> May, 2018, 28<sup>th</sup> July, 2018, 27<sup>th</sup> October, 2018 and 2<sup>nd</sup> February, 2019.

Intimation of the Board meetings and Committee meetings are given well in advance and communicated to all the Directors. Normally, Board meetings and Committee meetings are held at the Registered Office of the Company. The agenda along with the explanatory notes are sent in advance to all the Directors in accordance with the Secretarial Standard-1 issued by the Institute of Company Secretaries of India. Additional meetings of the Board are held when deemed necessary by the Board. Senior Executives are invited to attend the Board meetings as and when required.

**(D) Information placed before the Board of Directors:**

All such matters as are statutorily required as per Part A of Schedule-II of Regulation 17(7) of the Listing Regulations and also matters relating to Corporate Plans, Mobilisation of Funds, Investment/ Loans, Risk Management Policy, Capital Expenditure etc. are considered by the Board. Besides, the following information are also regularly placed before the Board for its consideration:

1. Annual Operating Plans & budgets and updates
2. Capital budgets and updates
3. Minutes of meetings of Committees of the Board of Directors
4. Quarterly results of the Company
5. Material Transactions, which are not in the ordinary course of business
6. Compliance with all regulatory and statutory requirements
7. Fatal accidents, dangerous occurrences, material effluent pollution problems
8. Recruitment and remuneration of senior officers just below the Board level
9. Investment / Disinvestments
10. Risk Assessment analysis, etc.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

During F.Y. 2018-19, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors, except for the commission payable to them annually in accordance with the applicable laws and with the approval of the members.

**(E)** As per the opinion of the Board of Directors of the Company, all the Independent Directors of the Company fulfills the conditions specified in Listing Regulations and are independent of the management during the period under review.

**(F)** Further none of the Independent Director of the Company has resigned before the expiry of his tenure during the period under review.

**3. Audit Committee**

- (i) The Audit Committee of the Company is constituted in alignment with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.
- (ii) The terms of reference of the Committee are in accordance with Part C of Schedule-II of Regulation 18(3) of the Listing Regulations and Section 177 of the Companies Act, 2013 and major terms of reference, inter alia, includes the following:
  - Reviewing Company's Financial Reporting Process;
  - Reviewing the Internal Audit Systems, the adequacy of Internal Control Systems;

- Reviewing the Company's Financial and Risk Management Policies;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Review and monitor the Auditor's independence and performance and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever necessary;
- Evaluation of internal financial controls and risk management systems;
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;
- Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

(iii) The composition of the Audit Committee meets with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The details of members, their category and number of meetings attended by them during the F.Y. 2018-19 are given below:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings held	No. of meetings attended
Shri Sudhin Choksey, Chairman	Independent Director	4	3
Shri Rohit Patel, Member	Independent Director	4	4
Shri Rashmikant Joshi, Member (upto 19 <sup>th</sup> May, 2018)	Independent Director	4	1
Shri Sandeep Singhi, Member (w.e.f. 20 <sup>th</sup> May, 2018)	Independent Director	4	3

- (iv) During the F.Y. 2018-19, 4 (four) meetings of the Audit Committee were held on 19<sup>th</sup> May, 2018, 28<sup>th</sup> July, 2018, 27<sup>th</sup> October, 2018 and 2<sup>nd</sup> February, 2019.
- (v) The previous Annual General Meeting of the Company was held on 28<sup>th</sup> July, 2018 and the same was attended by the Chairman of the Audit Committee.
- (vi) The Audit Committee Meetings are usually held at the Registered Office of the Company and are normally attended by Managing Director, Executive Director, Chief Financial Officer, Representative of Statutory Auditors, Internal Auditors and Cost Auditors. The Company Secretary of the Company acts as the Secretary of the Audit Committee.

#### 4. Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has adopted "Vigil Mechanism" or "Whistle Blower Policy", which was approved by the Audit Committee and the Board of Directors of the Company at their respective meetings held on 26<sup>th</sup> July, 2014. The said policy provides a formal mechanism for directors and all employees of the Company to approach Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior, actual or suspected fraud and violation of the Company's Code of Conduct and Business Ethics. Under the Policy, each employee of the Company has an assured access to the Chairman of the Audit Committee.

Further, SEBI vide its notification dated 31<sup>st</sup> December, 2018, has amended the provisions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) by issuance of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, to be effective from 1<sup>st</sup> April, 2019, which inter alia, provides for the "Written Policies and Procedures" for inquiry in case of leak of unpublished price sensitive information ("UPSI") or suspected leak of UPSI and to have a "Whistler Blower Policy" and to make Directors and employees aware of such policy to enable them to report instances of leak of UPSI. Accordingly, the Board of Directors of the Company has approved and adopted a revised Whistle Blower Policy as applicable from 1<sup>st</sup> April, 2019, duly affecting the changes / amendments under SEBI (Prohibition of Insider Trading) Regulations, 2015.

None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the website of the Company.

(URL: <https://www.ambujagroup.com/wp-content/uploads/2019/05/Vigil-Mechanism.pdf> )



**5. Nomination and Remuneration Committee**

- (i) The Nomination and Remuneration Committee of the Company is constituted in alignment with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and terms of reference, including role & powers of the Committee, has been modified accordingly.
- (ii) The terms of reference of the said Committee is broad based so as to include and to decide, review and recommend to the Board of Directors of the Company about the recruitment, selection, appointment and remuneration of relative of Director or of Key Managerial Personnel of the Company and to decide the increase / modification in the terms of appointment and / or remuneration of any such person. The Committee was constituted on 30<sup>th</sup> March, 2002 and was re-constituted from time to time. The Company Secretary of the Company acts as the Secretary of the Committee.

Terms of reference of the Committee, inter alia, includes the following:

- To decide, review and recommend to the Board of Directors of the Company about the recruitment, selection, appointment and remuneration of a relative of Director or of Key Managerial Personnel of the Company and to decide the increase / modification in the terms of appointment and / or remuneration of any such person.
  - To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
  - To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
  - To ensure that as per the policy-
    - (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
    - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    - (iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
  - To formulate criteria for evaluation of performance of Independent Directors and the Board.
  - To devise a policy on Board diversity.
  - To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
  - To decide on whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
  - To recommend to the Board, all remuneration, in whatever form, payable to senior management.
- (iii) The details of members, their category and number of meetings attended by them during the F.Y. 2018-19 are given below:

<b>Name of the Committee Member &amp; Designation in Committee</b>	<b>Category in the Board</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Shri Rashmikant Joshi, Chairman (upto 19 <sup>th</sup> May, 2018)	Independent Director	2	1
Shri Sandeep Singhi, Chairman (w.e.f. 20 <sup>th</sup> May, 2018)	Independent Director	2	1
Shri Rohit Patel, Member	Independent Director	2	2
Shri Vishwavir Saran Das, Member	Independent Director	2	2

- (iv) During the F.Y. 2018-19, 2 (two) meetings of Nomination and Remuneration Committee were held on 19<sup>th</sup> May, 2018 and 2<sup>nd</sup> February, 2019.

- (v) The previous Annual General Meeting of the Company was held on 28<sup>th</sup> July, 2018 and the same was attended by the Chairman of the Nomination and Remuneration Committee.
- (vi) The Committee while deciding the remuneration package of the Managing Director(s) / Executive Director(s) and recruitment, selection, appointment and remuneration of relative of Director or of Key Managerial Personnel of the Company, takes into consideration various factors, *inter alia*, contribution, remuneration package of the industry, knowledge and experience etc.
- (vii) The below criteria are considered for performance evaluation of Board, that of its Committees and Individual Directors:
- Criteria for Board Evaluation
    - Attendance at meetings
    - Regularity of attendance
    - Responsibilities and accuracy of information in timely manner
    - Level and quality of participation
    - Involvement in deliberation
    - Commitment to responsibilities
  - Criteria for Committee Evaluation
    - Level and quality of participation
    - Effectiveness to the responsibilities
    - Aptitude and effectiveness
    - Overall contribution
  - Criteria for Evaluation of Individual Directors (including Independent and Non-Independent Directors)
    - Dedication
    - Attendance
    - Preparedness & Participation
    - Team work
    - Contribution
    - Time and Efforts
    - Response
    - Commitment
    - Knowledge / Sharing information
    - Responsibilities
    - Suggestions during discussion
- (viii) Criteria for making payment to Non-Executive Directors has been disseminated on the website of the Company i.e. [www.ambujagroup.com](http://www.ambujagroup.com)
- (ix) Payment to Non-Executive Directors:
- The Non-Executive Directors are paid remuneration by way of sitting fees for attending meetings of Board of Directors and Committees of the Board. At the Annual General Meeting held on 22<sup>nd</sup> September, 2018, Members approved payment of sitting fees upto ₹ 20,000/- or as may be amended by the Central Government to be paid to Non-Executive Directors for attending each meeting of the Board of Directors and Committees thereof. During F.Y. 2018-19, Non-Executive Directors were paid sitting fees of ₹ 17,500/- for attending each meeting of the Board and Committees of the Board.
- The Members at their 23<sup>rd</sup> Annual General Meeting held on 13<sup>th</sup> September, 2014 pursuant to Sections 149, 197 and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17(6) of the Listing Regulations, approved the payment of remuneration to the Non-Executive Directors of the Company by way of commission not exceeding one percent (1%) of the net profits of the Company, provided that the overall remuneration shall not be exceeding ₹ 25 lacs in a financial year.
- (x) There are no stock options issued by the Company.
- (xi) The details of remuneration (including salary, allowances, commission, monetary value of perquisites & Company's contribution to Provident Fund but excluding gratuity, insurance coverage for personal accident and balance of unavailed encashable leave) and sitting fees paid for attending meetings of the Board of Directors and Committees thereof during the F.Y. 2018-19 to all the Directors are furnished hereunder:



(₹ in crores)

Sr. No.	Name of Director	Salary & Allowances	Perquisites	Commission	Sitting Fees	Total	Service Contract	Notice Period (in months) & severance fees
1	Late Shri Vijaykumar Gupta, Chairman & Managing Director*	0.10	0.02	Nil	Nil	0.12	-	-
2	Shri Manish Gupta, Chairman & Managing Director**	0.72	0.12	25.00	Nil	25.84	28 <sup>th</sup> December, 2018 to 27 <sup>th</sup> December, 2023	3 Months Nil
3	Smt. Sulochana Gupta, Non-Executive Director	Nil	Nil	0.02	0.01	0.03	-	-
4	Shri Sandeep Agrawal, Whole-Time Director	0.60	Nil	Nil	Nil	0.60	1 <sup>st</sup> August, 2014 to 31 <sup>st</sup> July, 2019	3 Months Nil
5	Shri Rohit Patel, Independent Director	Nil	Nil	0.02	0.02	0.04	-	-
6	Shri Sudhin Choksey, Independent Director	Nil	Nil	0.04	0.01	0.05	-	-
7	Shri Rashmikant Joshi, Independent Director	Nil	Nil	0.02	0.01	0.03	-	-
8	Shri Vishwavir Saran Das, Independent Director	Nil	Nil	0.02	0.01	0.03	-	-
9	Shri Sandeep Singhi, Independent Director	Nil	Nil	0.02	0.02	0.04	-	-

\* Sad demise on 23<sup>rd</sup> May, 2018

\*\* Re-appointed as "Chairman & Managing Director" w.e.f. 28<sup>th</sup> December, 2018

#### 6. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Companies Act, 2013, as amended from time to time, the Company has constituted Corporate Social Responsibility Committee, inter alia, to formulate and recommend to the Board of Directors, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder, to recommend the amount of expenditure to be incurred on the CSR activities and to monitor the implementation of the CSR Policy of the Company from time to time. The Policy on Corporate Social Responsibility is available on the website of the Company.

(URL: <https://www.ambujagroup.com/wp-content/uploads/2019/05/CSR-Policy.pdf> ).

During the F.Y. 2018-19, 4 (four) meetings of the Committee were held on 20<sup>th</sup> April, 2018, 10<sup>th</sup> July, 2018, 13<sup>th</sup> October, 2018 and 15<sup>th</sup> January, 2019.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the F.Y. 2018-19 and other related details are given below:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings held	No. of meetings attended
Late Shri Vijaykumar Gupta, Chairman (upto 23 <sup>rd</sup> May, 2018)*	Executive Director	4	0
Shri Manish Gupta, Chairman (w.e.f. 24 <sup>th</sup> May, 2018)	Executive Director	4	3
Smt. Sulochana Gupta, Member (w.e.f. 24 <sup>th</sup> May, 2018)	Non-Executive Director	4	3
Shri Rohit Patel, Member	Independent Director	4	4

\* Sad demise on 23<sup>rd</sup> May, 2018

The Corporate Social Responsibility Committee meetings are usually held at the Registered Office of the Company. The Company Secretary of the Company acts as the Secretary of the Corporate Social Responsibility Committee.

#### 7. Independent Directors' Meeting

A separate meeting of Independent Directors was held on 2<sup>nd</sup> February, 2019, without the attendance of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors, the Board as a whole and it's Chairman and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board. Details of attendance of the members at the said meeting are given below:

Name of the Director	Chairman / Member	No. of meeting attended
Shri Rashmikant Joshi	Chairman	1
Shri Rohit Patel	Member	1
Shri Sudhin Choksey	Member	1
Shri Vishwavir Saran Das	Member	1
Shri Sandeep Singhi	Member	1

## 8. Board Sub-Committees

### (a) Stakeholders Relationship Committee & Redressal of Investors' Grievances:

Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The Company constituted said Committee on 30<sup>th</sup> March, 2002 to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend etc.

To expedite the process and for effective resolution of grievances / complaints, the Committee has delegated powers to the Share Transfer Agent and its officials to redress all various aspects of interest of the Members / Investors. The Company Secretary of the Company acts as a Compliance Officer of the Stakeholders Relationship Committee and under her supervision Committee redresses the grievances / complaints of Members / Investors.

The role of the Committee, inter-alia, includes the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

The Committee meets at regular intervals to review the status of redressal of Members' / Investors' Grievances. The composition of the Committee as well as the particulars of attendance at the Committee meetings during the F.Y. 2018-19 and other related details are given below:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings attended
Shri Rohit Patel, Chairman	Independent Director	25
Late Shri Vijaykumar Gupta, Member (upto 23 <sup>rd</sup> May, 2018)*	Executive Director	4
Shri Manish Gupta, Member (w.e.f. 24 <sup>th</sup> May, 2018)	Executive Director	22
Smt. Sulochana Gupta, Member	Non-Executive Director	24

\* Sad demise on 23<sup>rd</sup> May, 2018

### (b) Details of complaints received and redressed during the F.Y. 2018-19:

Sr. No.	Particulars	Opening balance as on 1 <sup>st</sup> April, 2018	Received during the year	Redressed during the year	Pending as on 31 <sup>st</sup> March, 2019
1	Non-receipt of Dividend / Interest, Revalidation etc.	Nil	14	14	Nil
2	Non-receipt of Share Certificate, etc.	Nil	10	10	Nil
3	Non-receipt of Annual Report, Interest on delayed refund, etc.	Nil	1	1	Nil
4	Others	Nil	1	1	Nil
	<b>Total</b>	<b>Nil</b>	<b>26</b>	<b>26</b>	<b>Nil</b>

### (c) Share Transfer Committee:

Name of the Committee Member & Designation in Committee	Category in the Board	No. of meetings attended
Late Shri Vijaykumar Gupta, Chairman (upto 23 <sup>rd</sup> May, 2018)*	Executive Director	4
Shri Manish Gupta, Chairman (w.e.f. 24 <sup>th</sup> May, 2018)	Executive Director	26
Smt. Sulochana Gupta, Member	Non-Executive Director	24
Shri Rashmikant Joshi, Member, (upto 19 <sup>th</sup> May, 2018)	Independent Director	4
Shri Vishwavir Saran Das, Member (w.e.f. 20 <sup>th</sup> May, 2018)	Independent Director	20

\* Sad demise on 23<sup>rd</sup> May, 2018



The Share Transfer Committee has been constituted with the scope and ambit to consider and approve the following actions related to the shareholders / members of the Company:

- Transfer of Shares
- Transmission of Shares
- Issue of Duplicate Share Certificates
- Change of Status
- Change of Marital Status
- Change of Name
- Transposition of shares
- Sub-division of shares
- Consolidation of Folios
- Shareholders requests for Dematerialisation / Rematerialisation of Shares

The Committee also takes note of disclosures received under the Company's Code of Conduct for Prohibition of Insider Trading in pursuance to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time).

**(d) Share Transfer Details:**

The number of shares transferred / transmitted, split request processed, duplicate shares issued, folio consolidation, demat and remat request approved during the F.Y. 2018-19 are as under:

Sr. No.	Particulars	No. of cases	No. of shares (₹ 2/- each)
1	Transfer	236	157795
2	Transmission	171	137160
3	Split	2	2000
4	Duplicate	15	10675
5	Demat request approved-NSDL	976	697060
6	Demat request approved-CDSL	633	425480
7	Remat request approved-NSDL	Nil	Nil
8	Remat request approved-CDSL	Nil	Nil

As on 31<sup>st</sup> March, 2019, out of the total 11,46,67,665 Issued, Subscribed and Paid up Equity shares of ₹ 2/- each of the Company, 90.94% are in dematerialised form (net of remat) through NSDL and CDSL.

With a view to expedite the process of transfer, the Committee normally meets twice a month to approve transfer, transmission, split, duplicate etc. There was no instrument pending for transfer as on 31<sup>st</sup> March, 2019.

**(e) Risk Management Committee**

As per Regulation 21 of the Listing Regulations, the composition of the Risk Management Committee is mandatory for the top 500 listed entities, based on market capitalization (calculated as on 31<sup>st</sup> March of every financial year). Further considering the positioning of the Company in the top 500 listed entities based on the market capitalization as per BSE and NSE data (where the shares of the Company are listed), calculated as on 31<sup>st</sup> March, 2019, the aforesaid requirement needs to be complied by the Company.

Further the Company has voluntarily formed a Risk Management Committee in the year 2015. The composition of the Risk Management Committee of the Company along with the details of the meetings held and attended by the members of the Committee during the F.Y. 2018-19 are given below:

Name of the Committee Member	Designation	No. of meetings attended
Shri Manish Gupta, Chairman	Executive Director	4
Shri Sandeep Agrawal	Whole-Time Director	4
Shri Dinesh Shah	Chief Finance Officer	4
Ms. Chetna Dharajiya	Company Secretary	4

The Risk Management Committee met 4 (four) times during the F.Y. 2018-19 on 16<sup>th</sup> April, 2018, 16<sup>th</sup> July, 2018, 15<sup>th</sup> October, 2018 and 16<sup>th</sup> January, 2019.

The Board of the Company has specified various roles of Risk Management Committee in the Risk Management Policy of the Company. The role of the Committee, inter-alia, includes the following:

- To ensure adequacy of control frameworks to manage risks across the Company;
- To ensure the implementation and compliance with the risk management policy and process;
- To define the risk management policy framework and process;
- To promote and implement monitoring of risk management strategies and policies;
- Ensure the implementation of risk management framework and process and ongoing risk assessment of risks;
- To promote risk culture and ensure the risk management process is sustained organisation wide;
- To monitor and review the cyber security and related risks.

**(f) Prohibition of Insider Trading:**

The Company has adopted a Code of Conduct for Prohibition of Insider Trading under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, with a view to regulate trading in the equity shares of the Company by the Directors and designated employees.

Further the SEBI has introduced the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (as amended from time to time) which was notified on 31<sup>st</sup> December, 2018. Accordingly, the Board of Directors of the Company has approved and adopted a revised Code of Conduct for Prohibition of Insider Trading as applicable from 1<sup>st</sup> April, 2019, duly affecting the changes / amendments under SEBI (Prohibition of Insider Trading) Regulations, 2015.

**(g) Code of Conduct:**

The Company has adopted a Code of Conduct for all the employees including the Board Members and Senior Management Personnel of the Company in accordance with the requirement under Regulation 17 of the Listing Regulations. The Code of Conduct has been posted on the website of the Company i.e. [www.ambujagroup.com](http://www.ambujagroup.com)

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure. Management members are made aware of the provisions of the Code from time to time.

The Company has obtained confirmations for the compliance with the said code from all its Board members and Senior Management Personnel for the year ended 31<sup>st</sup> March, 2019. The declaration by the Chairman & Managing Director of the Company confirming the same is annexed to this report.

**(h) Familiarisation programme for Independent Directors:**

The Independent Directors are provided with necessary documents, reports and other relevant information to enable them to familiarize with the Company's procedures and practices. The Independent Directors are taken for visit to Company's various plants / units, to enable them to have full understanding of manufacturing operations & processes of the Company and the industry in which it operates. Periodic presentations are made at the Board meetings on business and performance updates of the Company, business strategy and risks involved. At the time of induction of the newly appointed Independent Director, he / she is apprised adequately about the Company, latest financial statements with business model, industry scenario, competition, significant recent developments and also the Board processes which is apprised by the Managing Director, the Chief Financial Officer, the Company Secretary and the Senior Management of the Company. Details of the familiarization programme for the Independent Directors are available on the website of the Company.

(URL:[https://www.ambujagroup.com/wp-content/uploads/2019/05/Details\\_of\\_familiarization\\_programmes-.pdf](https://www.ambujagroup.com/wp-content/uploads/2019/05/Details_of_familiarization_programmes-.pdf)).

**(i) Appointment of Compliance Officer:**

Ms. Chetna Dharajiya, Company Secretary of the Company acts as Compliance Officer of the Company as per Regulation 6 of the Listing Regulations.

**9. General Body Meetings**

**a) Details of location, time and date of last three Annual General Meetings are given below:**

Year	Date	Time	Venue
2015-16	10 <sup>th</sup> September, 2016	11.00 a.m.	H. T. Parekh Hall, 1 <sup>st</sup> Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram
2016-17	9 <sup>th</sup> September, 2017	11.00 a.m.	Association (AMA), AMA Complex, Dr. Vikram
2017-18	28 <sup>th</sup> July, 2018	3.00 p.m.	Sarabhai Marg, Vastrapur, Ahmedabad – 380 015

**b) Extra Ordinary General Meeting:**

There was no Extra Ordinary General Meeting held during the F.Y. 2018-19.





**c) Special Resolutions passed during last three years at the Annual General Meetings:**

<b>Special Resolution</b>	<b>Date of Meeting</b>
Revision in terms of remuneration of Shri Manish Gupta, Managing Director of the Company	9 <sup>th</sup> September, 2017
Re-appointment of Shri Vijaykumar Gupta as Chairman & Managing Director of the Company w.e.f. 1 <sup>st</sup> April, 2018 upto 23 <sup>rd</sup> May, 2018	28 <sup>th</sup> July, 2018
Re-appointment of Shri Manish Gupta as Chairman & Managing Director of the Company w.e.f. 28 <sup>th</sup> December, 2018 upto 27 <sup>th</sup> December, 2023	28 <sup>th</sup> July, 2018
Re-appointment of Shri Rohit Patel (DIN 00012367) as an Independent Director of the Company	28 <sup>th</sup> July, 2018
Re-appointment of Shri Sudhin Choksey (DIN 00036085) as an Independent Director of the Company	28 <sup>th</sup> July, 2018

**d) Postal Ballot:**

During the Financial Year 2018-2019, no resolution was passed through Postal Ballot.

No special resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

**10. a) Disclosures**

- i. The Board has received disclosures from Key Managerial Personnel / Senior Management that they have no material, financial and commercial transactions where they and / or their relatives have personal interest. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. Related Party transactions have been included in the Notes to the Annual Accounts of the Company for the year ended 31<sup>st</sup> March, 2019.
- ii. The Company has complied with the requirements of the Stock Exchanges, SEBI and other authorities on the matters relating to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.
- iii. The Company has adopted a revised Whistle Blower Policy / Vigil Mechanism and has established the necessary mechanism in line with requirement of the Companies Act, 2013 and Regulation 22 of the Listing Regulations for the directors and employees to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no personnel have been denied access to the Audit Committee. Further, SEBI vide its notification dated 31<sup>st</sup> December, 2018, has amended the provisions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) by issuance of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, to be effective from 1<sup>st</sup> April, 2019, which inter alia, provides for the "Written Policies and Procedures" for inquiry in case of leak of unpublished price sensitive information ("UPSI") or suspected leak of UPSI and to have a "Whistler-Blower Policy" and to make Directors and employees aware of such policy to enable them to report instances of leak of UPSI.
- iv. The Company has complied with all mandatory applicable corporate governance requirements of the Listing Regulations.
- v. The Company has complied with following non-mandatory requirements as prescribed in Part E of Schedule-II to Regulation 27(1) of the Listing Regulations:
  - The Company is in the regime of financial statements with unmodified audit opinion;
  - The Internal Auditors directly reports to the Audit Committee.
- vi. The Company has formulated and adopted revised Policy on determining Material Subsidiaries as required under Regulation 16(1)(c) of the Listing Regulations. A copy of the Policy on determining Material Subsidiaries is available on the website of the Company.  
(URL: <https://www.ambujagroup.com/wp-content/uploads/2019/05/Policy-for-determining-Material-subsidiaries.pdf> ).
- vii. In line with the requirements of the Companies Act, 2013 and Listing Regulations, the Company has formulated and adopted a revised Policy on Related Party Transactions which is also available on the website of the Company:  
<https://www.ambujagroup.com/wp-content/uploads/2019/05/Policy-on-Related-Party-Transactions.pdf>  
The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.
- viii. Disclosure on commodity price risks and commodity hedging activities:  
Factors that can affect commodity prices include political and regulatory changes, seasonal variations, weather, technology and market conditions. Commodity price risk is often hedged by major consumers. Unexpected changes in commodity prices can reduce a producer's profit margin and make budgeting difficult. Futures and options are two financial instruments commonly used to hedge against commodity price risk. The Company operates in a market in which commodity / raw materials / finished goods prices are fluctuating. The Company tries to mitigate the risk by covering position through hedging at commodities exchanges like CBOT, REFCO, NCDEX, NMCEX and such other commodity exchange. The Company has

entered into agreement with one of the member of NCDEX, having Company as its sole client, who acts as broker for carrying out commodity hedging activities in order to mitigate Company's risk due to fluctuation in commodity prices.

Further with reference to requirement of the SEBI circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15<sup>th</sup> November, 2018, the disclosures pertaining to the risk management activities during the year, including their commodity hedging positions is as under:

- Exposure of the Company to commodity and commodity risks faced by the Company throughout the year
  - Total exposure of the Company to commodities in INR: ₹ 1633.22 crores

- Exposure of the Company to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic Market		International Market		
			OTC	Exchange	OTC	Exchange	
Soyabean Seed	₹ 911.54 cr.	2.72 Million MT	-	1.14%	-	-	1.14%
Soya Oil	₹ 721.68 cr.	0.94 Million MT	-	13.18%	-	-	13.18%

- Commodity risks faced by the Company during the year and how they have been managed:

Based on our long understanding of the edible oil market, we decide the exposure to be covered through commodity exchanges or entering into sales contract of appropriate quantity and rates with our customers. In case of Soyabean Seed purchases, we constantly evaluate the market trend, crop pattern and estimated output of the country, end product prices and accordingly we time our purchases so that we are required to cover a miniscule exposure on the commodity exchanges.

- ix. The Company has not raised funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of Listing Regulations during F.Y. 2018-19.
- x. Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations, certificate from Niraj Trivedi, Company Secretary in Practice, certifying that none of Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report.
- xi. During the F.Y. 2018-19, the Board has accepted all the recommendation of various committees of Board and specifically those which are mandatorily required to be accepted by the Board.
- xii. For the details of total fees paid for all the services to the statutory auditors for the F.Y. 2018-19 is referred in Note No. 35 forming part of the financial statements.
- xiii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as below:
  - (a) number of complaints filed during the financial year: Nil
  - (b) number of complaints disposed of during the financial year: Nil
  - (c) number of complaints pending as on end of the financial year: Nil

- b) The Company has complied with all the requirements of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations, to the extent applicable.

- c) The Company has complied with corporate governance requirements specified in Regulations 17 to 27 and 46(2)(b) to (i) of the Listing Regulations, to the extent applicable.

**d) Reconciliation of Share Capital**

A qualified Practicing Company Secretary carries out audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates, on half-yearly basis, have been issued by a Practicing Company Secretary for due compliance of share transfer formalities by the Company.

**11. Means of Communication**

**a) Quarterly / Half-yearly / Annual Results:**

The Company's quarterly / half yearly / annual financial results alongwith the segmental reports are generally published in leading English and vernacular language newspaper i.e. Financial Express and also displayed on the website of the Company after its submission to the Stock Exchanges.



**b) Website:**

The Company's website [www.ambujagroup.com](http://www.ambujagroup.com) is a comprehensive reference on Company's vision, mission, segments, products, investor relation, human resource, feedback and contact details. In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under "Investor Relation" on the Company's website gives information on various announcements made by the Company, complete financial details, quarterly & annual results, annual report, corporate benefits, information relating to stock exchanges where shares are listed, details of share transfer agent, unpaid / unclaimed dividends, shareholding pattern and details of credit rating. The Company doesn't carry out any media releases and hence no official news releases are displayed on the website.

**c) Annual Report:**

The Annual Report containing, *inter alia*, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis Report and Business Responsibility Report forms part of the Directors' Report in the Annual Report. The Annual Report is displayed on the Company's website [www.ambujagroup.com](http://www.ambujagroup.com)

**d) Reminder to Investors:**

**Transfer of shares to Investor Education & Protection Fund (IEPF)**

Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund), Rules 2016 ("Principle Rules, 2016") and subsequently amended by the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendments Rules, 2017 ("Principle Rules along with IEPF Rules"), the Company has published notice in leading newspapers on 5<sup>th</sup> December, 2018 and also on 12<sup>th</sup> March, 2019, to enable the shareholders to make a valid claim for encashment of dividend. After that the Company had again sent final reminder notice on 4<sup>th</sup> December, 2018 to concerned shareholders to make a valid claim for encashment of dividend. In compliance with Principle Rules along with IEPF Rules, the Company had transferred 741946 equity shares, in respect of Interim Dividend (2011-12) which were unclaimed / unpaid for seven consecutive years, to the Demat Account of the IEPF Authority.

Further in compliance with Principle Rules along with IEPF Rules, the Company had published advertisements in newspapers on 5<sup>th</sup> December, 2018, to enable the shareholders to make a valid claim for encashment of dividend for the last 7 (seven) years (starting from 2011-12) and whose dividend are liable to be transferred to IEPF Authority. Further the unclaimed dividends upto the financial year 2011-2012 (Interim Dividend) have been deposited with the IEPF of the Central Government on 12<sup>th</sup> March, 2019.

**e) BSE Corporate Compliance & Listing Centre (Listing Centre) and NSE Electronic Application Processing System (NEAPS):**

BSE's Listing Centre is a web-based application designed by BSE for corporates. NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings, inter alia, shareholding pattern, corporate governance report, corporate announcements and statement of investor complaints among others, are filed electronically on the Listing Centre and NEAPS.

**f) SEBI Complaints Redress System (SCORES):**

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**12. General Shareholders' Information**

**a) Annual General Meeting:**

Day & Date	Saturday, 3 <sup>rd</sup> August, 2019
Time	11.00 a.m.
Venue	H. T. Parekh Hall, 1 <sup>st</sup> Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015

**b) Tentative Financial Calendar (F.Y. 2019-2020):**

Financial year	1 <sup>st</sup> April, 2019 - 31 <sup>st</sup> March, 2020
Annual General Meeting	On or before 30 <sup>th</sup> September, 2020
First quarter results (Audited or Un-audited)	On or before 14 <sup>th</sup> August, 2019
Second quarter results (Audited or Un-audited)	On or before 14 <sup>th</sup> November, 2019
Third quarter results (Audited or Un-audited)	On or before 14 <sup>th</sup> February, 2020
Results for the Financial Year (Audited)	On or before 30 <sup>th</sup> May, 2020

**c) Book Closure Date:**

Closure of Register of Members and Share Transfer Books: Saturday, 27<sup>th</sup> July, 2019 to Saturday, 3<sup>rd</sup> August, 2019 (both days inclusive)

**d) Dividend Payment Date:**

The Board of Directors at its Meeting held on 25<sup>th</sup> May, 2019, recommended final dividend @ 50% i.e. ₹ 1/- per equity shares of ₹ 2/- each for F.Y. 2018-19, subject to approval of the shareholders at the ensuing Annual General Meeting. The Dividend shall be paid to the members whose names appear on Company's Register of Members as of the close of business hours on 26<sup>th</sup> July, 2019 in respect of physical shareholders and whose name appear in the list of Beneficial Owner as of the close of business hours on 26<sup>th</sup> July, 2019 furnished by NSDL and CDSL for this purpose. The final dividend if declared at the Annual General Meeting shall be paid on or after 7<sup>th</sup> August, 2019.

**e) Listing of Securities on the Stock Exchanges:**

The Equity Shares of the Company are listed at BSE Limited and National Stock Exchange of India Limited. The Annual Listing Fees for the F.Y. 2019-20 has been paid to both the above Stock Exchanges. Addresses of the Stock Exchanges, where equity shares of the Company are presently listed are given below:

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400 051

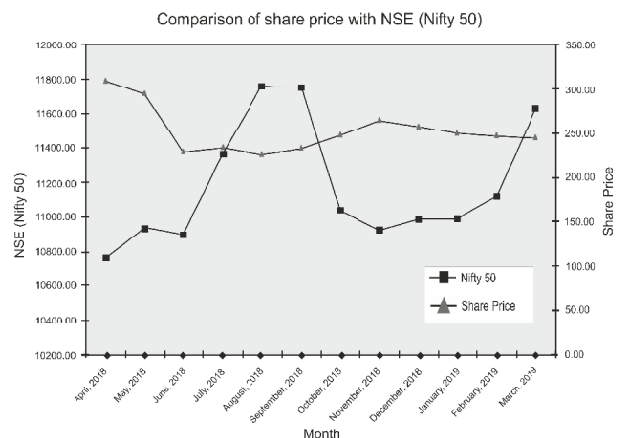
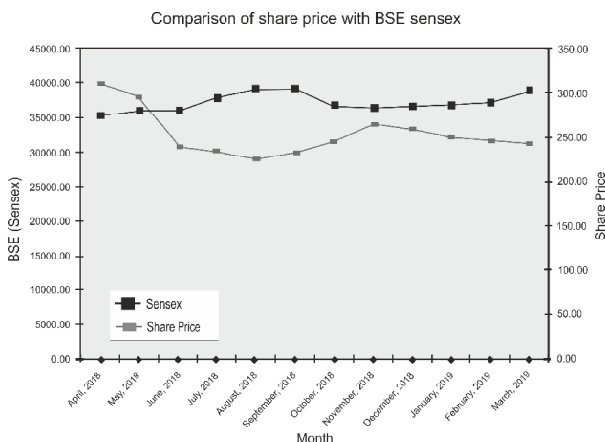
**f) Stock Code:**

Name of the Exchange	Code
BSE Limited (BSE)	Security Code: "524226"
National Stock Exchange of India Limited (NSE)	Symbol: "GAEL"

**g) Stock Market Price Data and comparison to broad-based indices:****(i) Monthly Share price movement during F.Y. 2018-19 on BSE and NSE**

Month	BSE Limited (BSE) (in ₹ per share)		National Stock Exchange of India Limited (NSE) (in ₹ per share)	
	Highest	Lowest	Highest	Lowest
April, 2018	309.85	230.45	309.70	230.75
May, 2018	294.70	215.00	294.65	215.05
June, 2018	239.00	185.00	229.00	185.00
July, 2018	234.50	185.15	233.70	185.00
August, 2018	226.00	197.90	226.30	198.60
September, 2018	233.00	182.10	233.00	180.75
October, 2018	246.00	172.00	248.00	173.05
November, 2018	264.45	230.30	264.55	230.10
December, 2018	259.00	213.00	258.00	213.95
January, 2019	249.45	195.25	249.95	194.85
February, 2019	246.00	201.00	247.00	200.15
March, 2019	242.00	214.40	245.00	214.20

Source: BSE and NSE website

**(ii) Comparison of share price with broad-based indices vis-a-vis BSE and NSE**

**h) Share Transfer Agent:**

Since September, 2003, Jupiter Corporate Services Limited has been acting as Share Transfer Agent of the Company both for Physical & Demat processing.

Details of Jupiter Corporate Services Limited is as under:

“Ambuja Tower”, Opp. Sindhu Bhavan,  
Sindhu Bhavan Road, Bodakdev,  
P.O. Thaltej, Ahmedabad - 380 059  
Phone: 079-61556677, Fax: 079-61556678  
Email Id: [jayvijay@ambujagroup.com](mailto:jayvijay@ambujagroup.com)

**i) Share Transfer System:**

The share transfer activities in respect of the shares in physical mode are carried out by the Share Transfer Agent of the Company. The shares lodged for transfer are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

The Board of Directors of the Company have delegated the authority to approve the transfer of shares, transmission of shares or requests for deletion of name of the shareholder, issue of duplicate share certificates etc., to the Share Transfer Committee of the Company. The Share Transfer Committee usually meets once in a fortnight. Shares in physical form are registered within an average period of 10 days.

A summary of approved transfers, transmissions, deletion requests, issue of duplicate shares etc., are placed before the Board of Directors from time to time as per Listing Regulations. The Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force) and files a copy of the said certificate with BSE & NSE.

**j) (i) Distribution of shareholding as on 31<sup>st</sup> March, 2019 (including demat):**

No. of shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 to 2500	40391	97.11	18613005	16.22
2501 to 5000	669	1.61	2381612	2.08
5001 to 10000	270	0.65	1917845	1.67
10001 to 15000	96	0.23	1205294	1.05
15001 to 20000	37	0.09	660294	0.58
20001 to 25000	23	0.06	505133	0.44
25001 to 50000	44	0.11	1600323	1.40
50001 & above	58	0.14	87784159	76.56
<b>Total</b>	<b>41588</b>	<b>100.00</b>	<b>114667665</b>	<b>100.00</b>

**(ii) Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2019 (including demat):**

Category of Holders	No. of shares	% to total shares
Promoters / Directors & Relatives	73124040	63.77
Financial Institutions / Mutual Fund / Banks	884455	0.77
Non-Residents / FIIs / OCBs / FPI	2874268	2.51
Other Corporate Bodies / LLP	8117694	7.08
Indian Public / Trust	29667208	25.87
<b>Total</b>	<b>114667665</b>	<b>100.00</b>

**(iii) Shareholding of Non-Executive Directors as on 31<sup>st</sup> March, 2019:**

Name of Non-Executive Director	No. of shares	% to total shares
Smt. Sulochana Gupta	24976468	21.78
Shri Rohit Patel	Nil	Nil
Shri Sudhin Choksey	Nil	Nil
Shri Rashmikant Joshi	Nil	Nil
Shri Vishwavir Saran Das	Nil	Nil
Shri Sandeep Singhi	Nil	Nil
<b>Total</b>	<b>24976468</b>	<b>21.78</b>

There were no convertible instruments pending conversion into Equity Shares as on 31<sup>st</sup> March, 2019.

**k) Dematerialisation of Shares and Liquidity:**

On 31<sup>st</sup> March, 2019 out of 11,46,67,665 Issued, Subscribed and Paid up Capital of Equity Shares of ₹ 2/- each, 90.94% Equity Shares (net of remat) have been dematerialised. As per notification issued by SEBI with effect from 24<sup>th</sup> July, 2000, the trading in the equity shares of the Company is permitted only in dematerialised form. The Company has entered into agreements, with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through Jupiter Corporate Services Limited to facilitate the members to demat their shares with any of the depositories.

**l) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity:**

The Company has not issued any GDRs / ADRs / Warrants / Convertible Instruments or any other instrument, which is convertible into Equity Shares of the Company.

**m) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

Company has approved and adopted Risk Management Policy and accordingly, during the year ended 31<sup>st</sup> March, 2019, the Company has managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure and hedging are disclosed in notes to the financial statements (Note No. 39(B)(i)) forming part of this Annual Report.

**n) C.E.O. / C.F.O. Certification:**

The required certificate under Regulation 17(8) of the Listing Regulations signed by the Chairman & Managing Director (C.E.O.) and the Chief Financial Officer (C.F.O.) is annexed with this report.

**o) Compliance Certificate of the Auditors:**

Certificate from the Auditors of the Company, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, is attached with this report.

**p) Plant Locations:**

Agro Processing Division	Power Division
1. Solvent Extraction Unit, Edible Oil Refinery & Vanaspati Ghee Unit, Kadi, District Mehsana, Gujarat 2. Solvent Extraction & Edible Oil Refinery, Pithampur, District Dhar, Madhya Pradesh 3. Solvent Extraction & Edible Oil Refinery, Village Kanheri-Gawali, Taluka Balapur, District Akola, Maharashtra 4. Solvent Extraction & Edible Oil Refinery, District Mandsaur, Madhya Pradesh 5. Wheat Processing Unit, Kadi, District Mehsana, Gujarat 6. Cattle Feed Unit, Kadi, District Mehsana, Gujarat 7. Wheat Processing Unit, Pithampur, District Dhar, Madhya Pradesh	1. Wind Mills (in the State of Gujarat) a. B-87, R S No. 471/P, Village Lamba, Taluka Kalyanpur, District Jamnagar b. WTG No. 1, Machine No. 1, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar c. WTG No. 2, Machine No. 2, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar d. WTG No. 3, Machine No. 6, Survey No. 400, Village Kuranga, Taluka Dwarka, District Jamnagar e. Survey No. 213/2, Village Satapar, Taluka Kalyanpur, District Jamnagar f. WTG No. 1, V-4, Survey No. 43/1/P, Village Motisindhodi, Taluka Abdasa, District Kutch g. WTG No. 2, V-7, Survey No. 36/2/P, Village Motisindhodi, Taluka Abdasa, District Kutch h. Survey No. 115/P, Village Mindiyali, Taluka Anjar, District Kutch 2. Power Plants (11 MW, 2.5MW, 6 MW, 5.5 MW, 1.5MW & 4.99MW Cogeneration Plant) Himmatnagar, Sitarganj, Shiggaon, Uttarakhand, Mandsour & Chalisgaon 3. Biogas Power Plants - Himmatnagar, Sitarganj & Shiggaon
Maize Processing Division	
1. Bio-Chemical Division, Village Dalpur, Himmatnagar, District Sabarkantha, Gujarat 2. Sitarganj, District Udham Singh Nagar, Uttarakhand 3. Village Hulsoggi, P.O. Manakatti, Taluka Shiggaon, District Haveri, Karnataka 4. Chalisgaon Plot No. A 04 MIDC, Taluka Chalisgaon, District Jalgaon City, Maharashtra 5. Malda (Maize Processing Unit) Malda Industrial Growth Center, Ph II, WBIDC, Mouza Mandilpur J L No 93 PS Malda, Malda, West Bengal (Green Field Project)	
Cotton Yarn Division	
Cotton Spinning Division Village Dalpur, Himmatnagar, District Sabarkantha, Gujarat	

**q) Investors' Correspondence:**

All communications may be addressed to Ms. Chetna Dharajiya, Company Secretary at the following address:

Gujarat Ambuja Exports Limited  
 "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road,  
 Bodakdev, P.O. Thaltej, Ahmedabad - 380 059  
 Phone: 079-61556677, Fax: 079-61556678  
 Email Id: [investor-icsl@ambujagroup.com](mailto:investor-icsl@ambujagroup.com)

Members are requested to quote their Folio no. / DP ID & Client ID, Email Id, Telephone Number and full address while corresponding with the Company / Share Transfer Agent.



**r) Credit Rating:**

The Company's financial discipline is reflected in the strong credit rating ascribed by CRISIL / CARE:

<b>Instrument Category</b>	<b>Rating Agency</b>	<b>Rating</b>
Long Term	CRISIL	CRISIL A+ / Stable
Long Term	CARE	CARE A+ / Stable
Short Term	CRISIL	CRISIL A1

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT**

This is to confirm that the Company has adopted Code of Conduct for its employees including for the Executive and Non-Executive Directors of the Company and Senior Management Personnel. The Code of Conduct and Business Ethics are posted on the Company's website.

I confirm that in respect of the Financial Year ended 31<sup>st</sup> March, 2019, the Company has received from the Senior Management Team of the Company and the Members of the Board, declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Executive Directors including all functional heads as on 31<sup>st</sup> March, 2019.

**Place : Ahmedabad**  
**Date : 25<sup>th</sup> May, 2019**

**Manish Gupta**  
**Chairman & Managing Director**

**SECRETARIAL COMPLIANCE REPORT**  
**OF**  
**GUJARAT AMBUJA EXPORTS LIMITED**  
**(CIN: L15140GJ1991PLC016151)**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

I Niraj Trivedi have examined;

- (a) all the documents and records made available to us and explanation provided by **Gujarat Ambuja Exports Limited** ("the listed entity"),
- (b) the filings / submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document / filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31<sup>st</sup> March, 2019 ("Review Period") in respect of compliance with the provisions of :
  1. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Rules, Regulations, Circulars, Guidelines issued thereunder; and
  2. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, (including any statutory modification(s) or re-enactment(s) thereof), have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable for review period;**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable for review period;**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable for review period;**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable for review period;**
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable for review period**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) other regulations as applicable and circulars / guidelines issued thereunder;

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

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

Sr. No.	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Deviations	Observations / Remarks of the Practicing Company Secretary
Not Applicable			

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

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

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations / remarks of the Practicing Company Secretary, if any.
Not Applicable				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

Place : Vadodara  
Date : 22<sup>nd</sup> May 2019

Name of PCS : NIRAJ TRIVEDI  
C. P. No. : 3123  
FCS : 3844

### CHIEF EXECUTIVE OFFICER (C.E.O.) AND CHIEF FINANCIAL OFFICER (C.F.O.) CERTIFICATION

To,  
The Board of Directors,  
Gujarat Ambuja Exports Limited

In pursuance to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Manish Gupta, Chairman & Managing Director (C.E.O.) and Dinesh Shah, Chief Financial Officer (C.F.O.) to the best of our knowledge and belief, certify that:

- We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief:
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- To the best of our knowledge and belief, there were no transactions entered into by the Company during the year which were fraudulent, illegal or which violated the Company's Code of Conduct.
- We are responsible for establishing and maintaining internal controls for financial reporting and we have:
  - evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;
  - not found any deficiencies in the design or operation of internal controls.
- We have indicated to the Company's Auditors and the Audit Committee of the Board of Directors that:
  - there is no significant changes that have occurred in the internal control over financial reporting during the year;
  - there have been no significant changes in accounting policies during the year;
  - there have been no instances of significant fraud nor there was any involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting; and
  - there were no deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data nor there were any material weaknesses in internal controls over financial reporting nor any corrective actions with regards to deficiencies, as there were none.
- We declare that all Board members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current year.

Place : Ahmedabad  
Date : 25<sup>th</sup> May, 2019

Manish Gupta  
Chairman & Managing Director

Dinesh Shah  
Chief Financial Officer





**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To,  
The Members of  
Gujarat Ambuja Exports Limited  
Ahmedabad**

**Independent Auditors' Certificate on Corporate Governance**

1. This certificate is issued in accordance with the terms of our engagement with Gujarat Ambuja Exports Limited (the 'Company').
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

**Managements' Responsibility**

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

**Auditor's Responsibility**

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

**Opinion**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2019.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Arpit Patel & Associates,  
Chartered Accountants  
ICAI Firm registration number: 144032W**

**Arpit Patel  
Partner  
Membership No.: 034032**

**Place: Ahmedabad  
Date : May 25, 2019**

**ANNEXURE-C TO DIRECTORS' REPORT: MANAGEMENT DISCUSSION AND ANALYSIS REPORT****CAUTIONARY STATEMENT**

Statements on the Management Discussion and Analysis and current year's outlook are Management's perception at the time of drawing this report. Actual results may be materially different from those expressed in the statement. Important factors that could influence the Company's operations include demand and supply conditions, availability of inputs and their prices both domestic and global, changes in Government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

**OVERVIEW OF GLOBAL BUSINESS ENVIRONMENT**

The global business was relatively stable till December 2018. The strained relationship of US with countries like North Korea, Russia, Syria and China continued during the year. It resulted in volatile movement in global trade. The trade war between US-China also has multiple rounds during the year. However it has limited impact on globe trade as the other countries had adopted wait and watch strategy.

The global price of major commodities and crude oil has reducing trends during the year. The availability of it was also at reasonable level during the year. The stability also helped the global trade stake holders to plan out its trade more efficiently during the year particularly in emerging countries.

From fourth quarter however global economy is witnessing recessionary trends. This is largely due to stressed US economy and adamant stand of US on trade with Iran.

As far as major currency is concerned, the USD improved against Euro during the year. This was largely due to BREXIT impact. This impact also helped USD also to perform better against JPY as Japan is the major stake holder in Euro currency. The CNY also had pressure of trade war and depreciated against USD.

**INDIAN ECONOMY, INDUSTRY & SCENARIO**

The Indian economy was also stable with steady growth. The major benchmarks affecting Indian economy like monsoon, stability in government policies etc. was pro economy. The good monsoon has outcome of availability of agro inputs at reasonable price till Q3 of the F.Y. The government policy also supported the Indian economy to maintain its growth. This has resulted in viability of India products at reasonable price for Indian end users of such agricultural products for forward integration to produce value added products. This also made the Indian products globally competitive. The dual benefit had major impact to sustain growth in spite of negative global factors.

The GST impact has also minimized during the year and industry has accepted the reality of it.

However the government increased MSP of major agri produce on onset of election in few major states. This has huge impact post January 2019 and the price of major agricultural input has northward trends and has impact of overall economy.

Indian Rupee also reached historically high level of ₹ 74.40 in October 2018. This has helped exporters to be more competitive in international market.

**INDUSTRY STRUCTURE AND DEVELOPMENTS & COMPANY'S PERFORMANCE**

The Company has three manufacturing segments, the products of which are having application for end use in multiple industries. All the three segments have performed as planned out by the Management during the year. The year was with good performance and the Company has breached ₹ 4000 crores in revenue generation. The year was favorable change in revenue mix due to growth of 103.63% in export revenue in F.Y. 2018-19.

The maize processing segment was having full year contribution from Chalisgaon and has excellent revenue growth.

The agro processing segment also maintained its share in top line. The positive change in segment is higher export revenue in F.Y. 2018-19.

The cotton yarn segment has negative impact on its revenue. It has lower revenue during the year; however the same is largely due to softening of the finished goods price in line with cotton price.

The power generation at each location of the Company also supported each segment to maintain its productivity.

**Maize Processing Segment**

With ramp up in utilization at Chalisgaon project, the segment has now strengthened geographical presence in West, North and South India. The segment has registered growth of 38% in top line.

The segment maintained its performance in all fronts in last financial year. The demand for corn starch in export market has huge growth during the year.



### **Agro Processing Segment**

The segment has twin manufacturing activities. The mainstream activity is oil seed crushing and downstream activity is refining of edible oil. Both the activities have registered reasonable growth during the year. The oil seed crushing has balanced its revenue share with higher exports during the year. It also sustained its domestic market with better capacity utilization. The refining activity also benefited due to higher manufacturing in mainstream activity.

The segment also benefited by the potential to export to Iran under Rupee trade agreement with government of Iran. This is going to benefit the segment in F.Y. 2019-20 also.

### **Cotton Yarn Segment**

The performance of this segment has reducing trends during the year in absolute terms. However this has not much impact on overall performance of the segment or the Company as the share of this segment is at manageable level.

### **Power division and contribution to Renewable Energy**

The Company has captive power plant at all the manufacturing units. These infrastructures help the segment to be consistent performer.

Apart from the conventional energy infrastructure, the Company is using non conventional source of energy at all the Maize processing segments. The Company has developed state of art infrastructure at these units to use industrial waste for power generation for captive use. Various units generating power of around 12MW from non conventional source of energy and contributing for environment protection.

The Company has also contributed in promoting government scheme of wind and solar energy and has grid connected facility in the States of Gujarat & Madhya Pradesh.

### **Financial performance and overall analysis**

The Company recorded operational revenue of ₹ 4021.44 crores as compared to ₹ 3376.63 crores during the previous financial year. The Company achieved EBIDTA margin of 9.55% in F.Y. 2018-19 against 9.67% in F.Y. 2017-18.

The Company achieved Earnings before Interest, Depreciation and Tax (EBIDTA) of ₹ 384.02 crores for the F.Y. 2018-19 against that of ₹ 326.38 crores for the F.Y. 2017-18.

**The EPS for the year increased to ₹ 17.28 per share as compared to ₹ 15.69 of last year.**

### **Opportunities, Threats, Risks and Concerns (OTRC)**

The OTRC have the various bench marks and keep changing on the various domestic global business outlooks.

#### **Opportunities**

1. Potential to expand capacity of high earning segments.
2. Expertise in new products development.
3. Good geographical reach and continued efforts to expand it.
4. Enhanced acceptability of new value added products.
5. Have positional to expand on our own, lower dependency of others.

#### **Risks, Threats and Concerns**

1. Internal factors and government policies.
2. Vague thinking of major strong nations. This has maximum impact on emerging market.
3. Uncertainty on monsoon and threat of global warming on it.
4. Potential to increase global trade war.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company and the Management has established adequate Internal Control systems to ensure reliable financial reporting. Internal Controls also help in assessing, evaluating, safeguarding and shielding the Company from losses and unofficial use or deposition of assets. This ensures that the Company's resources are put to optimum use and all transactions are authorized, recorded and reported correctly to the Management. The Company constantly refines and testifies its internal controls to ensure management effectiveness and efficiencies of operating procedures. The Company always adheres to set guidelines and follows all Accounting Standards prescribed for maintenance of books of accounts and reporting of financial statements. These standards require appointed Independent Internal Auditors to plan risk based audits and execute audits to assess the effectiveness of internal control over various areas of operations and financial reporting throughout the year. Summary of the observation by Internal Auditors is reported to the Audit Committee of the Board of Directors and corrective measures are taken. The Internal Control systems are designed to provide assurances on an ongoing basis so that the business operations function efficiently and ensure that applicable laws, rules, regulations and policies of the Company are followed and the reliability of financial reporting is safeguarded.

**OUTLOOK FOR THE YEAR 2019-20**

The year seems to be good for Indian economy growth. India is improving its global ranking as per reports of IMF and other agencies. This would improve the future outlook of the country. Various factors are in stable or positive mode for India. This would give more stability of currency, equity and other dominant factors which determine the growth of the Company. The Company is also quite confident to contribute to the nation growth. With its future plans and present scenario encouraging growth is visible in this F.Y.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company recognizes human capital as an extremely important and strategic resource and honors the dignity of each employee irrespective of position and highly values the cultural diversities of employees. Your Company believes in employee empowerment across the entire organization in order to achieve organizational effectiveness. Further, special efforts are made to identify specific training needs to hone the skills of the employees. Human Resources continue to get primary focus of the management and the Company regards its human resources amongst its most valuable assets. The Company has invested in people during the course of the year through various training programme in order to keep its employees competent and updated in the changing business environment. Employees at all levels are exposed to continuous training and development. Industrial relations continue to be cordial. As at the financial year ended 31<sup>st</sup> March, 2019, there were total 3233 number of employees and workers on the roll of the Company.

**DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR****Debtors Turnover**

2017-18 14.73

2018-19 18.45

Improvement 25.30%

The reason for improvement is higher sales with reduced debtors. This is improvement in managing the speedy realization of sales proceeds.

**Inventory Turnover**

2017-18 4.67

2018-19 8.02

Improvement 71.82%

The reason for improvement is lower inventory and higher revenue in the F.Y. 2018-19. Lower inventory is due to reduced availability of raw material at reasonable prices.

**Current Ratio**

2017-18 1.26

2018-19 1.86

Improvement 48.05%

The reason for improvement is lower current liability in F.Y. 2018-19. Although the current assets level also has been reduced, however the reduction in liability is almost double than reduction in assets. The reason for reduction in liability is lower bank borrowing.

**Debt Equity Ratio**

2017-18 0.63:1

2018-19 0.17:1

Improvement 72.22%

The reason for improvement is reduction in debt by more than ₹ 400 crores and improvement in own fund due to retained earnings.



**ANNEXURE-D TO DIRECTORS' REPORT: BUSINESS RESPONSIBILITY REPORT**

(As per Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1.	Corporate Identity Number (CIN) of the Company	L1514GJ1991PLC016151
2.	Name of the Company	Gujarat Ambuja Exports Limited
3.	Registered Address	Ambuja Tower, Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. - Thaltej, Ahmedabad - 380059
4.	Website	<a href="http://www.ambujagroup.com">www.ambujagroup.com</a>
5.	E-mail id	<a href="mailto:investor-jcsl@ambujagroup.com">investor-jcsl@ambujagroup.com</a>
6.	Financial Year Reported	2018-19
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Soya De-Oiled Cake (104), Maize Starch (106), Raw & Refine Soya Oil (108)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Edible Oil Maize Starch and Derivatives Cotton Yarn
9.	Total number of locations where business activity is undertaken by the Company	
	a) Number of International Locations (Provide details of major 5)	N.A.
	b) Number of National Locations	15
10.	Markets served by the Company	Local / State / National / International

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

1.	Paid up Capital (INR)	22.93 crores
2.	Total Turnover (INR)	4033.08 crores
3.	Total profit after taxes (INR)	198.15 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	INR 46.71 lacs
5.	List of activities in which expenditure in 4 above has been incurred	Refer to Annexure-H to Director's Report of Annual Report

**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%]	Yes, less than 30%

## SECTION D: BR INFORMATION

<b>1. Details of Director / Directors responsible for BR</b>	
(A) Details of the Director / Director responsible for implementation of the BR policy / policies	1. DIN Number : 00027244 2. Name : Shri Sandeep Agrawal 3. Designation : Whole-Time Director
(B) Details of BR Head	1. DIN Number : 00027244 2. Name : Shri Sandeep Agrawal 3. Designation : Whole-Time Director 4. Telephone No. : 079-61556677 5. Email Id : <a href="mailto:sandeep@ambujagroup.com">sandeep@ambujagroup.com</a>

1.	P1 → Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
2.	P2 → Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
3.	P3 → Businesses should promote the well-being of all employees
4.	P4 → Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
5.	P5 → Businesses should respect and promote human rights
6.	P6 → Business should respect, protect and make efforts to restore the environment
7.	P7 → Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
8.	P8 → Businesses should support inclusive growth and equitable development
9.	P9 → Businesses should engage with and provide value to their customers and consumers in a responsible manner

**2. Principle-wise (as per NVGs) BR Policy / policies****a) Details of compliance (Reply in Y/N)**

No	Questions	Principles								
		1	2	3	4	5	6	7	8	9
1	Do you have policy/policies for...	YES	YES	YES	YES	YES	YES	YES	YES	YES
2	Has the policy been 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? (50 words)	YES	YES	YES	YES	YES	YES	YES	YES	YES
4	Has the policy being approved by the Board? If yes, has it been signed by MD / owner/CEO / appropriate Board Director?	YES	YES	YES	YES	YES	YES	YES	YES	YES
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
6	Indicate the link for the policy to be viewed online?	<a href="http://www.ambujagroup.com">www.ambujagroup.com</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	YES	YES	YES	YES	YES	YES	YES	YES	YES
8	Does the company have in-house structure to implement the policy / policies?	YES	YES	YES	YES	YES	YES	YES	YES	YES
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
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



**(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

No	Questions	Principles								
		1	2	3	4	5	6	7	8	9
1	The company has not understood the Principles	<b>NOT APPLICABLE</b>								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

**3. Governance related to BR**

A) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Annually
B) Does the Company publish a BR or a Sustainability Report? What is the hyperlink or viewing this report? How frequently it is published?	Yes. Annually. The same forms part of Annual Report available on <a href="http://www.ambujagroup.com">www.ambujagroup.com</a>

**SECTION E: PRINCIPLE - WISE PERFORMANCE**

**Principle 1- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

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?	Our policies related to ethics, bribery and corruption are part of our corporate governance framework and cover the Company and its suppliers. For more details refer to compliance with corporate governance codes Corporate Governance Report chapter in this report and Whistleblower Policy available on our website.
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.	Gujarat Ambuja stakeholders include our investors, clients, employees, vendors, government and local communities. 26 complaints and all are satisfactorily resolved

**Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.	<ul style="list-style-type: none"> <li>• Dextrose Anhydrous</li> <li>• Sorbitol</li> <li>• Dextrose Monohydrate Powder</li> </ul>
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	
	(A) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?	The Company believes that in order to function effectively and profitably, the Company needs to endeavor to improve the quality of life of people and to ensure this, the Company is required to thoroughly work upon all stages of the product life cycle, right from design to final disposal of the goods after use. Gujarat Ambuja Exports Limited's vision supports the development of goods which are

		environmentally sustainable. As part of the vision, the Company aspires to develop products which consume lesser resources (energy, water), emit fewer greenhouse gases and include recyclable, renewable, and / or natural materials to the maximum possible extent, through extensive research. The Company stays committed to making environment sustainability a key part of its business and has invested in Windmills and Solar Power plants, Bio Gas engines and Effluent treatment plants. Company is using industrial waste for power generation for captive use
3.	Does the company have procedures in place for sustainable sourcing (including transportation)?	Yes
	(A) If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.	Our Responsible Supply Chain Policy guides our action in the supply chain and interaction with our supply chain partners. The Company has a vendor development program. While the Company has long term relationships and understandings with several suppliers, the Company does not have long term contractual agreements with majority of its suppliers. Raw material price fluctuations are mitigated through timely procurements which is in commensurate with Export orders. Since many years, the Company has encouraged local contractors and service providers and offers them opportunities. Additionally, the Company has also promoted skills and livelihood development in the neighboring community
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?	The Company recognizes that it has the responsibility to think and act beyond the interests of its shareholders, to include all its stakeholders. The stakeholder engagement process consists of a variety of activities from stakeholder identification, consultation, prioritization, and collaboration. The identification of all relevant stakeholders and understanding their expectations is of high concern for the Company in its quest to be sustainable. The Company identifies key stakeholders on the basis of their influence on the Company's operations and the Company's impact on them. The Company has already identified and prioritized key stakeholders and continues its engagement with them through various mechanisms such as consultations with local communities, supplier / vendor meets customer / employees satisfaction surveys, investor forums, etc. Since many years, the Company has encouraged local contractors and service providers and offers them opportunities. Additionally, the Company has also promoted skills and livelihood development in the neighboring community
5.	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 <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The Company stays committed to making environment sustainability a key part of its business and has invested in Windmills and Solar Power plants, Bio Gas engines and Effluent treatment plants. Company is using industrial waste for power generation for captive use. Use of Bio gas in digester to produce electricity





**Principle 3 - Businesses should promote the well-being of all employees**

1.	Please indicate the Total number of employees	Our full-time, permanent employee count stands at 3233 as on 31 <sup>st</sup> March, 2019	
2.	Please indicate the Total number of employees hired on temporary / contractual / casual basis.	1331	
3.	Please indicate the Number of permanent women employees.	The number of our permanent women employees is 337 as on 31 <sup>st</sup> March, 2019	
4.	Please indicate the Number of permanent employees with disabilities	Being an equal opportunity employer, we encourage employees to disclose their disabilities and seek reasonable accommodation to allow them to perform to their full potential. The number of employees who have voluntarily disclosed their disability status and the nature of disability stands at 11, as on 31 <sup>st</sup> March, 2019	
5.	Do you have an employee association that is recognized by Management?	Yes	
6.	What percentage of your permanent employees is members of this recognized employee association?	72% of Biochemical Division at Himmatnagar and 100% employees at Cotton Yarn Division at Himmatnagar	
7.	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	There are no such complains. Further the forums to deal with issues and concerns raised by our employees are as follows: <ul style="list-style-type: none"> <li>• Vigil Mechanism / Whistle Blower Policy</li> <li>• Policy on protection of women against sexual harassment at workplace</li> </ul>	
No.	Category	No of complaints filed during the F.Y.	No of complaint pending as on end of F.Y.
1	Child labour/forcedlabour/involuntary labour	NIL	
2	Sexual harassment		
3	Discriminatory employment		
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	a) Permanent Employees :- 72% b) Permanent Women Employees :- 100% c) Casual/Temporary/Contractual Employees:- 55% d) Employees with Disabilities :- 80%	

**Principle 4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

1.	Has the company mapped its internal and external stakeholders?	Yes. The Company has mapped its stakeholders as a part of its stakeholder engagement process
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes
3.	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 ?	Yes, as a socially responsible organization, we are committed to work for the welfare of the communities around us. Our community engagement interventions include, as a part of social responsibility we are purchasing Maize and Soyabean seed directly from the farmers and sticking the right balance between the big traders and farmers as well. Also company is contributing for education and roads for villagers through its efforts under Corporate Social Responsibility

**Principle 5 - Businesses 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 follows its policy on Human Rights which are applicable to the Company and Contractors
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	The Company has not received any stakeholder complaints in the financial year 2018-19 related to Human Rights

**Principle 6 - Business should respect, protect and make efforts to 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's EHS Policy clearly focuses to prevent / minimize adverse environmental impacts, occupational health and safety risks, so far as is reasonably practicable, through continual improvements in systems, processes, practices and effective risk management and mitigation strategies, respond sensitively to the environmental concerns of the communities and take necessary measures for implementing product stewardship practices. The Company is also committed to enhance awareness on Sustainability, Environment, and Health & Safety (EHS) amongst our employees, associates and supply chain partners through effective engagement, communication, consultation and training
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. Company is contributing to environment protection through installation of Solar Power plants, Windmills and Biogas Engines
3.	Does the company identify and assess potential environmental risks? Y/N	Yes
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?	Company does not have any such project related to Clean Development Mechanism
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.	Yes. For more details refer to Page 56 of Annual Report
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes. The effluents, emissions and wastes generated by the manufacturing facilities of the Company are within the permissible limits
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	There are no show cause / legal notices received from Central and State Pollution Control Boards which are pending as at the end of financial year 2018-19

**Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

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:	a) The Soybean Processors Association of India (SOPA) b) The All India Starch Manufacturer's Association Private Limited (AISMA)
2.	Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad (drop box: Governance and Administration, areas Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	The Company supports the initiatives taken by above association in their endeavor for the advancement or improvement of public good

**Principle 8 - Businesses should support inclusive growth and equitable development**

1.	Does the company have specified programmers / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.	Company is working closely with its ecosystem to create a sustainable & inclusive growth for all. We believe that social, environmental and economic values are interlinked and we belong to an Interdependent Ecosystem comprising Shareholders, Consumers, Employees, Government, Environment and Society. We are committed to ensure a positive impact of our existence on all these stakeholders
2.	Are the programmers / projects undertaken through in-house team / own foundation / external NGO / government structures/any other organization?	Yes, we are undertaking the programs through in-house resources
3.	Have you done any impact assessment of your initiative?	The CSR programmes and their impacts / outcomes are monitored and reviewed by the CSR Committee of the Board and management periodically, to understand the impact of these programmes
4.	What is your company's direct contribution to community development projects-Amount in INR and the details of the projects under taken?	During the Financial Year 2018-19, the Company spent ₹ 46.71 Lacs on various CSR initiatives, detailed in Annexure-H to the Directors' Report
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so	Implementation of the CSR programmes / projects is ensured through site visits

**Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	No consumer complaints are pending as on the end of financial year 2018-19
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 behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	There have been no cases relating to unfair trade practices, irresponsible advertising and / or anti-competitive behavior against the Company during the last five years and as at the end of financial year 2018-19
4.	Did your company carry out any consumer survey / consumer satisfaction trends?	Customer satisfaction surveys are being conducted frequently for betterment of the products, feedback and improving delivering mechanism

**ANNEXURE-E TO DIRECTORS' REPORT****Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014****A. Conservation of Energy****(i) The steps taken or impact on conservation of energy:**

All manufacturing units of the Company have taken various initiatives for saving energy consumption. Teams of all the units continuously monitor energy consumption and plan and execute various energy conservation schemes. Best practices and bench marking parameters are implemented in all units. Various energy efficient equipment like chillers, air compressors, motors, cooling tower etc. are installed in all the manufacturing units. The Company also has undertaken various initiatives towards green energy thereby contributing towards clean environment. Continuous efforts and initiatives are being planned in the coming year in this direction.

**(ii) The steps taken by the Company for utilising alternate sources of energy:**

The Company has taken initiatives to generate energy through renewable sources like solar power, biogas and biomass (rice husk).

**(iii) The capital investment on energy conservation equipments:**

The Company has spent ₹ 7.73 crores as capital investment on energy conservation during the F.Y. 2018-19.

**B. Technology Absorption****(i) The efforts made towards technology absorption:**

The Company has been putting emphasis to train its technical personnel by way of providing training to them for the latest technology available.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:**

The above efforts have improved the quality of the product. Besides, it has also improved the productivity and reduced the wastages.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

- The details of technology imported: N.A.
- The year of import: N.A.
- Whether the technology been fully absorbed: N.A.
- If not fully absorbed, areas where absorption has not taken place and the reasons thereof: N.A.

**(iv) Expenditure incurred on research and development:**

Sr. No.	Particulars	2018-19	2017-18
a)	Capital	Nil	Nil
b)	Recurring (in ₹)	Nil	Nil
c)	Total	Nil	Nil
d)	Total R&D Expenditure as % of total turnover	Nil	Nil

**C. Foreign exchange earning in terms of actual inflows and actual outflows**

(₹ in crores)

Particulars	2018-19	2017-18
Foreign Exchange earned in terms of Actual Inflows	972.97	576.29
Foreign Exchange outgo in terms of Actual Outflows	391.71	285.68



## **ANNEXURE-F TO DIRECTORS' REPORT**

**Form No. AOC-2**

**[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

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

**1. Details of contracts or arrangements or transactions not at arm's length basis – NIL**

- (a) Name(s) of the related party and nature of relationship : **NA**
- (b) Nature of contracts/arrangements/transactions : **NA**
- (c) Duration of the contracts / arrangements/ transactions : **NA**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : **NA**
- (e) Justification for entering into such contracts or arrangements or transactions : **NA**
- (f) Date(s) of approval by the Board : **NA**
- (g) Amount paid as advances, if any : **NA**
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 : **NA**

**2. Details of material contracts or arrangement or transactions at arm's length basis – NIL**

- (a) Name(s) of the related party and nature of relationship : **NA**
- (b) Nature of contracts / arrangements / transactions : **NA**
- (c) Duration of the contracts / arrangements / transactions : **NA**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : **NA**
- (e) Date(s) of approval by the Board, if any : **NA**
- (f) Amount paid as advances, if any : **NA**

Notes:

- 1. As defined under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Policy on Related Party Transactions adopted by the Board of Directors of the Company, there were no Material Related Party Transaction entered during the F.Y. 2018-19.
- 2. All transactions with related parties were in the Ordinary Course of Business and at arm's length basis and were specifically approved by the Audit Committee and the Board of Directors of the Company.

**For and on behalf of the Board of Directors**

**Place : Ahmedabad  
Date : 25<sup>th</sup> May, 2019**

**Manish Gupta  
Chairman & Managing Director  
(DIN: 00028196)**

**ANNEXURE-G TO DIRECTORS' REPORT : SECRETARIAL AUDIT REPORT****FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members  
Gujarat Ambuja Exports Limited  
CIN: L15140GJ1991PLC016151  
"Ambuja Tower", Opp. Sindhu Bhavan,  
Sindhu Bhavan Road, Bodakdev,  
P.O. Thaltej,  
Ahmedabad -380059

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gujarat Ambuja Exports Limited ("the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31<sup>st</sup> March, 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force);
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not applicable to the Company during the Audit Period**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not applicable to the Company during the Audit Period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable to the Company during the Audit Period**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable to the Company during the Audit Period**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable to the Company during the Audit Period**
- (vi) Other applicable laws: We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company as given below:
  - i. The Apprentices Act, 1961



- ii. The Building and Other Construction Workers Act, 1996 (Regulation Of Employment and Conditions of Service) Act, 1996
- iii. The Child Labour (Prohibition and Regulation) Act, 1986
- iv. The Contract Labour (Regulation & Abolition) Act, 1970
- v. The Employees' Compensation Act, 1923
- vi. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- vii. The Factories Act, 1948
- viii. The Maternity Benefit Act, 1961
- ix. The Minimum Wages Act, 1948
- x. The Payment of Wages Act, 1936
- xi. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- xii. The Bombay Labour Welfare Fund Act, 1953
- xiii. The Payment of Bonus Act, 1965
- xiv. The Payment of Gratuity Act, 1972
- xv. The Professional Tax Act, 1976
- xvi. The Equal Remuneration Act, 1976
- xvii. The Employees State Insurance Act, 1948
- xviii. The Industrial Disputes Act, 1947
- xix. The Industrial Employment (Standing Orders) Act, 1946
- xx. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

We have also examined compliance with the applicable clauses 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 BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, the Company has taken following actions or entered into events having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

**Place : Ahmedabad**  
**Date : 25<sup>th</sup> May, 2019**

**Name of Company Secretary in Practice : NIRAJ TRIVEDI**  
**C. P. No. : 3123**  
**FCS : 3844**  
**PR : 499/2016**

**Note:** This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

**'Annexure A'**

To,  
The Members  
Gujarat Ambuja Exports Limited  
CIN: L15140GJ1991PLC016151  
"Ambuja Tower", Opp. Sindhu Bhavan,  
Sindhu Bhavan Road, Bodakdev,  
P.O. Thaltej,  
Ahmedabad – 380 059

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

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

**NIRAJ TRIVEDI**  
**Practicing Company Secretary**  
**FCS - 3844**  
**C. P. No. 3123**

**Date : 25<sup>th</sup> May, 2019**  
**Place: Ahmedabad**





## **ANNEXURE-H TO DIRECTORS' REPORT**

### **ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

[As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) as amended from time to time]

**1. A brief outline of the Company's Corporate Social Responsibility (CSR) Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

#### **INTRODUCTION**

The Company's aim is to be one of the most respected companies in India delivering superior and everlasting value to all customers, associates, shareholders, employees and society at large. The CSR initiatives focus on holistic development of mass communities and create social, environmental and economic value to the society.

#### **APPLICABILITY**

The Company's CSR Policy has been prepared in accordance with Section 135 of the Companies Act, 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India, in 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) as amended from time to time.

#### **ROLES AND RESPONSIBILITIES OF THE CSR COMMITTEE**

The roles and responsibilities of the CSR Committee are as under:

- Formulate, monitor and recommend to the Board, the CSR Policy;
- Recommend to the Board, modifications to the CSR Policy as and when required;
- Recommend to the Board, the amount of expenditure to be incurred on the activities undertaken;
- Review the performance of the Company in the area of CSR, including the evaluation of the impact of the Company's CSR activities;
- Review the Company's disclosure of CSR matters;
- Consider other functions, as defined by the Board, or as may be stipulated under any law, rule or provisions of the Companies Act, 2013.

#### **POLICY REVIEW**

This Policy is framed based on the provisions of the Act and Rules thereunder.

In case of any subsequent changes in the provisions of the Act or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

This Policy shall be reviewed by the CSR Committee as and when any changes are to be incorporated in the Policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the Policy as recommended by the Committee would be given for approval of the Board of Directors.

- 2. Composition of the CSR Committee:** Late Shri Vijaykumar Gupta (Chairman) (upto 23<sup>rd</sup> May, 2018), Shri Manish Gupta (Chairman) (w.e.f. 24<sup>th</sup> May, 2018), Smt. Sulochana Gupta (w.e.f. 24<sup>th</sup> May, 2018) and Shri Rohit Patel
- 3. Average net profit of the Company for last three financial years (2015-16 to 2017-18):** ₹ 199.65 crores
- 4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above) (2015-16 to 2017-18):** ₹ 3.99 crores
- 5. Details of CSR spend during the F.Y. 2018-19:**
  - a) Total amount to be spent for the F.Y. 2018-19:** ₹ 3.99 Crores
  - b) Amount unspent, if any:** Refer Note 6

## (c) Manner in which the amount spent during the F.Y. 2017-18 is detailed below:

(Amount in ₹)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (Budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: 2018-19	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency
1.	Contribution towards renovation and maintenance of garden at Motipura	Environmental sustainability	Himmatnagar (Gujarat)	N.A.	13,500	13,500	Direct
2.	Contribution towards development of Madli primary school	Education	Shiggaon, Haveri (Karnataka)	N.A.	70,000	83,500	Direct
3.	Contribution towards providing uniforms to the students of Katwad primary school	Education	Prantij (Sabarkantha)	N.A.	15,000	98,500	Direct
4.	Contribution towards 150 GI corrugated sheets to villagers at Dalpur	Rural Development Projects	Sabarkantha, (Gujarat)	N.A.	96,000	1,94,500	Direct
5.	Contribution towards cost of bore well to arrange clean drinking water for residents of Ukrauli village	Making available safe drinking water	Sitarganj, Udham Singh Nagar, (Uttarakhand)	N.A.	1,14,173	3,08,673	Direct
6.	Contribution towards providing 25 sets of two seater desks & benches for class rooms to government higher secondary school at Nisani	Education	Pauri Garhwal, (Uttarakhand)	N.A.	63,550	3,72,223	Direct
7.	Contribution towards renovation and maintenance of garden at Motipura	Environmental Sustainability	Himmatnagar	N.A.	13,500	3,85,723	Direct
8.	Contribution for construction of boundary wall, renovating old class rooms and kitchen of government primary school at Ukrauli-Phase I	Education	Sitarganj, (Uttarakhand)	N.A.	2,03,232	5,88,955	Direct
9.	Contribution towards digging work of lakes under "Sujlam Suflam Jal Abhiyan" at villages of Prantij Taluka	Environmental Sustainability	Sabarkantha, (Gujarat)	N.A.	96,176	6,85,131	Direct
10.	Contribution towards development of Digital Library at JMJ College	Education	Shiggaon, Karnataka	N.A.	1,78,015	8,63,146	Direct
11.	Contribution towards providing 25 sets of two seater desks & benches for class rooms to government inter college at Chopriyoun	Education	Pauri Garhwal, (Uttarakhand)	N.A.	74,989	9,38,135	Direct
12.	Contribution towards cleaning of river Morna under "Mission Clean Morna River"	Environmental Sustainability	Akola	N.A.	100,000	10,38,135	Direct
13.	Contribution towards renovation and maintenance of garden at Motipura	Environmental Sustainability	Himmatnagar	N.A.	25,452	10,63,587	Direct
14.	Contribution for construction of boundary wall, renovating old class rooms and kitchen of government primary school at Ukrauli-Phase II	Education	Sitarganj, (Uttarakhand)	N.A.	1,72,918	12,36,505	Direct
15.	Contribution towards orphan conference with objective of bringing awareness about orphans, adoption of orphans and issues related to orphans care	Orphans upliftment	Nagpur (Maharashtra)	N.A.	1,11,111	13,47,616	Direct



16.	Contribution towards construction of school building, renovation of classrooms, provision of black board and promoting education at school at Akodara	Education	Himmatnagar (Gujarat)	N.A.	21,70,599	35,18,215	Direct
17.	Contribution towards providing water filter plant for students of Ashramshala school at village Khadki	Making available safe drinking water	Jalgaon (Maharashtra)	N.A.	65,000	35,83,215	Direct
18.	Contribution towards providing water filter plant for ZP upper primary school students at village Khadki	Making available safe drinking water	Jalgaon (Maharashtra)	N.A.	65,000	36,48,215	Direct
19.	Contribution towards repairing of drainage and construction of protection valve at village Nananpura	Enabling public health system	Sabarkantha (Gujarat)	N.A.	2,49,986	38,98,201	Direct
20.	Contribution towards renovation and maintenance of garden at Motipura	Environmental sustainability	Himmatnagar (Gujarat)	N.A.	13,500	39,11,701	Direct
21.	Contribution for construction of boundary wall, renovating old classrooms and kitchen of government primary school at Ukrauli-Phase III	Education	Sitarganj (Uttarakhand)	N.A.	81,537	39,93,238	Direct
22.	Contribution towards building public toilet	Promotion of Sanitation	Sabarkantha (Gujarat)	N.A.	20,000	40,13,238	Direct
23.	Contribution towards purchase of utensils to be used for drinking water purpose in central jail	Making available safe drinking water	Sitarganj (Uttarakhand)	N.A.	29,800	40,43,038	Direct
24.	Contribute towards development of community hall at Madli	Rural Development Projects	Shiggaon, Haveri (Karnataka)	N.A.	4,50,000	44,93,038	Direct
25.	Contribution towards installation and erection of drinking water RO plant for training school students and S P office staff	Education	Haveri (Karnataka)	N.A.	61,017	45,54,055	Direct
26.	Contribution towards development of state level sports activities of the school at Shishuvinahala	Education	Shiggaon (Karnataka)	N.A.	51,000	46,05,055	Direct
27.	Contribution towards construction of toilet and bath-room block at Central jail camp premises at Sidcul-Phase-I	Promotion of Sanitation	Sitarganj (Uttarakhand)	N.A.	66,294	46,71,349	Direct
	<b>TOTAL</b>				<b>46,71,349</b>		

CSR Policy and details of amount spent during the F.Y. 2018-19 are available on the website of the Company (URL: [https://www.ambujagroup.com/wp-content/uploads/2019/07/CSR\\_Spending\\_18-19.pdf](https://www.ambujagroup.com/wp-content/uploads/2019/07/CSR_Spending_18-19.pdf) )

**6. Reason for not spending the amount (in case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof):**

The Company's core objective under CSR is to provide Education for enhancing Employment and Employability through skill development and vocational skills training which is mainstream to eradicate poverty, hunger & malnutrition in the area where the Company operates its business. The Company also undertakes some small projects annually, the requirement of which is recognized due to an immediate need of a particular section of the society. The Company also continues to focus its CSR activities on the surrounding communities in and around Company's affairs, factories in the domains of rural development, developed comprehensive plan for upliftment of rural and backward area through rural development projects, education, skill development, health and environment. However, in all major initiatives pursued by the Company, the underlying objective is to ensure that funds are allocated and utilized in a planned manner, so as to derive sustainable long term benefits to the community at large. The overall CSR spent was ₹ 0.47 crores during the F.Y. 2018-19 as against gross amount required to be spent of ₹ 3.99 crores during the F.Y. 2018-19. During the F.Y. 2018-19, the Company endeavored to meet the budgeted expenditure by contributing in various eligible CSR activities and has committed to incur expenditure for CSR initiatives in the coming years through structured events or programs and projects. The Company has taken steps in the right direction and going forward is committed to actively engage with the partners / NGOs to execute the said events or projects and programs and incur expenditure in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. As a socially responsible Company, the Company is in continuous process of exploring new opportunities which shall align to its CSR policy and is committed to create maximum impact on the society at large over the coming years.

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

Place : Ahmedabad  
Date : 25<sup>th</sup> May, 2019

**Manish Gupta**  
Chairman & Managing Director  
Chairman CSR Committee

**Rohit Patel**  
Independent Director  
Member CSR Committee

**ANNEXURE-I TO DIRECTORS' REPORT**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENTS RULES, 2016**

- (i) **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the F.Y. 2018-19 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the F.Y. 2018-19 are as under:**

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director / KMP for F.Y. 2018-19 (₹ in crores)	Remuneration of Director / KMP for F.Y. 2017-18 (₹ in crores)	% increase / decrease in remuneration in the F.Y. 2018-19	Ratio of remuneration of each Director / to median remuneration of employees
1	Late Shri Vijaykumar Gupta* (Chairman & Managing Director)	0.12	6.56	-	7.00
2	Shri Manish Gupta** (Chairman & Managing Director)	25.84	18.06	43.08	1509.30
3	Shri Mohit Gupta*** (Joint Managing Director)	-	0.08	-	-
4	Shri Sandeep Agrawal (Whole-Time Director)	0.60	0.57	5.27	35.05
5	Smt. Sulochana Gupta (Non-Executive Director)	0.03	0.03	Nil	1.75
6	Shri Rohit Patel (Independent Director)	0.04	0.04	Nil	2.34
7	Shri Sudhin Choksey (Independent Director)	0.05	0.05	Nil	2.92
8	Shri Rashmikant Joshi (Independent Director)	0.03	0.04	25.00	1.75
9	Shri Vishwavir Saran Das (Independent Director)	0.03	0.03	Nil	1.75
10	Shri Sandeep Singhi (Independent Director)	0.04	0.03	33.33	2.34
11	Shri Dinesh Shah (Chief Financial Officer)	0.48	0.44	9.10	N.A.
12	Ms. Chetna Dharajiya (Company Secretary)	0.15	0.14	7.14	N.A.

\* Sad demise on 23<sup>rd</sup> May, 2018

\*\* Re-appointed as Chairman & Managing Director w.e.f. 28<sup>th</sup> December, 2018

\*\*\* Ceased to be Joint Managing Director & Director w.e.f. the close of business hours of 31<sup>st</sup> May, 2017

- ii) The median remuneration of employees of the Company during the F.Y. 2018-19 was ₹ 1,71,205/-.
- iii) In the F.Y. 2018-19, there was an increase of 7.75% in the median remuneration of employees.
- iv) There were 3233 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2019.
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the F.Y. 2018-19 was 6.78%, whereas the increase in the managerial remuneration for the same F.Y. was 5.44%. The criteria for increase in remuneration of employees other than Managerial Personnel is based on an internal performance evaluation carried out by the Management annually, which is further based on overall performance of the Company.
- vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

The information required under provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing AGM. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the Registered Office of the Company.

**For and on behalf of the Board of Directors**

Place : Ahmedabad  
Date : 25<sup>th</sup> May, 2019

**Manish Gupta**  
Chairman & Managing Director  
(DIN: 00028196)



**ANNEXURE-J TO DIRECTORS' REPORT: FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**as on financial year ended on 31<sup>st</sup> March, 2019**

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

**I REGISTRATION & OTHER DETAILS:**

i	<b>CIN</b>	L15140GJ1991PLC016151
ii	<b>Registration Date</b>	21 <sup>st</sup> August, 1991
iii	<b>Name of the Company</b>	Gujarat Ambuja Exports Limited
iv	<b>Category/Sub-category of the Company</b>	Company limited by shares / Indian Non-Government Company
v	<b>Address of the Registered Office &amp; contact details</b>	"Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad – 380 059 Phone: 079-61556677, Fax: 079-61556678 Email Id: <a href="mailto:investor-icsl@ambujagroup.com">investor-icsl@ambujagroup.com</a>
vi	<b>Whether listed company</b>	Yes
vii	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any</b>	Jupiter Corporate Services Limited "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad – 380 059 Phone: 079-61556677, Fax: 079-61556678 Email Id: <a href="mailto:jayvijay@ambujagroup.com">jayvijay@ambujagroup.com</a>

**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 :

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service*	% to total turnover of the Company <sup>#</sup>
i	Soya De-Oiled Cake	104	20.97%
ii	Maize Starch	106	18.95%
iii	Raw & Refine Soya Oil	108	17.95%

\* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

<sup>#</sup> On the basis of Gross Turnover

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:**

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
i			NA		

**IV SHAREHOLDING PATTERN (Equity Share Capital break up as % to total equity):**

(i) **Category-wise share holding:**

Category of shareholders	No. of shares held at the beginning of the year (1 <sup>st</sup> April, 2018)				No. of shares held at the end of the year (31 <sup>st</sup> March, 2019)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	73116951	0	73116951	63.76	73116951	0	73116951	63.76	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A)(1)</b>	<b>73116951</b>	<b>0</b>	<b>73116951</b>	<b>63.76</b>	<b>73116951</b>	<b>0</b>	<b>73116951</b>	<b>63.76</b>	<b>0.00</b>

<b>(2) Foreign</b>									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0	0.00
d) Banks/ FI	0	0	0	0.00	0	0	0	0	0.00
e) Any other	0	0	0	0.00	0	0	0	0	0.00
<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>73116951</b>	<b>0</b>	<b>73116951</b>	<b>63.76</b>	<b>73116951</b>	<b>0</b>	<b>73116951</b>	<b>63.76</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
(1) Institutions									
a) Mutual Funds	470787	61045	531832	0.46	760169	61045	821214	0.72	0.26
b) Banks/ FI	110186	3950	114136	0.10	59291	3950	63241	0.06	-0.04
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FII/S	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)									
A) Foreign Portfolio Investors	724046	0	724046	0.64	2037992	0	2037992	1.77	1.13
<b>Sub Total (B)(1):</b>	<b>1305019</b>	<b>64995</b>	<b>1370014</b>	<b>1.20</b>	<b>2857452</b>	<b>64995</b>	<b>2922447</b>	<b>2.55</b>	<b>1.35</b>
<b>(2) Non Institutions</b>									
a) Bodies Corporate									
i) Indian	3339838	72455	3412293	2.98	3387082	55655	3442737	3.00	0.03
ii) Indian IEPF	4494755	0	4494755	3.92	4494793	0	4494793	3.92	0.00
iii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	11482153	11018705	22500858	19.62	16653635	9972220	26625855	23.22	3.60
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lac	8757717	50075	8807792	7.68	3020890	0	3020890	2.63	-5.05
c) Others (specify)									
i) Any Other (Non-promoter director)	7089	0	7089	0.01	7089	0	7089	0.01	0.00
ii) Trust	5725	0	5725	0.00	20463	0	20463	0.02	0.01
iii) NRI Shareholding	420149	300310	720459	0.63	545146	291130	836276	0.73	0.10
iv) LLP	231729	0	231729	0.20	180164	0	180164	0.16	-0.04
<b>Sub Total (B)(2):</b>	<b>28739155</b>	<b>11441545</b>	<b>40180700</b>	<b>35.04</b>	<b>28309262</b>	<b>10319005</b>	<b>38628267</b>	<b>33.69</b>	<b>-1.35</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>30044174</b>	<b>11506540</b>	<b>41550714</b>	<b>36.24</b>	<b>31166714</b>	<b>10384000</b>	<b>41550714</b>	<b>36.24</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>103161125</b>	<b>11506540</b>	<b>114667665</b>	<b>100.00</b>	<b>104283665</b>	<b>10384000</b>	<b>114667665</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters:**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)			Shareholding at the end of the year (31 <sup>st</sup> March, 2019)			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	Late Shri Vijaykumar Gupta*	20841083	18.18	Nil	0	0.00	Nil	-18.18
2	Shri Manish Gupta	37585230	32.78	Nil	37585230	32.78	Nil	0.00
3	Smt. Sulochana Gupta	4485385	3.91	Nil	24976468	21.78	Nil	17.87
4	Smt. Shilpa Gupta	7023253	6.12	Nil	7044253	6.14	Nil	0.02
5	Shri Shreyaan Gupta	3182000	2.77	Nil	3511000	3.06	Nil	0.29
	<b>Total</b>	<b>73116951</b>	<b>63.76</b>		<b>73116951</b>	<b>63.76</b>		<b>0.00</b>

\* Sad demise on 23<sup>rd</sup> May, 2018



**(iii) Change in Promoters' shareholding:**

Sr. No.	For each of Promoters	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Late Shri Vijaykumar Gupta*	20841083	18.18	01/04/18	0		20841083	18.18
				03/04/18	-318000	Gift	20523083	17.90
				22/06/18	-20523083	Transmission	0	0.00
		0	0.00	31/03/19			0	0.00
2	Shri Manish Gupta	37585230	32.78	01/04/18	Nil Movement		37585230	32.78
		37585230	32.78	31/03/19	During the Year		37585230	32.78
3	Smt. Sulochana Gupta	4485385	3.91	01/04/18	0		4485385	3.91
				22/06/18	20523083	Transmission	25008468	21.81
				28/11/18	-21000	Gift	24987468	21.79
				04/01/19	-11000	Gift	24976468	21.78
		24976468	21.78	31/03/19			24976468	21.78
4	Smt. Shilpa Gupta	7023253	6.12	01/04/18	0		7023253	6.12
				28/11/18	21000	Gift	7044253	6.14
		7044253	6.14	31/03/19			7044253	6.14
5	Shri Shreyaan Gupta	3182000	2.77	01/04/18	0		3182000	2.77
				03/04/18	318000	Gift	3500000	3.05
				04/01/19	11000	Gift	3511000	3.06
		3511000	3.06	31/03/19			3511000	3.06

\* Sad demise on 23<sup>rd</sup> May, 2018

**(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters & holders of GDRS & ADRS):**

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year (1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Mohit Gupta	2500000	2.18	01/04/18			2500000	2.18
				11/05/18	-168500	Market Sale	2331500	2.03
		2331500	2.03	31/03/19			2331500	2.03
2	IIFL Re Organize India Equity Fund	0	0.00	01/04/18			0	0.00
				07/09/18	166913	Market Purchase	166913	0.15
				14/09/18	211771	Market Purchase	378684	0.33
				21/09/18	10361	Market Purchase	389045	0.34
				29/09/18	197263	Market Purchase	586308	0.51
				07/12/18	36952	Market Purchase	623260	0.54
				14/12/18	2473	Market Purchase	625733	0.55
				11/01/19	19876	Market Purchase	645609	0.56
				18/01/19	40121	Market Purchase	685730	0.60
				25/01/19	21163	Market Purchase	706893	0.62
				01/02/19	13465	Market Purchase	720358	0.63
		08/02/19	17148	Market Purchase	737506	0.64		
		31/03/19			737506	0.64		
3	Ajay Upadhyay	710000	0.62	01/04/18			710000	0.62
				13/04/18	-38381	Market Sale	671619	0.59
				20/04/18	-41619	Market Sale	630000	0.55
				05/10/18	-80000	Market Sale	550000	0.48
		550000	0.48	31/03/19			550000	0.48

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)					Cumulative shareholding during the year (1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019)	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the Company
4	IIFL Securities Limited	531828	0.46	01/04/18			531828	0.46
				06/04/18	-2966	Market Sale	528862	0.46
				13/04/18	-528843	Market Sale	19	0.00
				20/04/18	483983	Market Purchase	484002	0.42
				27/04/18	-4621	Market Sale	479381	0.42
				04/05/18	-7897	Market Sale	471484	0.41
				11/05/18	-19066	Market Sale	452418	0.39
				18/05/18	-184	Market Sale	452234	0.39
				25/05/18	-175	Market Sale	452059	0.39
				01/06/18	344	Market Purchase	452403	0.39
				08/06/18	-372	Market Sale	452031	0.39
				30/06/18	58	Market Purchase	452089	0.39
				13/07/18	-68	Market Sale	452021	0.39
				17/08/18	570	Market Purchase	452591	0.39
				24/08/18	-415	Market Sale	452176	0.39
				31/08/18	825	Market Purchase	453001	0.40
				07/09/18	-983	Market Sale	452018	0.39
				14/09/18	267	Market Purchase	452285	0.39
				21/09/18	-61	Market Sale	452224	0.39
				29/09/18	-210	Market Sale	452014	0.39
				05/10/18	117	Market Purchase	452131	0.39
				12/10/18	110	Market Purchase	452241	0.39
				26/10/18	347	Market Purchase	452588	0.39
				02/11/18	64	Market Purchase	452652	0.39
				16/11/18	-569	Market Sale	452083	0.39
				23/11/18	32	Market Purchase	452115	0.39
				30/11/18	-71	Market Sale	452044	0.39
				07/12/18	-39	Market Sale	452005	0.39
				14/12/18	1088	Market Purchase	453093	0.40
				31/12/18	-1091	Market Sale	452002	0.39
				04/01/19	6	Market Purchase	452008	0.39
				11/01/19	81	Market Purchase	452089	0.39
				18/01/19	233	Market Purchase	452322	0.39
		25/01/19	-116	Market Sale	452206	0.39		
		01/02/19	-103	Market Sale	452103	0.39		
		08/02/19	1440	Market Purchase	453543	0.40		
		15/02/19	-1522	Market Sale	452021	0.39		
		22/02/19	105	Market Purchase	452126	0.39		
		08/03/19	1585	Market Purchase	453711	0.40		
		15/03/19	-221	Market Sale	453490	0.40		
		22/03/19	-1469	Market Sale	452021	0.39		
		457138	0.40	31/03/19	5117	Market Purchase	457138	0.40
5	Rowenta Networks Private Limited	294184	0.26	01/04/18	294184		294184	0.26
				20/04/18	2489	Market Purchase	296673	0.26
				25/05/18	1448	Market Purchase	298121	0.26
				01/06/18	10299	Market Purchase	308420	0.27
				08/06/18	13157	Market Purchase	321577	0.28
				15/06/18	367	Market Purchase	321944	0.28
				22/06/18	10081	Market Purchase	332025	0.29
				29/06/18	10104	Market Purchase	342129	0.30
				03/08/18	877	Market Purchase	343006	0.30
				02/11/18	9232	Market Purchase	352238	0.31
				16/11/18	6576	Market Purchase	358814	0.31
				15/03/19	26707	Market Purchase	385521	0.34
				22/03/19	49700	Market Purchase	435221	0.38
		443372	0.39	31/03/19	8151	Market Purchase	443372	0.39





Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)					Cumulative shareholding during the year (1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019)	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the Company
6	BNP Paribas Dividend Yield Fund	306787	0.27	01/04/18			306787	0.27
				06/04/18	55000	Market Purchase	361787	0.32
				13/04/18	48000	Market Purchase	409787	0.36
				20/04/18	40000	Market Purchase	449787	0.39
				27/04/18	15000	Market Purchase	464787	0.41
				04/05/18	7000	Market Purchase	471787	0.41
				11/05/18	15000	Market Purchase	486787	0.42
				18/05/18	13213	Market Purchase	500000	0.44
				25/05/18	15000	Market Purchase	515000	0.45
				08/06/18	15000	Market Purchase	530000	0.46
				14/09/18	-122000	Market Sale	408000	0.36
				14/12/18	-3000	Market Sale	405000	0.35
				08/02/19	-5000	Market Sale	400000	0.35
		31/03/19	400000		400000	0.35		
7	Riddhi Siddhi Gluco Boils Limited	101092	0.09	01/04/18			101092	0.09
				06/04/18	19500	Market Purchase	120592	0.11
				02/11/18	-3038	Market Sale	117554	0.10
				22/03/19	155000	Market Purchase	272554	0.24
		31/03/19	357479	Market Purchase	357479	0.31		
8	The Emerging Markets Small Cap Series of the DFA Investment Trust Company	154661	0.13	01/04/18			154661	0.13
				06/04/18	17526	Market Purchase	172187	0.15
				13/04/18	9540	Market Purchase	181727	0.16
				20/04/18	8806	Market Purchase	190533	0.17
				27/04/18	15814	Market Purchase	206347	0.18
				04/05/18	8101	Market Purchase	214448	0.19
				11/05/18	12870	Market Purchase	227318	0.20
				18/05/18	24042	Market Purchase	251360	0.22
				25/05/18	6778	Market Purchase	258138	0.23
				01/06/18	3440	Market Purchase	261578	0.23
		31/03/19	261578		261578	0.23		
9	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc. (DFAIDG)	169904	0.15	01/04/18			169904	0.15
				27/04/18	13815	Market Purchase	183719	0.16
				04/05/18	6550	Market Purchase	190269	0.17
				11/05/18	3500	Market Purchase	193769	0.17
				25/05/18	12385	Market Purchase	206154	0.18
				01/06/18	3065	Market Purchase	209219	0.18
				08/06/18	2730	Market Purchase	211949	0.18
				20/07/18	4592	Market Purchase	216541	0.19
				10/08/18	3972	Market Purchase	220513	0.19
				17/08/18	5622	Market Purchase	226135	0.20
				26/10/18	4552	Market Purchase	230687	0.20
				11/01/19	3314	Market Purchase	234001	0.20
				18/01/19	4001	Market Purchase	238002	0.21
				01/03/19	4173	Market Purchase	242175	0.21
		15/03/19	7009	Market Purchase	249184	0.22		
		31/03/19	249184		249184	0.22		
10	Massachusetts Institute of Technology	0	0.00	01/04/18	0		0	0.00
				08/03/19	68539	Market Purchase	68539	0.06
				15/03/19	47764	Market Purchase	116303	0.10
				22/03/19	20938	Market Purchase	137241	0.12
		31/03/19	215410	Market Purchase	215410	0.19		
11	Dotch Sales Private Limited	200000	0.17	01/04/18			200000	0.17
		200000	0.17	31/03/19		Nil Transaction	200000	0.17
12	Kapil Ahuja	181487	0.16	01/04/18			181487	0.16
		181487	0.16	31/03/19		Nil Transaction	181487	0.16

Sr. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)					Cumulative shareholding during the year (1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019)	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the Company
13	L & T Mutual Fund Trustee Limited – L&T Emerging Opportunities Fund – Series I	164000	0.14	01/04/18	0		164000	0.14
				06/04/18	14760	Market Purchase	178760	0.16
				27/04/18	69640	Market Purchase	248400	0.22
		248400	0.22	31/03/19			248400	0.22
14	Ramkumar Hiralal Rathi	140000	0.12	01/04/18	Nil Transaction		140000	0.12
		140000	0.12	31/03/19		140000	0.12	
15	Dimension Emerging Markets Value fund	20459	0.02	01/04/18			20459	0.02
				08/06/18	984	Market Purchase	21443	0.02
				15/06/18	8353	Market Purchase	29796	0.03
				22/06/18	5572	Market Purchase	35368	0.03
				29/06/18	3909	Market Purchase	39277	0.03
				13/07/18	14443	Market Purchase	53720	0.05
				20/07/18	4316	Market Purchase	58036	0.05
				03/08/18	6581	Market Purchase	64617	0.06
				24/08/18	7761	Market Purchase	72378	0.06
				31/08/18	17807	Market Purchase	90185	0.08
				21/09/18	3587	Market Purchase	93772	0.08
				29/09/18	20350	Market Purchase	114122	0.10
				05/10/18	3852	Market Purchase	117974	0.10
				12/10/18	9089	Market Purchase	127063	0.11
				26/10/18	3972	Market Purchase	131035	0.11
		02/11/18	4934	Market Purchase	135969	0.12		
		11/01/19	3409	Market Purchase	139378	0.12		
		139378	0.12	31/03/19			139378	0.12

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2018)					Cumulative shareholding during the year (1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019)	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	No. of shares	% of total shares of the Company
<b>A Directors</b>								
1	Late Shri Vijaykumar Gupta, Chairman & Managing Director*	20841083	18.18	01/04/2018			20841083	18.18
				03/04/2018	-318000	Gift	20523083	17.90
				22/06/2018	-20523083	Transmission	0	0.00
		0	0.00	31/03/2019			0	0.00
2	Shri Manish Gupta, Chairman & Managing Director**	37585230	32.78	01/04/2018	0	Nil movement during the year	37585230	32.78
		37585230	32.78	31/03/2019				
3	Shri Sandeep Agrawal, Whole-Time Director	7089	0.01	01/04/2018	0	Nil movement during the year	7089	0.01
		7089	0.01	31/03/2019			7089	0.01
4	Smt. Sulochana Gupta, Non-Executive Director	4485385	3.91	01/04/2018	0		4485385	3.91
				22/06/2018	20523083	Transmission	25008468	21.81
				28/11/2018	-21000	Gift	24987468	21.79
				04/01/2019	-11000	Gift	24976468	21.78
		24976468	21.78	31/03/2019			24976468	21.78
5	Shri Rohit Patel, Independent Director	Nil	Nil	01/04/2018	0	Nil movement during the year		
		Nil	Nil	31/03/2019			Nil	Nil
6	Shri Sudhin Choksey, Independent Director	Nil	Nil	01/04/2018	0	Nil movement during the year		
		Nil	Nil	31/03/2019			Nil	Nil
7	Shri Rashmikant Joshi, Independent Director	Nil	Nil	01/04/2018	0	Nil movement during the year		
		Nil	Nil	31/03/2019			Nil	Nil



8	Shri Vishwavir Saran Das, Independent Director	Nil	Nil	01/04/2018	0	Nil movement during the year		
		Nil	Nil	31/03/2019			Nil	Nil
9	Shri Sandeep Singhi, Independent Director	Nil	Nil	01/04/2018	0	Nil movement during the year		
		Nil	Nil	31/03/2019			Nil	Nil
<b>B Key Managerial Personnel (KMPs)</b>								
1	Shri Dinesh Shah, Chief Financial Officer	1400	0.00	01/04/2018	0	Nil movement during the period	1400	0.00
		1400	0.00	31/03/2019			1400	0.00
2	Ms. Chetna Dharajiya, Company Secretary	Nil	Nil	01/04/2018	0	Nil movement during the period		
		Nil	Nil	31/03/2019	0		Nil	Nil

\* Sad demise on 23<sup>rd</sup> May, 2018

\*\* Re-appointed as "Chairman & Managing Director" w.e.f. 28<sup>th</sup> December, 2018

**V INDEBTEDNESS:**

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

(₹ in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount - WC	632.39	-	-	632.39
- TL	14.48	-	-	14.48
ii) Interest due but not paid	0.39			0.39
iii) Interest accrued but not due	0.18			0.18
<b>Total (i+ii+iii)</b>	<b>647.44</b>	<b>-</b>	<b>-</b>	<b>647.44</b>
<b>Change in Indebtedness during the financial year</b>				
• Additions	0.20	-	-	0.20
• Reduction	429.78	-	-	429.78
<b>Net Change</b>	<b>-429.58</b>	<b>-</b>	<b>-</b>	<b>-429.58</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount - WC	209.24	-	-	209.24
- TL	8.02	-	-	8.02
ii) Interest due but not paid	0.59			0.59
iii) Interest accrued but not due	-			-
<b>Total (i+ii+iii)</b>	<b>217.86</b>	<b>-</b>	<b>-</b>	<b>217.86</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

(₹ in crores)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Late Shri Vijaykumar Gupta (CMD)*	Shri Manish Gupta (CMD)**	Shri Sandeep Agrawal (WTD)	
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961	0.10	0.72	0.51	1.33
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.02	0.12	0.09	0.23
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission as % of profit others (specify)	Nil	25.00	Nil	25.00
5	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total (A)</b>	<b>0.12</b>	<b>25.84</b>	<b>0.60</b>	<b>26.56</b>
	<b>Ceiling as per the Act</b>	<b>₹ 29.80 crores (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)</b>			

\* Sad demise on 23<sup>rd</sup> May, 2018

\*\* Re-appointed as "Chairman & Managing Director" w.e.f. 28<sup>th</sup> December, 2018

## B. Remuneration to other Directors:

(₹ in crores)

Sr. No.	Particulars of Remuneration	Name of the Directors					Total Amount
		Shri Rohit Patel	Shri Sudhin Choksey	Shri Rashmikant Joshi	Shri Vishwvir Saran Das	Shri Sandeep Singhi	
1	<b>Independent Directors</b>						
	Fee for attending board / committee meetings	0.02	0.01	0.01	0.01	0.02	0.07
	Commission	0.02	0.04	0.02	0.02	0.02	0.12
	Others, please specify	----	----	----	----	----	----
	<b>Total (1)</b>	<b>0.04</b>	<b>0.05</b>	<b>0.03</b>	<b>0.03</b>	<b>0.04</b>	<b>0.19</b>
2	<b>Other Non-Executive Director</b>	<b>Smt. Sulochana Gupta</b>					
	Fee for attending board / committee meetings	0.01	----	----	----	----	0.01
	Commission	0.02	----	----	----	----	0.02
	Others, please specify.	----	----	----	----	----	----
	<b>Total (2)</b>	<b>0.03</b>					<b>0.03</b>
	<b>Total (B)=(1+2)</b>						<b>0.22</b>
	<b>Total Managerial Remuneration*</b>						<b>26.78</b>
	<b>Overall Ceiling as per the Act.</b>	<b>₹ 32.78 crores (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)</b>					

\* Total remuneration to Managing Director, Whole-Time Director and other Directors (being the total of A and B)

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

(₹ in crores)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO (Shri Dinesh Shah)	CS (Ms. Chetna Dharajiya)	Total
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0.48	0.15	0.63
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission as % of profit others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	<b>Total</b>	<b>0.48</b>	<b>0.15</b>	<b>0.63</b>

## VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
<b>N.A.</b>					
Penalty					
Punishment					
Compounding					



**INDEPENDENT AUDITOR’S REPORT**

**TO THE MEMBERS OF GUJARAT AMBUJA EXPORTS LIMITED**

**Report on the Audit of the Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Ind AS financial statements of Gujarat Ambuja Exports Limited (the “Company”), which comprise the Balance sheet as at March 31,2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (“SAs”),as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Ind AS FinancialStatements’section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of thefinancial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 Ind AS financial statements.

**Key Audit Matters**

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

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the Key Audit Matter
<p><b>Revenue Recognition</b></p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers” (new revenue accounting standard)The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognition. Additionally, new revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied</p>	<p><b>Principal Audit Procedures</b></p> <p>We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> <li>- Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</li> <li>- Selected a sample of sales contracts/sales orders, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.</li> <li>- Tested the relevant information technology systems’ access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> </ul>

Key audit matters	How our audit addressed the Key Audit Matter
<p>subsequent to the balance sheet date. Refer Notes 1.6 and 26 to the Financial Statements</p>	<ul style="list-style-type: none"> <li>- Selected a sample sales contracts/ sales orders and performed the following procedures:</li> <li>- Read, analysed and identified the distinct performance obligations in these contracts.</li> <li>- Compared these performance obligations with that identified and recorded by the Company.</li> <li>- Considered the terms of the contracts to determine the transaction price used to compute revenue.</li> <li>- Samples in respect of revenue recorded were tested by agreeing a sample of individual revenue items to sales invoices, evidence of delivery and subsequent collection.</li> <li>- We have performed detailed testing on credit notes to confirm that the credit note has been recognised in the appropriate accounting period;</li> <li>- Sample of revenues disaggregated by product offerings was tested with the performance obligations specified in the underlying contracts.</li> <li>- Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards.</li> </ul> <p>As a result of the procedure performed, we have been able to conclude that revenue has been recognised in accordance with the revenue recognition policy and accounting standards.</p>
<b>Management override of control</b>	
<p>Risk of management override of internal controls</p> <p>SAs (India) require that we consider the risk that management could override the system of internal controls within the business, misstate the Financial results and position of the Company.</p>	<p>We assessed the overall control environment of the Company, including the arrangements for staff to 'whistle-blow' inappropriate actions, and interviewed senior management and reviewed the Company's internal audit programme. We examined the significant accounting estimates and judgements relevant to the financial statements for evidence of bias by the directors that may represent a risk of material misstatement due to fraud. We also tested the supporting documentation for manual journal entries posted to the financial statements.</p>
<b>Inventory Existence</b>	
<p>The Company recognised inventory of ₹ 501.64 Cr. at March 31, 2019. Inventory is held by Company's plants, depots and warehouses across India. Within each storage location, inventory is stored in warehouses, sheds, Silo, containers, yards.</p> <p>We focused on this matter because of the:</p> <ul style="list-style-type: none"> <li>- significance of the inventory balance to the profit and statement of financial position</li> <li>- complexity involved in determining inventory quantities on hand due to the number, location and diversity of inventory storage locations</li> </ul>	<p>We attended inventory counts at locations Kadi, Himmatnagar - Biochemical and Cotton Spinning division, selected based on financial significance and risk. Where locations were not attended, we tested certain controls over inventory existence across the Company.</p> <p>For locations attended in Kadi and Himmatnagar (Biochemical and Cotton Spinning plant), we performed the following procedures at each site:</p> <ul style="list-style-type: none"> <li>- selected a sample of inventory items and compared the quantities we counted with the quantities recorded, and for the differences found during physical verification, if any, we have verified that the same has been accounted.</li> <li>- Observed a sample of management's inventory count procedures, to assess compliance with the Company process, and</li> <li>- Made enquiries regarding non-moving inventory items and inspected the conditions of items counted.</li> </ul> <p>We have also evaluated a selection of controls over inventory existence across the Company.</p> <p>There were no significant exceptions noted from these procedures.</p> <p>We tested a sample of inventory items to assess whether they were recorded at a value higher than that for which they could be sold. We did not identify any exceptions.</p>



### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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 financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

### **Responsibilities of Management for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and the 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Ind AS financial statements – Refer Note 35 to the Ind AS financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **Arpit Patel & Associates,**  
Chartered Accountants  
ICAI Firm registration number:144032W

Arpit Patel  
Partner  
Membership No.: 034032

Place: Ahmedabad  
Date: May 25, 2019





## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Gujarat Ambuja Exports Limited of even date)

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2019.

We report that:

- (i) (a) The Company has maintained proper records showing full particulars, include quantitative details and situation of fixed assets.
  - (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, reconciliation with the fixed assets records is pending. In the absence of reconciliation, material discrepancies, if any could not be ascertained.
  - (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds, 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 except freehold land amounting ₹ 4.07 cr. which is under the process of transfer in the name of Company. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2019, and no material discrepancies were noticed in respect of such confirmations.
- (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 Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given, have been complied with by the Company, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit form the public within the meaning of section 73 to 76 of the Act and the Rules framed under. Therefore, the provision of clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of edible oil, cotton yarn, inorganic chemicals and drugs and pharmaceuticals, and are of the opinion that prima facie, the specified accounts and records have generally been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess, goods and services tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess, goods and services tax and other material statutory dues were in arrears as at March 31, 2019, for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and goods and services tax which have not been deposited as on March 31, 2019, on account of disputes are as follows:

Sr. No.	Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where the dispute is pending
			(₹ in crores)		
1	The Income-tax Act, 1961				
	Appeal Preferred by the Department	Disallowance of 80-IC-Foreign commission	0.56	AY 2012-13	ITAT
		Disallowance of 80-IA & Foreign commission	1.64	AY 2013-14	CIT(A)
Appeal Preferred by the Company	Disallowance of 80IA & Foreign Commission	5.09	AY 2014-15	CIT(A)	
2	The Bombay Sales of Motor Spirit Taxation Act, 1958	Exemptions	0.02	1997-98	Tribunal
3	The Central Excise Act, 1944	Service tax on charges	0.01	2010-11	CESTAT, AHMEDABAD
4	The Customs Act, 1962	Differential Duty	0.04	2003-04	Commissioner of Customs
		DEPB license	1.32	2008-09	CESTAT
5	Krishi Upaj Mandi Adhinyam, 1972	Mandi Tax	0.02	2001-02	High Court
6	The Gujarat Sales Tax Act, 1969	Purchase Tax	0.04	1997-98	High Court
		Disallowance of sales & levy of interest & penalty	0.13	2004-05	Sales Tax Tribunal - Ahmedabad
7	Central Sales Tax Act, 1956	Disallowance of sales, non-Production of 'C' Forms	0.77	2004-05	Sales Tax Tribunal - Ahmedabad
8	Karnataka Sales Tax Act, 1957	Disallowance of ITC on account of Mismatch	0.04	2013-14	Commissioner (Appeals)
		Disallowance of ITC on account of stock Transfer	0.09	2012-13	Commissioner (Appeals)
		Disallowance of E.T exemption on Spares	0.01	2012-13	Commissioner (Appeals)
		Item sold as tax free considered to be taxable item	0.17	2014-15	VAT Tribunal- Bangalore
		Item sold as tax free considered to be taxable item	0.02	2014-15	VAT Tribunal- Bangalore
		Liability of Maize Husk sold as tax free	0.03	2013-14	Commissioner (Appeals)
9	The Bombay Electricity Duty Act, 1958	Additional Demand charges	1.72	2008-09	Consumer Grievances Forum
10	Food & Safety Act. Sub-standard	Not meeting food & safety dues	0.00	2015-16	Food & Safety Tribunal, Gandhinagar
		Food and Safety Act. Sub-Standard	0.05	2016-17	A.D.M. and Adjudicating officer Meerut
			0.05	2017-18	A.D.M. and Adjudicating officer Meerut
			0.05	2017-18	A.D.M.Court Dhar
			0.05	2018-19	A.D.M. Court Dhar
			0.03	2018-19	The Food Safety Office, Shopian (J &K)
			0.03	2018-19	The Food Safety Officer, Surat Municipal Corporation
			0.03	2018-19	The Food Safety Office, Badmer, Rajasthan

- (viii) Based on our examination of the records, and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to the banks. The Company has not taken any loan from financial institution. The Company has not obtained any borrowing by way of debentures.
- (ix) Based on the information and explanations given by the management and on an overall examination of the balance sheet, we are of the opinion that no term loans have been raised during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, 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 course of our audit.



- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Based on our examination of records of the Company and according to the information and explanations given to us, the transactions with related parties are in compliance with the Provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3(xiv) are not applicable to the Company.
- (xv) Based on the examinations of the records and according to the information and explanations given by the management, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934, are not applicable to the Company.

For **Arpit Patel & Associates,**

Chartered Accountants

ICAI Firm registration number:144032W

Arpit Patel

Partner

Membership No.: 034032

Place: Ahmedabad

Date: May 25, 2019

---

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gujarat Ambuja Exports Limited of even date)

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

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2019, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 Act, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **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.

#### **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 explanations 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Arpit Patel & Associates,**

Chartered Accountants

ICAI Firm registration number:144032W

Arpit Patel

Partner

Membership No.: 034032

Place: Ahmedabad

Date: May 25, 2019



**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2019**

(₹ in crores)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	752.30	771.06
(b) Capital work-in-progress	2	60.73	54.30
(c) Intangible assets	2	0.72	0.69
(d) Financial Assets			
(i) Investments	3	27.64	29.42
(ii) Other Financial Assets	4	4.40	5.27
(e) Other assets	5	25.16	9.39
<b>Total Non-current assets</b>		<b>870.95</b>	<b>870.13</b>
<b>(2) Current assets</b>			
(a) Inventories	6	501.64	723.73
(b) Financial assets			
(i) Investments	7	24.80	13.20
(ii) Trade receivables	8	217.96	229.31
(iii) Cash and cash equivalents	9	9.96	2.05
(iv) Bank Balances other than (iii) above	10	6.47	4.89
(v) Other Financial assets	11	4.39	6.94
(c) Other current assets	12	78.09	44.53
	Total	<b>843.31</b>	<b>1,024.65</b>
Assets Held for sale		0.90	-
<b>Total current assets</b>		<b>844.21</b>	<b>1,024.65</b>
<b>TOTAL ASSETS</b>		<b>1,715.16</b>	<b>1,894.78</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	13	22.93	22.93
(b) Other equity	14	1,185.31	999.42
<b>Total equity attributable to shareholders of the company</b>		<b>1,208.24</b>	<b>1,022.35</b>
<b>(2) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	0.78	7.24
(b) Provisions	16	5.23	4.38
(c) Deferred tax liabilities (Net)	17C	39.66	38.53
(d) Other Liabilities	18	1.69	0.61
(e) Government grant	19	6.88	8.19
<b>Total non-current liabilities</b>		<b>54.24</b>	<b>58.95</b>
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	209.24	632.39
(ii) Trade payables	21		
Total outstanding dues of Micro Enterprises & Small Enterprises		1.10	1.98
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		167.69	120.85
(iii) Other financial liabilities	22	27.86	24.32
(b) Other current liabilities	23	24.74	20.38
(c) Government grant	24	2.01	2.08
(d) Provisions	25	6.58	6.23
(e) Liabilities for current tax (Net)	26	13.46	5.25
<b>Total current liabilities</b>		<b>452.68</b>	<b>813.48</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,715.16</b>	<b>1,894.78</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

**For ARPIT PATEL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No.: 144032W

**MANISH GUPTA**  
 Chairman & Managing Director  
 DIN: 00028196

**SANDEEP AGRAWAL**  
 Whole-Time Director  
 DIN: 00027244

**ARPIT PATEL**  
 Partner  
 Membership No.: 034032

**DINESH SHAH**  
 Chief Financial Officer  
 Membership No.: 038650

**CHETNA DHARAJIYA**  
 Company Secretary  
 Membership No.: A20835

Place : Ahmedabad  
 Date : 25<sup>th</sup> May, 2019

Place : Ahmedabad  
 Date : 25<sup>th</sup> May, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

		(₹ in crores)	
Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
<b>I REVENUE</b>			
Revenue from Operations	27	4,021.44	3,376.63
Other Income	28	11.64	9.11
<b>Total Income (I)</b>		<b>4,033.08</b>	3,385.74
<b>II EXPENSES</b>			
Cost of Materials consumed	29	2,725.85	2,349.24
Purchases of Stock-in-Trade	30	261.59	197.44
Changes in inventories of finished goods, Stock-in-Trade and work in progress	31	45.42	(7.21)
Excise duty on sale of goods	32	-	12.20
Employee benefits expense	33	107.95	98.37
Finance costs	34	18.82	17.94
Depreciation and amortization expense	2	95.65	76.29
Other expenses	35	508.25	409.31
<b>Total Expenses (II)</b>		<b>3,763.53</b>	3,153.58
<b>III Profit before exceptional items and tax (I-II)</b>		<b>269.55</b>	232.16
<b>IV Exceptional Items</b>		-	-
<b>V Profit before tax (III-IV)</b>		<b>269.55</b>	232.16
<b>VI Tax expense:</b>			
(1) Current tax	17A	65.07	45.01
(2) Deferred tax	17C	6.33	7.27
<b>Total tax expenses</b>		<b>71.40</b>	52.28
<b>VII Profit for the year ( V-VI )</b>		<b>198.15</b>	179.88
<b>Other Comprehensive Income</b>			
(i) Other Comprehensive Income that will not be reclassified to profit or loss in subsequent periods:			
(a) Remeasurements of the defined benefit plans		0.28	0.65
Income Tax effect		(0.10)	(0.23)
		<b>0.18</b>	0.42
(ii) Other Comprehensive Income that will be reclassified to profit or loss in subsequent periods:		-	-
		-	-
<b>VIII Total Other Comprehensive Income (i-ii)</b>		<b>0.18</b>	0.42
<b>IX Total Comprehensive Income for the year(VII+VIII)</b>		<b>198.33</b>	180.30
Earning per share (Face Value of ₹ 2 each)			
-Basic & Diluted	40	17.28	15.69
<b>The accompanying notes form an integral part of the financial statements</b>			

As per our report of even date

**For ARPIT PATEL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No.: 144032W

**ARPIT PATEL**  
 Partner  
 Membership No.: 034032

**Place: Ahmedabad**  
**Date : 25<sup>th</sup> May, 2019**

For and on behalf of the Board of Directors

**MANISH GUPTA**  
 Chairman & Managing Director  
 DIN: 00028196

**DINESH SHAH**  
 Chief Financial Officer  
 Membership No.: 038650

**Place: Ahmedabad**  
**Date : 25<sup>th</sup> May, 2019**

**SANDEEP AGRAWAL**  
 Whole-Time Director  
 DIN: 00027244

**CHETNA DHARAJIYA**  
 Company Secretary  
 Membership No.: A20835

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

(₹ in crores)

Particulars	Attributable to the equity holders of the company							Total Equity
	Reserves & Surplus							
	Equity share capital	Retained Earnings General reserve	Capital subsidy	Amalgamation reserve	Securities premium Account	Capital redemption reserve		
<b>As at April 1, 2017</b>	22.93	193.30	623.56	1.25	0.02	0.89	11.15	853.10
Add: Profit for the year	-	-	179.88	-	-	-	-	179.88
Add [Less]: Other Comprehensive income	-	-	0.42	-	-	-	-	0.42
<b>Total Comprehensive Income</b>								
Transactions with Owners in their capacity as owners:								
Final Equity Dividend (Amount per share ₹ 0.80)	-	-	(9.18)	-	-	-	-	(9.18)
Corporate Dividend Tax on Dividend	-	-	(1.87)	-	-	-	-	(1.87)
<b>As at March 31, 2018</b>	22.93	193.30	792.81	1.25	0.02	0.89	11.15	1,022.35
Add: Profit for the year	-	-	198.15	-	-	-	-	198.15
Add (Less): Other Comprehensive income	-	-	0.18	-	-	-	-	0.18
<b>Total Comprehensive Income</b>								
Transactions with Owners in their capacity as owners:								
Final Equity Dividend (Amount per share ₹ 0.90)	-	-	(10.32)	-	-	-	-	(10.32)
Corporate Dividend Tax on Dividend	-	-	(2.12)	-	-	-	-	(2.12)
<b>As at March 31, 2019</b>	22.93	193.30	978.70	1.25	0.02	0.89	11.15	1,208.24

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

As per our report of even date  
**For ARPIT PATEL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No.: 144032W

**ARPIT PATEL**  
 Partner  
 Membership No.: 034032

**Place: Ahmedabad**  
**Date : 25<sup>th</sup> May, 2019**

## For and on behalf of the Board of Directors

**MANISH GUPTA**  
 Chairman & Managing Director  
 DIN: 00028196

**DINESH SHAH**  
 Chief Financial Officer  
 Membership No.: 038650

**Place: Ahmedabad**  
**Date : 25<sup>th</sup> May, 2019**

**SANDEEP AGRAWAL**  
 Whole-Time Director  
 DIN: 00027244

**CHETNA DHARAJIYA**  
 Company Secretary  
 Membership No.: A20835

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

Particulars	(₹ in crores)	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>269.55</b>	232.16
Adjustments for:		
Depreciation and amortization expenses	<b>95.65</b>	76.29
Deferred income from Government grants	<b>(2.09)</b>	(1.78)
Dividend income	<b>(0.82)</b>	(0.68)
Net Gain on Sale/Fair value of non-current Investment FVTPL	<b>1.77</b>	(0.71)
Profit on Sale of Current Investments	<b>(0.10)</b>	(0.03)
Mark to market (gain)/loss on derivative financial instruments	<b>(0.02)</b>	(0.09)
Provision/(writeback) for doubtful debts and advances (net)	<b>0.10</b>	0.07
Bad debts recovered	<b>(0.02)</b>	(0.08)
Loss on discarding of asset & Sale of assets	<b>0.43</b>	0.53
(Gain) / Loss on disposal of property, plant and equipment	<b>(0.34)</b>	(0.52)
Interest income	<b>(2.51)</b>	(2.23)
Interest expenses	<b>12.54</b>	13.58
<b>Cash generated from operations before working capital changes</b>	<b>374.14</b>	316.51
Adjustments for:		
Decrease/(Increase) in Other Assets (Current and Non Current)	<b>(34.89)</b>	(14.44)
Decrease/(Increase) in Other Financial Asset (Current and Non Current)	<b>2.34</b>	(0.03)
Decrease/(Increase) in Trade receivables	<b>11.27</b>	(21.52)
Decrease/(Increase) in Inventories	<b>222.09</b>	(99.39)
Increase/(Decrease) in Other Current Financial Liabilities	<b>7.12</b>	1.69
Increase/(Decrease) in Provision (Current and Non Current)	<b>1.48</b>	0.46
Increase/(Decrease) in Other Liabilities (Current and Non Current)	<b>5.44</b>	(19.75)
Increase/(Decrease) in Trade Payable	<b>45.96</b>	21.32
<b>Cash generated from operating activities</b>	<b>634.95</b>	184.85
Direct taxes paid (net of refunds)	<b>(62.16)</b>	(46.38)
<b>Cash flows before exceptional items</b>	<b>572.79</b>	138.47
Exceptional items	-	-
<b>Net Cash flow generated from operating activities (A)</b>	<b>572.79</b>	138.47
<b>B. Cash flow from Investing activities</b>		
Proceeds on sale of property, plant and equipments	<b>0.52</b>	0.83
Purchase of property, plant and equipment	<b>(100.71)</b>	(131.19)
Purchase of Intangibles Assets	<b>(0.21)</b>	(0.01)
Proceeds from sale/maturity of Non Current investments	<b>(11.59)</b>	5.22
Proceeds from sale/maturity of current investments	<b>0.10</b>	0.03
Investment in bank deposits ( having maturity more than 3 months)	<b>(1.45)</b>	(0.74)
Investment in Non-current deposits with banks (having maturity more than 12 months)	<b>0.46</b>	(0.06)
Change in Government grant	<b>(1.38)</b>	(1.77)
Interest income	<b>3.13</b>	1.56
Dividend income	<b>0.82</b>	0.68
<b>Net Cash flow generated from investing activity (B)</b>	<b>(110.31)</b>	(125.45)



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019 (CONTD...)

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>C. Cash flow from Financing activities</b>		
Capital subsidy received	-	1.00
Interest expenses	(12.52)	(14.13)
Repayment of long-term borrowings	(6.46)	(7.24)
Proceeds from short-term borrowings	-	112.14
Repayment of short-term borrowings	(423.15)	(93.64)
Dividend paid	(10.32)	(9.17)
Dividend distribution tax paid	(2.12)	(1.87)
<b>Net Cash flow generated from financing activity (C)</b>	<b>(454.57)</b>	<b>(12.91)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>7.91</b>	<b>0.11</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2.05</b>	<b>1.94</b>
<b>Cash and cash equivalents at year end</b>	<b>9.96</b>	<b>2.05</b>
<b>Cash &amp; Cash Equivalent comprise of:</b>		
Cash and Cash Equivalents (Refer Note 9)	9.96	2.05
<b>Total Cash and cash equivalents at the end of the year</b>	<b>9.96</b>	<b>2.05</b>

Note:

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
- CHANGES IN LIABILITIES ARISING FROM FINANCIAL ACTIVITIES.

Particulars	As at 31 <sup>st</sup> March, 2018	Cash Flows	Non Cash Changes		As at 31 <sup>st</sup> March, 2019
			Fair Value Changes	Current/NonCurrent classification	
Borrowings Non Current	7.24	0.78	-	(7.24)	0.78
Other financial liabilities Current	24.32	(3.70)	-	7.24	27.86
Borrowings Current	632.39	(419.79)	(3.36)	-	209.24
Particulars	As at 31 <sup>st</sup> March, 2017	Cash Flows	Non Cash Changes		As at 31 <sup>st</sup> March, 2018
Borrowings Non Current	14.48	-	-	(7.24)	7.24
Other financial liabilities Current	24.91	(7.83)	-	7.24	24.32
Borrowings Current	613.89	14.99	3.51	-	632.39

The accompanying notes form an integral part of the financial statements

As per our report of even date

**For ARPIT PATEL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No.: 144032W

**ARPIT PATEL**  
 Partner  
 Membership No.: 034032

Place: Ahmedabad  
 Date : 25<sup>th</sup> May, 2019

For and on behalf of the Board of Directors

**MANISH GUPTA**  
 Chairman & Managing Director  
 DIN: 00028196

**DINESH SHAH**  
 Chief Financial Officer  
 Membership No.: 038650

Place: Ahmedabad  
 Date : 25<sup>th</sup> May, 2019

**SANDEEP AGRAWAL**  
 Whole-Time Director  
 DIN: 00027244

**CHETNA DHARAJIYA**  
 Company Secretary  
 Membership No.: A20835

## 1. SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Company Information

Gujarat Ambuja Exports Limited (Company) is a Public Limited Company domiciled in India. The Company has its registered office at "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, PO Thaltej, Ahmedabad, Gujarat 380059. The Company is an Agro Processing conglomerate with various manufacturing plants at different locations in States of Gujarat, Maharashtra, Madhya Pradesh, Uttarakhand and Karnataka. The Company's product profile includes Solvent Extraction comprising of all types of Oil Seed Processing, Edible Oil Refining, Cotton Yarn Spinning, Maize based Starch and its derivatives, Wheat Processing / Cattle Feed and Power Generation through Wind Mills, Bio gas, Thermal Power & Solar Plant mainly for internal consumption. The Company's shares are listed on BSE and NSE.

### 1.2 Basis of Preparation of Financial Statements

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

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values.

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

#### (ii) Current versus non-current classification

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

### 1.3 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

Estimation of Defined benefit obligation - refer note 1.15

Estimation of current tax expenses - refer note 1.7

Government grant - refer note 1.6

### 1.4 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value as per Ind AS 113 at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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



### 1.5 Revenue recognition

The company earns revenue primarily from sale of raw and refined soya oil, soya de-oiled cake and maize starch and derivatives. Effective from April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products or services GST/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Sale of goods

Revenue from the sale of goods is recognised when control of the goods have passed to the buyer, usually on delivery of the goods. In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

#### Interest income

Interest income on financial asset is recognised using the effective interest rate (EIR) method.

#### Dividends

Dividend income from investment is accounted for when the right to receive is established, which is generally when shareholders approve the dividend.

#### Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

#### Contract Balances:

##### Trade receivables:

A receivable represents the company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer note 1.16 Financial instruments – initial recognition and subsequent measurement.

##### Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). recognised as revenue when the company performs under the contract.

### 1.6 Government grants

- a Government grants are recognised in accordance with the terms of the respective grant on accrual basis considering the status of compliance of prescribed conditions and ascertainment that the grant will be received.
- b Government grants related to revenue are recognised on a systematic and gross basis in the Statement of Profit and Loss over the period during which the related costs intended to be compensated are incurred.
- c Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.
- d When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

### 1.7 Taxes

Tax expenses comprise of current and deferred tax.

#### **Current income tax**

- a Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b Current tax items are recognised in correlation to the underlying transaction either in P&L, OCI or directly in equity.

**Deferred tax**

- a Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- b Deferred tax liabilities are recognised for all taxable temporary differences.
- c Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.
- d The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- e Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date.
- f Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.
- g Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.
- h The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent, the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT credit.

**1.8 Property, Plant and Equipment**

Under the previous GAAP (Indian GAAP), fixed assets (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs, if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Capital Work in progress included in PPE is stated at cost, net accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term constructions projects if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The net gain or loss on account of exchange rate differences either on settlement or on translation, of long term foreign currency monetary items recognised on or after 1<sup>st</sup> April, 2016, is recognised as income or expense in the Statement of Profit and Loss in the year in which they arise, except in case of foreign currency loans taken for funding of Property, Plant and Equipment, where such difference is adjusted to the cost of respective Property, Plant and Equipment. This is as per the exemption given under Ind AS 101 to defer/ capitalize exchange differences arising on long-term foreign currency monetary items.

Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful lives estimated by the management. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

In respect of Power Plant and Biogas Engines, the Company based on technical evaluation, identified the assets and components and reassessed the remaining useful lives of tangible fixed assets and depreciation is provided accordingly.

The following is the useful life of each category of assets in respect of Power Plant and Biogas Engines:

<b>Asset Description</b>	<b>Life of Asset (Years)</b>
Plant and Machineries of Thermal Power Plant	3 to 25 years
Biogas Engines	10 years

Further, the Company evaluated the useful life of certain components of Plant and Machinery, the impact of which is not material.



The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Further, the Company evaluated the useful life of certain components of Plant and Machinery, the impact of which is not material. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase. Leasehold land is amortised over the period of lease. Leasehold improvements are amortized over the period of lease or estimated useful life, whichever is lower.

### 1.9 Intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

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

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Profit or Loss when the asset is derecognised.

The company has elected to regard previous GAAP carrying value of Intangible Assets as deemed cost at the date of transition to Ind AS.

Useful lives of intangible assets

<b>Asset Description</b>	<b>Life of Asset (Years)</b>
Trade Mark	10 years
Computer Software	10 years

### 1.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year.

### 1.11 Leases

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

For arrangements entered into prior to 1<sup>st</sup> April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

#### Company as a Lessee

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

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

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

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

### 1.12 Inventories

Inventories are valued as under:

- a RAW MATERIALS, PACKING MATERIALS AND STORES & SPARES  
Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis. Due provision for obsolescence is made.
- b FINISHED GOODS & WORK IN PROGRESS :  
At cost or net realizable value, whichever is lower. Cost is determined on absorption basis. Due provision for obsolescence is made.
- c BY- PRODUCTS :  
At net realizable value
- d STOCK-IN-TRADE :  
Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 1.13 Impairment of financial assets & non-financial assets

- a Financial asset  
The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.
- b Non-financial assets  
Intangible assets and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior year.

Impairment is determined for goodwill by assessing the recoverable amount of each Cash Generating Unit (i.e. CGU) (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### 1.14 Provisions, Contingent Liabilities and Contingent Assets

- a Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.  
Contingent Liabilities are disclosed by way of notes to Financial Statements. Contingent assets are not recognised in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.
- b If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.



### **1.15 Employee benefits**

a Short Term Employee Benefits:

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

b Post-Employment Benefits:

i) Defined Contribution Plans:

State governed Provident Fund Scheme and Employees State Insurance Scheme are defined contribution plans.

The contribution paid / payable under the schemes is recognised during the period in which the employees render the related services.

ii) Defined Benefit Plans:

The Employee's Gratuity Fund Scheme and compensated absences is Company's defined benefit plans. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government Securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligations under the defined benefit plans, to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefits plans are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense on a straight-line basis over the average period until the benefits become vested.

c Long Term Employee Benefits:

The employees' long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the projected unit credit method as at the date of the balance sheet. In case of funded plans, the full value of plan assets is reduced from the gross obligation to recognise the obligation on the net basis.

### **1.16 Financial instruments**

#### **Initial recognition and measurement:**

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 inputs as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain in the Statement of Profit and Loss only to the extent the such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However trade receivables that do not contain a significant financing component are measured at transaction price.

**Investments and other financial assets****(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income or through the Statement of Profit and Loss), and
- (2) those measured at amortised cost.

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

**(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in 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. The Company classifies its debt instruments into following categories:

**(1) Amortised 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 amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

**(2) Fair value through other comprehensive Income:**

Assets that do not meet the criteria for amortised cost are measured at fair value through Other Comprehensive Income. Interest income from these financial assets is included in other income.

**Equity instruments:**

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to received cash flows of the financial assets and has substantially transferred all the risk and rewards of ownership of the financial assets;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligations to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial assets, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On De-recognition of a financial asset (except as mentioned in ii above for financial assets measured a FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

**Financial liabilities:**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.



**1.17 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**1.18 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**1.19 Non-current Assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

**1.20 Standard Issued but not yet effective**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

**Ind AS 116 Leases**

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company will recognise with effect from April 1, 2019 new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortisation charge for the right-to-use asset, and (b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

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

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

- 1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty
- 2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount
- 3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

### 1.21 Proposed Dividend and authorisation of financial statements

Dividend recommended by the Board of Directors is not provided for in the accounts and is subject to shareholder's approval at the ensuing Annual General Meeting. The financial statements were authorised for issue by Directors on 25<sup>th</sup> May, 2019.

### 1.22 Key accounting estimates and judgements

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

Critical accounting 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:

#### A. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer note 17).

#### B. Property, plant and equipment

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

#### C. Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with IND AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 33, 'Employee benefits'.

#### D. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.



**2 Property, Plant and Equipment (Refer Note No. 1.8)** (₹ in crores)

	Capital Work-in-progress														
	Freehold Land	Leasehold Land	Leasehold Improvements	Building	Windmill/ Solar	Plant and Equipment	Office Equipment	Office Equipment	Furniture and Fixture	Vehicles	Total	Buildings	Plant and Equipment	Others	Total CWIP
<b>Gross Carrying Amount</b>															
<b>As at 1<sup>st</sup> April, 2017</b>	26.05	17.23	11.26	146.51	30.05	484.52	6.36	1.17	2.08	6.76	731.99	29.09	129.30	0.26	158.65
Additions	4.92	1.59	-	45.13	-	187.51	0.64	0.19	0.30	1.54	241.82	0.16	-	0.04	0.20
Disposals	(0.02)	-	-	-	-	(3.96)	(0.01)	(0.01)	-	(0.37)	(4.37)	(21.54)	(82.93)	(0.08)	(104.55)
Discard	(0.31)	-	-	(0.27)	-	(1.20)	(0.01)	-	-	(0.11)	(1.90)	-	-	-	-
<b>At 31<sup>st</sup> March, 2018</b>	<b>30.64</b>	<b>18.82</b>	<b>11.26</b>	<b>191.37</b>	<b>30.05</b>	<b>666.87</b>	<b>6.98</b>	<b>1.35</b>	<b>2.38</b>	<b>7.82</b>	<b>967.54</b>	<b>7.71</b>	<b>46.37</b>	<b>0.22</b>	<b>54.30</b>
Additions	-	1.14	-	6.21	3.73	66.01	0.30	0.07	0.08	0.95	78.49	(3.84)	9.78	0.49	6.43
Disposals	-	-	-	-	-	(1.63)	(0.01)	-	-	(0.95)	(2.59)	-	-	-	-
Discard	-	-	-	(0.41)	-	(21.73)	(0.05)	(0.06)	-	-	(22.25)	-	-	-	-
<b>At 31<sup>st</sup> March, 2019</b>	<b>30.64</b>	<b>19.96</b>	<b>11.26</b>	<b>197.17</b>	<b>33.78</b>	<b>709.52</b>	<b>7.22</b>	<b>1.36</b>	<b>2.46</b>	<b>7.82</b>	<b>1,021.19</b>	<b>3.87</b>	<b>56.15</b>	<b>0.71</b>	<b>60.73</b>
<b>Depreciation</b>															
<b>At 1<sup>st</sup> April, 2017</b>	-	(0.38)	(0.32)	(12.57)	(4.03)	(104.89)	(1.47)	(0.46)	-	(1.59)	(125.71)	-	-	-	-
Depreciation charge for the year	-	(0.20)	(1.06)	(6.96)	(2.02)	(63.08)	(1.28)	(0.26)	(0.26)	(1.01)	(76.13)	-	-	-	-
Disposals	-	-	-	0.03	-	4.90	0.02	0.01	-	0.40	5.36	-	-	-	-
<b>At 31<sup>st</sup> March, 2018</b>	<b>-</b>	<b>(0.58)</b>	<b>(1.38)</b>	<b>(19.50)</b>	<b>(6.05)</b>	<b>(163.07)</b>	<b>(2.73)</b>	<b>(0.71)</b>	<b>(0.26)</b>	<b>(2.20)</b>	<b>(196.48)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation charge for the year	-	(0.23)	(1.08)	(8.42)	(2.03)	(80.86)	(1.26)	(0.25)	(0.29)	(1.05)	(95.47)	-	-	-	-
Disposals	-	-	-	-	-	1.49	-	-	-	0.87	2.36	-	-	-	-
Discard	-	-	-	0.12	-	20.48	0.05	0.05	-	-	20.70	-	-	-	-
<b>At 31<sup>st</sup> March, 2019</b>	<b>-</b>	<b>(0.81)</b>	<b>(2.46)</b>	<b>(27.80)</b>	<b>(8.08)</b>	<b>(221.96)</b>	<b>(3.94)</b>	<b>(0.91)</b>	<b>(0.55)</b>	<b>(2.38)</b>	<b>(268.89)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net carrying value</b>															
<b>At 31<sup>st</sup> March, 2019</b>	<b>30.64</b>	<b>19.15</b>	<b>8.80</b>	<b>169.37</b>	<b>25.70</b>	<b>487.56</b>	<b>3.28</b>	<b>0.45</b>	<b>1.91</b>	<b>5.44</b>	<b>752.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31<sup>st</sup> March, 2018</b>	<b>30.64</b>	<b>18.24</b>	<b>9.88</b>	<b>171.87</b>	<b>24.00</b>	<b>503.80</b>	<b>4.25</b>	<b>0.64</b>	<b>2.12</b>	<b>5.62</b>	<b>771.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note :-**

- Capital work in progress of ₹ 60.50 Crores (P.Y. ₹ 54.30 Crores) includes expenditure incurred during construction period of ₹ 0.22 Crores (P.Y. ₹ 0.52 Crores) [including depreciation of ₹ Nil (P.Y. ₹ Nil) on Leasehold Land], in respect of ongoing project of Starch Plant at Chalisgaon, Maharashtra. Company has capitalised during the year interest of ₹ 2.86 Crores (P.Y. ₹ 11.20 Crores) on assets which are procured for ongoing Project.
- During the physical verification of assets carried out during the year at certain plants, the variances on account of physical verification have been duly adjusted resulting in assets write off ₹ 0.43 Crores (P.Y. ₹ 0.53 Crores) is shown under head "disposals" in respective heads of Property, Plant & Equipment.
- Freehold Land includes ₹ 4.07 Crores which is in process of being transferred in the name of the Company.

Intangible assets (Refer Note No. 1.9)	(₹ in crores)	
	Software know how	Total
<b>Gross Carrying Amount</b>		
As at 1 <sup>st</sup> April 2017	1.17	1.17
Purchase	0.01	0.01
Discard		0.00
<b>At 31<sup>st</sup> March, 2018</b>	<b>1.18</b>	<b>1.18</b>
Purchase	0.21	0.21
Discard	(0.01)	(0.01)
<b>At 31<sup>st</sup> March, 2019</b>	<b>1.38</b>	<b>1.38</b>
<b>Amortization</b>		
At 1 <sup>st</sup> April 2017	(0.32)	(0.32)
Charge for the year	(0.17)	(0.17)
Discard	0.00	0.00
<b>At 31<sup>st</sup> March, 2018</b>	<b>(0.49)</b>	<b>(0.49)</b>
Charge for the year	(0.18)	(0.18)
Discard	0.01	0.01
<b>At 31<sup>st</sup> March, 2019</b>	<b>(0.66)</b>	<b>(0.66)</b>
<b>Net Carrying Amount</b>		
<b>At 31<sup>st</sup> March, 2019</b>	<b>0.72</b>	<b>0.72</b>
<b>At 31<sup>st</sup> March, 2018</b>	<b>0.69</b>	<b>0.69</b>



**NOTES TO FINANCIAL STATEMENTS**

**3 Non-current Investments**

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>(I) Investment in equity instruments (Unquoted)</b>		
<b>(i) In Others (Valued at Fair Value through Profit and Loss)</b>		
689490 [31 <sup>st</sup> March,18: 689490] Equity shares of Jupiter Corporate Services Limited of ₹ 10/- each fully	2.67	2.67
1458506 [31 <sup>st</sup> March,18:1458506] Equity Shares of Royale Exports Limited, Srilanka each of ₹ 10/- of Sri Lankan Rupees	2.33	2.33
<b>Sub Total (I)</b>	<b>5.00</b>	5.00
<b>(II) (i) Investment in Equity Instruments (Quoted) (Valued at Fair Value through Profit &amp; Loss)</b>		
300 [31 <sup>st</sup> March,18: 300] ACC Limited of ₹ 10/- each fully paid up	0.05	0.05
50380 [31 <sup>st</sup> March,18: 50380] Ambuja Cement Limited.of ₹ 2/- each fully paid up	1.19	1.17
20302 [31 <sup>st</sup> March,18: 20302] Andhra Bank of ₹ 10/- each fully paid up	0.06	0.08
60000 [31 <sup>st</sup> March,18: 60000] Ashok leyland Limited of ₹ 1/- each fully paid up	0.55	0.87
188060 [31 <sup>st</sup> March,18: 188060] Coal India Limited of ₹ 10/- each of fully paid up	4.46	5.33
38512 [31 <sup>st</sup> March,18: 38512] Central Bank of India of ₹ 10/- each fully paid up	0.14	0.28
4992 [31 <sup>st</sup> March,18: 4992] Firstsource Solutions Limited of ₹ 10/- each fully paid up	0.02	0.03
35290 [31 <sup>st</sup> March,18: 35290] Gateway Distriparks Limited of ₹ 10/- each fully paid up	0.47	0.62
5400 [31 <sup>st</sup> March,18: 5400] Gujarat Alkalies & Chemicals Limited of ₹ 10/- each fully paid up	0.27	0.38
39897 [31 <sup>st</sup> March,18: 39897] Hotel Leela Venture Limited of ₹ 2/- each fully paid up	0.04	0.07
29843 [31 <sup>st</sup> March,18: 29843] ICICI Bank Limited of ₹ 2/- each fully paid up	1.20	0.83
10000 [31 <sup>st</sup> March,18: 10000] IDFC Limited of ₹ 10/- each fully paid up	0.05	0.05
10000 [31 <sup>st</sup> March,18: 10000] IDFC Bank Limited of ₹ 10/- each fully paid up	0.06	0.05
4500 [31 <sup>st</sup> March,18: 4500] Larsen & Toubro Limited of ₹ 2/- each fully paid up	0.62	0.59
1700 [31 <sup>st</sup> March,18: 1700] Manglore Refinery and Petrochemicals Limited of ₹ 10/- each fully paid up	0.01	0.02
42984 [31 <sup>st</sup> March,18: 42984] Moil Limited of ₹ 5/- each fully paid up	0.68	0.84
54822 [31 <sup>st</sup> March,18: 54822] Meghmani Organics Ltd.of ₹ 1/- each fully paid up.	0.34	0.46
256891 [31 <sup>st</sup> March,18: 256891] NHPC Limited of ₹ 10/- each fully paid up	0.63	0.71
231000 [31 <sup>st</sup> March,18: 231000] NMDC Limited of ₹ 1/- each fully paid up	2.41	2.74
43238 [31 <sup>st</sup> March,18: 36032] NTPC Limited of ₹ 10/- each fully paid up	0.58	0.61
112500 [31 <sup>st</sup> March,18: 112500] Oil & Natural Gas Corp. Ltd .of ₹ 10/- each fully paid up.	1.80	2.00
7014 [31 <sup>st</sup> March,18: 7014] Omaxe Limited of ₹ 10/- each fully paid up	0.14	0.15
168298 [31 <sup>st</sup> March,18: 168298] Petronet LNG Ltd .of ₹ 10/- each fully paid up.	4.23	3.89
19078 [31 <sup>st</sup> March,18: 19078] Power Finance Corp Ltd of ₹ 10/- each fully paid up.	0.23	0.15
100000 [31 <sup>st</sup> March,18: 100000] Power Grid Corporation of India Limited of ₹ 10/- each fully paid up	1.98	1.93
29600 [31 <sup>st</sup> March,18: 29600] Steel Authority of India Limited of ₹ 10/- each fully paid up	0.16	0.21
2484 [31 <sup>st</sup> March,18: 2484] Tata Steel Limited of ₹ 10/- each fully paid up	0.13	0.14
45333 [31 <sup>st</sup> March,18: 45333] Tata Teleservices Maharashtra Limited of ₹ 10/- each fully paid up	0.01	0.03
<b>Sub Total (i)</b>	<b>22.51</b>	24.28

## NOTES TO FINANCIAL STATEMENTS

		(₹ in crores)	
Particulars		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>(ii) Investment in Government Securities (Valued at Amortized Cost)</b>			
National Saving Certificates		0.00	0.01
(Lodged with Sales tax & Other Government authorities)			
<b>(iii) Investment in Co-Operative Bank (Unquoted) (Valued at Amortized Cost)</b>			
10000 [31 <sup>st</sup> March, 18: 10000] Equity shares of Kalupur Com. Co-Op Banks Limited of ₹ 25/- each fully paid up		0.03	0.03
<b>(iv) Investment in Non Convertible Debentures (Unquoted) (Valued at Amortized Cost)</b>			
77770 [31 <sup>st</sup> March, 18: 77770] NTPC 8.49% Non Convertible Debentures of ₹ 12.5 each.		0.10	0.10
	<b>Sub Total (II) = (i + ii + iii + iv )</b>	<b>22.64</b>	24.42
	<b>Total (I + II)</b>	<b>27.64</b>	29.42
AGGREGATE AMOUNT OF QUOTED INVESTMENTS	( in ₹ )	<b>22.51</b>	24.28
AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS	( in ₹ )	<b>5.13</b>	5.14
FAIR VALUE OF QUOTED INVESTMENTS	( in ₹ )	<b>22.51</b>	24.28

**Note :** 1) NTPC Limited allotted bonus shares in the ratio of 5:1.

**4 Other Non-current Financial Assets**

(₹ in crores)

Particulars		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Security deposits		3.67	4.03
Interest accrued on Fixed Deposits		0.02	0.07
Margin Money Fixed Deposits with maturity of more than 12 months		0.71	1.17
<b>Total</b>		<b>4.40</b>	5.27

**5 Other Non-current Assets**

(₹ in crores )

Particulars		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Capital Advances		22.18	6.84
Balances with Government Authorities		2.40	1.60
Other assets		0.58	0.95
<b>Total</b>		<b>25.16</b>	9.39

**6 Inventories (Refer Note No 1.12)**

(₹ in crores )

Particulars		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Raw materials		233.62	417.90
Work-in-progress		11.78	10.28
Finished goods		201.46	247.81
Stock in Traded goods		0.32	0.89
Stores & spares, Fuel		35.64	30.50
Packing Materials		18.82	16.35
<b>Total</b>		<b>501.64</b>	723.73



**NOTES TO FINANCIAL STATEMENTS**

**7 Current Investments**

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>Investment in Bonds (Quoted) (Valued at Amortized Cost)</b>		
Nil [31 <sup>st</sup> March, 18: 7098] NABARD Bhavishya Nirman Bond	-	13.20
<b>Investment in Bonds (Quoted) (Valued at Amortized Cost)</b>		
100000 [31 <sup>st</sup> March, 18: NIL] 8.50% Srei Equipment Finance Ltd 2019	<b>9.70</b>	-
<b>Investment in Mutual Funds (Quoted) (Valued at Fair Value through P&amp;L)</b>		
73122.221 [31 <sup>st</sup> March, 18: NIL] Axis Mutual Fund - Liquid Fund	<b>15.10</b>	-
	<b>24.80</b>	13.20
AGGREGATE AMOUNT OF QUOTED INVESTMENTS	<b>24.80</b>	13.20
FAIR VALUE OF QUOTED INVESTMENTS	<b>24.80</b>	13.20

**8 Trade receivables**

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Trade receivables		
Secured - Considered Good	<b>0.22</b>	0.29
Unsecured - Considered Good	<b>217.74</b>	229.02
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables -credit impaired	<b>0.76</b>	0.68
	<b>218.72</b>	229.99
Impairment Allowance (allowance for bad and doubtful debts)		
Secured - Considered Good	-	-
Unsecured - Considered Good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables -credit impaired	<b>0.76</b>	0.68
<b>Total Trade Receivable</b>	<b>217.96</b>	229.31

No trade or other receivables are due from director or other officers of the company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

**Reconciliation of allowances for doubtful debts**

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Balance at the beginning of the year	<b>0.68</b>	0.68
Add: Allowance for the year	<b>0.10</b>	0.07
(Less): Actual Write off during the year( net of recovery)	<b>0.02</b>	0.07
<b>Balance at the end of the year</b>	<b>0.76</b>	0.68

**9 Cash and Cash Equivalents (Refer Note No 1.17)**

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Cash on hand	<b>0.24</b>	0.23
Balances with banks		
(i) On current accounts	<b>9.42</b>	0.32
(ii) Margin Money Fixed Deposits with maturity of less than 3 months	<b>0.30</b>	1.50
<b>Total</b>	<b>9.96</b>	2.05

## NOTES TO FINANCIAL STATEMENTS

## 10 Balances with banks other than Cash and Cash Equivalents

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
(i) On unpaid dividend account	4.27	4.14
(ii) Margin Money Fixed Deposits with maturity more than 3 months but less than 12 months	2.20	0.75
<b>Total</b>	<b>6.47</b>	4.89

## 11 Other Current Financial Assets

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>(Unsecured, considered good unless otherwise stated)</b>		
Security deposits	0.89	0.61
Interest accrued on Others	1.30	1.80
Interest accrued on Fixed Deposits	0.04	0.11
Other assets (includes other receivables, etc.)	2.16	4.42
<b>Total</b>	<b>4.39</b>	6.94

## 12 Other Current Assets

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Balances with Government Authorities	9.59	26.50
Other assets	30.07	7.71
<b>Advance for Goods &amp; Expenses :</b>		
Considered Good	27.32	5.32
Doubtful	0.12	0.12
	27.44	5.44
Less : Allowances for Doubtful Advances	(0.12)	(0.12)
	27.32	5.32
Export Incentive Receivable	11.11	5.00
<b>Total</b>	<b>78.09</b>	44.53

## 13 Equity Share Capital

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>Authorised</b>		
25,00,00,000 (31 <sup>st</sup> March, 2018: 25,00,00,000) Equity Shares of ₹ 2/- each	50.00	50.00
<b>Issued, Subscribed and Fully Paid-up Equity Shares</b>		
11,46,67,665 (31 <sup>st</sup> March, 2018: 11,46,67,665) Equity Shares of ₹ 2/- each	22.93	22.93
<b>Total Issued, Subscribed and Fully Paid-up Equity Share Capital</b>	<b>22.93</b>	22.93

## a. Reconciliation of the Shares Outstanding at the beginning and at the end of the Reporting Period

(₹ in crores)

	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	No. of shares	Amount	No. of shares	Amount
<b>Equity Shares</b>				
Outstanding at the beginning of the period	11,46,67,665	22.93	11,46,67,665	22.93
Outstanding at the end of the period	11,46,67,665	22.93	11,46,67,665	22.93

## a. Terms/rights attached to Equity Shares

- i) The Company has only one class of equity shares carrying par value of ₹ 2/- per share, carrying equal rights as to dividend, voting and in all other respects.





**NOTES TO FINANCIAL STATEMENTS**

**b. Details of shareholders holding more than 5% shares in the Company**

(₹ in crores)

Equity shares of ₹ 2 each fully paid	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	No. of shares held	% holding in the class	No. of shares held	% holding in the class
Late Shri Vijaykumar Gupta	0	0.00	2,08,41,083	18.18
Shri Manish Gupta	3,75,85,230	32.78	3,75,85,230	32.78
Smt. Sulochana Gupta	2,49,76,468	21.78	2,66,574	0.23
Smt. Shilpa Gupta	70,44,253	6.14	70,23,253	6.12

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

**14 Other Equity**

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>General Reserve</b>		
Balance as per the last financial statements	193.30	193.30
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	-	-
	193.30	193.30
<b>Capital Subsidy</b>		
Balance as per the last financial statements	1.25	1.25
	1.25	1.25
<b>Amalgamation Reserve Account</b>		
Balance as per the last financial statements	0.02	0.02
<b>Securities Premium Account</b>		
Balance as per the last financial statements	0.89	0.89
<b>Capital Redemption Reserve</b>		
Balance as per the last financial statements	11.15	11.15
<b>Closing Balance</b>	11.15	11.15
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last financial statements	792.81	623.56
Profit for the year	198.15	179.88
OCI for the year	0.18	0.42
Less: Appropriations		
Final Equity Dividend (amount per share ₹ 0.90 (31 <sup>st</sup> March, 2018: ₹ 0.80))	(10.32)	(9.18)
Tax on Final Equity Dividend	(2.12)	(1.87)
<b>Closing Balance</b>	978.70	792.81
<b>Total Other Equity</b>	1,185.31	999.42

## NOTES TO FINANCIAL STATEMENTS

## 15 Non-current Borrowings

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>Term Loan</b>		
<b>From Bank - Secured</b>		
TUF Scheme	7.24	14.48
<b>From State Government - Unsecured</b>		
VAT SOFT LOAN - Interest free	0.78	0.00
<b>The above amount includes</b>		
Amount disclosed under the head "Other Current Financial Liabilities"	(7.24)	(7.24)
(Refer Note No. 22)		
<b>Total</b>	<b>0.78</b>	7.24

- a. (i) Term loan is availed from HDFC Bank Limited, which carries gross interest @ 10.30% p.a. The loan is secured by hypothecation of specific movable Plant & Machinery and maturing on 3<sup>rd</sup> January, 2020.
- ii) The loan is repayable in quarterly installments of ₹ 1.81 crores each along with interest starting from 1<sup>st</sup> January, 2016 till 1<sup>st</sup> January, 2020. This loan is eligible for interest subsidy of 2% p.a. under TUF scheme of Central Government and 7% p.a. by Gujarat State Government under The Textile Policy, 2012. Eligibility of Interest Subsidy by Gujarat State Government is available on loan amount upto ₹ 21 crores.
- iii) ₹ 0.78 crores is discounted value of ₹ 1.50 crores interest free loan against VAT granted by Karnataka Government. It is repayable in three yearly installments of ₹ 0.50 crores each starting from 7th November 2024.

## 16 Non-current Provisions

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
(a) <b>Provision for Employee Benefits</b>		
Gratuity (Refer Note No. 44)	5.23	4.38
<b>Total</b>	<b>5.23</b>	4.38

## 17 Income tax

## A. Income tax recognised in Statement of Profit and Loss:

(₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>Current Tax:</b>		
Current tax	70.25	58.04
Tax in respect of earlier year	(5.18)	(13.03)
<b>Total Current Tax</b>	<b>65.07</b>	45.01
<b>Deferred Tax:</b>		
Deferred tax	6.33	7.27
MAT credit entitlement	-	-
<b>Total deferred tax</b>	<b>6.33</b>	7.27
<b>Total tax expense/(benefit)</b>	<b>71.40</b>	52.28
<b>Effective income tax rate</b>	<b>26.49%</b>	22.52%



**NOTES TO FINANCIAL STATEMENTS**

**B. A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Profit/ (loss) before tax	<b>269.55</b>	232.16
Enacted tax rate in India (Normal rate)	<b>34.94%</b>	34.61%
<b>Expected income tax expense/ (benefit) at statutory tax rate</b>	<b>94.19</b>	80.34
Expenses disallowed for tax purposes	<b>0.57</b>	1.55
Effect of income which is taxed at special rates	<b>0.95</b>	-
Income exempt from tax	<b>(0.28)</b>	(0.48)
Tax allowances and exemptions	<b>(18.85)</b>	(16.10)
Tax pertaining to prior years	<b>(5.18)</b>	(13.03)
<b>Tax expense for the year</b>	<b>71.40</b>	52.28

**C Movement In Deferred Tax Assets And Liabilities** (₹ in crores)

Movement during the year ended 31 <sup>st</sup> March, 2019	As at 1 <sup>st</sup> April, 2018	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	MAT Utilization / Short / Excess Provision	As at 31 <sup>st</sup> March, 2019
<b>Deferred Tax Asset/(Liabilities)</b>					
Depreciation	(64.39)	(10.32)	-	-	(74.71)
Hedge Reserve	-	-	-	-	-
Investments	(0.45)	0.24	-	-	(0.21)
Expenditure allowed in the year of payment	0.30	3.47	(0.10)	-	3.67
Provision for doubtful debts	0.24	0.03	-	-	0.27
Provision for Litigation	0.33	-	-	-	0.33
Government Grant	2.86	0.25	-	-	3.11
Others	-	-	-	-	-
<b>Total</b>	<b>(61.11)</b>	<b>(6.33)</b>	<b>(0.10)</b>	-	(67.54)
MAT Credit Entitlements (Net)	22.58	-	-	5.30	27.88
<b>Total</b>	<b>(38.53)</b>	<b>(6.33)</b>	<b>(0.10)</b>	<b>5.30</b>	(39.66)

(₹ in crores)

Movement during the year ended 31 <sup>st</sup> March, 2018	As at 1 <sup>st</sup> April, 2017	Credit/(charge) in Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	MAT Utilization / Short / Excess Provision	As at 31 <sup>st</sup> March, 2018
<b>Deferred Tax Asset/(Liabilities)</b>					
Depreciation	(58.13)	(6.26)	-	-	(64.39)
Hedge Reserve	-	-	-	-	-
Investments	(0.52)	0.07	-	-	(0.45)
Expenditure allowed in the year of payment	0.62	(0.09)	(0.23)	-	0.30
Provision for doubtful debts	0.28	(0.04)	-	-	0.24
Provision for Litigation	0.33	-	-	-	0.33
Government Grant	3.82	(0.96)	-	-	2.86
Others	-	-	-	-	-
<b>Total</b>	<b>(53.60)</b>	<b>(7.28)</b>	<b>(0.23)</b>	-	(61.11)
MAT Credit Entitlements (Net)	17.21	13.67	-	(8.30)	22.58
<b>Total</b>	<b>(36.39)</b>	<b>6.39</b>	<b>(0.23)</b>	<b>(8.30)</b>	(38.53)

**NOTES TO FINANCIAL STATEMENTS****18 Other Non-current Liabilities** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Others	1.69	0.61
<b>Total</b>	<b>1.69</b>	<b>0.61</b>

**19 Non-current Government grant** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Deferred government grant (Refer Note 46)	6.88	8.19
<b>Total</b>	<b>6.88</b>	<b>8.19</b>

**20 Current Borrowings** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>From Bank - Secured</b>		
Working Capital Facilities from Banks	108.24	563.56
Suppliers Line of Credit from Banks in Foreign Currency	101.00	68.83
<b>Total</b>	<b>209.24</b>	<b>632.39</b>

Working Capital, Suppliers Line of Credit from Banks in Foreign Currency and Short Term Loan from banks are secured by a hypothecation of current assets and certain tangible movable plant & machinery and joint equitable mortgage of certain Property, Plant and Equipments of the Company, personal guarantee of two promoter directors and lien on certain Fixed Deposits of the Company.

**21 Trade and other payables** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Total outstanding dues of Micro Enterprises & Small Enterprises (Refer Note No 48.)	1.10	1.98
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	167.69	120.85
<b>Total</b>	<b>168.79</b>	<b>122.83</b>

**22 Other Financial Liabilities (Current)** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Current maturities of long-term borrowings (Secured) (Refer Note No. 15)	7.24	7.24
Interest accrued	0.59	0.57
Unclaimed Dividend*	4.27	4.14
MTM liabilities on Derivatives	0.02	0.09
Payable for Capital Goods	12.06	9.32
Payable for Capital Goods - Micro, Small & Medium Enterprises (Refer Note No. 48)	1.04	0.07
Dealers / Distributors' Deposit	1.92	2.17
Others financial liability	0.72	0.72
<b>Total other financial liabilities</b>	<b>27.86</b>	<b>24.32</b>

\*Note: There are no amounts due for payment to the Investors Education and Protection fund as at the year end.

**23 Other Current Liabilities** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Contract Liability (Advance from Customers)	4.10	1.93
Statutory Dues Payable	20.64	18.45
<b>Total</b>	<b>24.74</b>	<b>20.38</b>



**NOTES TO FINANCIAL STATEMENTS**

**24 Current Government grant** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Deferred government grant (Refer Note No. 46)	<b>2.01</b>	2.08
<b>Total</b>	<b>2.01</b>	2.08

**25 Current Provisions** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>(a) Provision for Employee Benefits</b>		
Compensated Absences	<b>3.00</b>	2.74
Gratuity (Refer Note No. 44)	<b>2.65</b>	2.56
<b>Sub-Total (a)</b>	<b>5.65</b>	5.30
<b>(b) Other Provisions</b>		
Provision for Litigations (Refer Note No. 45)	<b>0.93</b>	0.93
Others	-	-
<b>Sub-Total (b)</b>	<b>0.93</b>	0.93
<b>Total (a + b)</b>	<b>6.58</b>	6.23

**26 Liabilities for Current Tax (Net)** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Tax Balances: (Provisions Less Advance Tax)	<b>13.46</b>	5.25
<b>Total</b>	<b>13.46</b>	5.25

(₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
<b>27 Revenue from contracts with customers</b> (refer Note No 1.5)		
<b>27.1 Disaggregated revenue informaton</b>		
Set out below is the disaggregation of the Company's revenue from contracts with customers :		
Type of goods Or Sewrviceses		
Sales of		
Cotton Yarn	<b>237.75</b>	255.67
Other Agro Products	<b>1,845.15</b>	1,738.54
Maize Starch and Derivatives	<b>1,843.70</b>	1,335.35
Power generated from Windmills & Solar	<b>9.91</b>	8.86
Other Operating revenue	<b>84.93</b>	38.21
<b>Total revenue from contracts with customers</b>	<b>4,021.44</b>	3,376.63
<b>Sales of Products</b>		
In India	<b>2,805.07</b>	2,775.30
Outside India	<b>1,206.46</b>	592.47
	<b>4,011.53</b>	3,367.77
<b>Sales of Power</b>		
In India	<b>9.91</b>	8.86
Outside India	-	-
	<b>9.91</b>	8.86
<b>Total revenue from contracts with customers</b>	<b>4,021.44</b>	3,376.63
Timing of revenue recognition		
Goods transferred at a point in time	<b>4,021.44</b>	3,376.63
Services transferred over time	-	-
<b>Total revenue from contracts with customers</b>	<b>4,021.44</b>	3,376.63

**NOTES TO FINANCIAL STATEMENTS**

Consequent to the introduction of Goods and Service Tax (GST) with effect from 1<sup>st</sup> July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed in to GST. In accordance with Indian Accounting Standard -18 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue.

<b>Revenue</b>	<b>Year ended 31<sup>st</sup> March, 2019</b>	<b>Year ended 31<sup>st</sup> March, 2018</b>
<b>Segments :</b>		
(a) Cotton Yarn Division	<b>239.75</b>	258.47
(b) Maize Processing Division	<b>1,871.09</b>	1,349.59
(c) Other Agro Processing Division	<b>1,900.69</b>	1,759.71
(d) Power Division	<b>9.91</b>	8.86
<b>Total revenue from contracts with customers</b>	<b>4,021.44</b>	3,376.63

**27.2 Contract Balances** (₹ in crores)

<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March, 2019</b>	<b>Year ended 31<sup>st</sup> March, 2018</b>
Trade receivables	<b>217.96</b>	229.31
Contract liabilities	<b>4.10</b>	1.93

Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days, usually backed up by financials arrangements. In March 2019, ₹ 0.16 Crores (March 2018: ₹ 0.07 Crores) was recognised as provision for expected credit losses on trade receivables. Contract liabilities include short-term advances received from customers against supply of Goods. The outstanding balances of these accounts increased in 2018-19 due to pending performance obligations.

Set out below is the amount of revenue recognised from :- (₹ in crores)

<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March, 2019</b>	<b>Year ended 31<sup>st</sup> March, 2018</b>
Amounts included in contract liabilities at the beginning of the year	<b>1.93</b>	7.74
Performance obligations satisfied in previous years	<b>1.87</b>	7.69

**27.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price** (₹ in crores)

<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March, 2019</b>	<b>Year ended 31<sup>st</sup> March, 2018</b>
Revenue as per contracted price	<b>4,028.99</b>	3,385.16
Adjustments :-		
Shortage/Quality Claims	<b>2.48</b>	4.56
Discounts	<b>5.07</b>	3.97
Revenue from contract with customers	<b>4,021.44</b>	3,376.63

**27.4 Performance obligation**

Information about the Company's performance obligations are summarised below:

**Cotton, Maize and Agro**

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 0 to 180 days from delivery, usually backed up by financials arrangements.

**Power generated from Windmills**

The performance obligation from windmills is recognised on unit generation basis, in accordance with the terms of power purchase agreements.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31<sup>st</sup> March 2019 are, as follows: (₹ in crores)

<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March, 2019</b>	<b>Year ended 31<sup>st</sup> March, 2018</b>
Within one year	<b>294.19</b>	315.48
	<b>294.19</b>	315.48



**NOTES TO FINANCIAL STATEMENTS**

**28 Other income** (₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
<b>Dividend Income on</b>		
Long-term investments	0.82	0.68
Profit on Sale of Current Investments	0.10	0.03
Net Gain on Sale/Fair value of Investment through Profit and Loss (FVTPL)	-	0.71
Foreign Exchange Fluctuation (Net)	-	1.65
Miscellaneous Income	5.78	1.51
Government grants (Refer Note No. 46)	2.09	1.78
Profit on Sale of Fixed Assets (Net)	0.34	0.52
Interest Income on:		
Bank deposits	1.03	0.28
Bond (Short/Long Term Investment)	1.02	1.09
Others	0.46	0.86
<b>Total</b>	<b>11.64</b>	<b>9.11</b>

**29 Cost of Materials Consumed** (₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
i) Raw Materials		
Inventory at the beginning of the year	417.90	332.36
Add: Purchases	2,476.62	2,378.56
Less: Inventory at the end of the year	233.62	417.90
(i) Cost of Raw Material Consumed	2,660.90	2,293.02
ii) Packing Materials		
Opening Stock :	16.35	14.23
Add : Purchases	67.43	58.34
Less : Sale of Packing Materials	-	-
Closing Stock	18.83	16.35
(ii) Cost of Packing Materials Consumed	64.95	56.22
<b>Total Cost of Materials Consumed</b>	<b>2,725.85</b>	<b>2,349.24</b>

**30 Purchase of traded goods** (₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Purchase of Stock-in trade	261.59	197.44
<b>Total</b>	<b>261.59</b>	<b>197.44</b>

## NOTES TO FINANCIAL STATEMENTS

**31 Changes in inventories of finished goods, Stock-in-Trade and work-in-progress** (₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
<b>Inventories at the Closing of the year</b>		
Traded Goods	0.33	0.89
Work-in-Progress	11.78	10.28
Finished Goods	201.45	247.81
<b>Sub Total (i)</b>	<b>213.56</b>	258.98
<b>Inventories at the Beginning of the year</b>		
Traded Goods	0.89	3.70
Work-in-Progress	10.28	10.01
Finished Goods	247.81	238.06
<b>Sub Total (ii)</b>	<b>258.98</b>	251.77
<b>Sub Total (ii-i)</b>	<b>45.42</b>	(7.21)

**32 Excise duty on sale of goods** (₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Excise duty	-	12.20
<b>Total</b> -	-	12.20

**33 Employee Benefit Expenses** (₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Salaries, Wages and Bonus	75.46	68.37
Contribution to provident and other fund	3.79	3.64
Gratuity Contribution & Provisions (Refer Note No. 44)	1.88	1.73
Staff Welfare expenses	1.82	1.63
Commission to Managing Directors	25.00	23.00
<b>Total</b>	<b>107.95</b>	98.37

**34 Finance costs** (₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
<b>a. Interest Expenses</b>		
Interest on Fixed Loans / Term Loan	0.26	0.49
Interest on Working Capital Loans	11.77	12.35
Interest on others	0.51	0.74
<b>b. Other Borrowing costs</b>		
Bank & other charges	6.28	4.36
<b>Total</b>	<b>18.82</b>	17.94





**NOTES TO FINANCIAL STATEMENTS**

**35 Other Expenses**

(₹ in crores)

Particulars	Year ended	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Consumption of stores and spares parts	25.11	26.34
Consumption of chemicals	37.34	33.32
Power and fuel	217.17	169.63
Freight and forwarding charges	151.97	117.02
Rent (Refer Note No. 43)	5.85	6.12
Rates and taxes	1.17	0.89
Insurance	2.17	1.90
Labour Charges	27.35	24.42
Repairs and maintenance		
Plant and machinery	4.86	4.75
Buildings	0.50	0.35
Others	0.87	0.96
Legal and Professional fees	2.46	1.78
Directors' sitting fees	0.08	0.08
<b>Payment to Auditor</b>		
Audit fee	0.23	0.23
Tax Audit Fee	0.06	0.06
<b>In other capacity:</b>		
Taxation matters	0.09	0.07
Scrap / Discarding of Assets	0.43	0.53
Donations	0.46	0.10
Foreign Exchange Fluctuation (Net)	0.95	
Corporate Social Welfare Expenses (Refer Note No.47)	0.47	0.40
Commission to Non Executive Directors	0.15	0.13
Remeasurement of Investments (Non-current )	1.77	-
Bad debts written off	0.02	-
Less : Provided earlier year	0.02	-
Allowance for trade receivables	0.16	0.07
Miscellaneous Expenses	26.58	20.16
<b>Total</b>	<b>508.25</b>	<b>409.31</b>

**36 Contingencies and Commitments (Refer Note No. 1.14)**

**a. Contingent liabilities not provided for in respect of:**

(₹ in crores)

Sr. No.	Particulars	As at	
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
(a)	Claims against the Company /disputed liabilities not acknowledged as debts	5.22	3.97
(b)	Disputed Statutory Claims		
i)	Excise, Customs, Service Tax and DGFT	1.36	2.91
ii)	Income Tax		
	- Appeals preferred by Company	5.09	5.09
	- Appeals preferred by Department	2.20	2.20
iii)	Sales Tax, VAT, Entry Tax and Mandi Tax	2.27	2.27
iv)	Others	2.03	2.94
	<b>TOTAL</b>	<b>12.95</b>	<b>15.41</b>

**Outflow in respect of (a) and (b) disputes /contingencies are dependent upon final outcome of the disputes or ultimate agreement to resolve the differences.**

**NOTES TO FINANCIAL STATEMENTS****b. Commitments**

- Commitments on account of estimated amount of contracts remaining to be executed on capital account and not provided for relating to Tangible Assets is ₹ 6.90 crores. [31<sup>st</sup> March, 18: ₹ 15.27 crores].

**37 Fair Value Measurement**

Financial Instrument by category and hierarchy

The fair value of the financial assets and liabilities are included at the amount of which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Fair Value of Cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amount largely due to short term maturities of these instruments.
- Financial instruments with fixed and variable interest rate are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair values of such instruments is not materially different from their carrying amounts:-

For the financial assets and liabilities that are measured at fair values, the carrying amount are equal to the fair value.

- Accounting classification and fair values**

(₹ in crores)

Financial Assets & Financial Liabilities	As at 31 <sup>st</sup> March, 2019				As at 31 <sup>st</sup> March, 2018			
	Fair value Through Profit or Loss	Amortised Cost	Total Carrying value	Total Fair Value	Fair value Through Profit or Loss	Amortised Cost	Total Carrying value	Total Fair Value
<b>Financial Assets</b>								
Cash and Cash Equivalents	-	9.96	9.96	9.96	-	2.05	2.05	2.05
Bank balances other than cash and cash Equivalents	-	6.47	6.47	6.47	-	4.89	4.89	4.89
Investments	42.61	9.83	52.44	52.44	29.28	13.34	42.62	42.62
Trade receivables	-	217.96	217.96	217.96	-	229.31	229.31	229.31
Other Financial Assets	-	8.79	8.79	8.79	-	12.21	12.21	12.21
<b>Total</b>	<b>42.61</b>	<b>253.01</b>	<b>295.62</b>	<b>295.62</b>	<b>29.28</b>	<b>261.80</b>	<b>291.08</b>	<b>291.08</b>
<b>Financial Liabilities</b>								
Borrowings	-	210.02	210.02	210.02	-	639.63	639.63	639.63
Trade Payable	-	168.79	168.79	168.79	-	122.83	122.83	122.83
Other Financial Liabilities	-	27.86	27.86	27.86	-	24.32	24.32	24.32
<b>Total</b>	<b>-</b>	<b>406.67</b>	<b>406.67</b>	<b>406.67</b>	<b>-</b>	<b>786.78</b>	<b>786.78</b>	<b>786.78</b>

- Fair value Hierarchy**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



**NOTES TO FINANCIAL STATEMENTS**

For assets which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

(₹ in crores)

Particulars	As at 31 <sup>st</sup> March, 2019			As at 31 <sup>st</sup> March, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets</b>						
Investment (other than investment in subsidiaries, Joint Venture & Associates)	37.61	0.00	5.00	24.28	0.00	5.00
<b>Total</b>	<b>37.61</b>	<b>0.00</b>	<b>5.00</b>	<b>24.28</b>	<b>0.00</b>	<b>5.00</b>

Significant Unobservable Inputs used in Level 3 Fair Values

As at 31 <sup>st</sup> March, 2019	Significant unobservable inputs	Sensitivity of input to fair value measurement
Non-current investments in unquoted equity shares	Discounted Cash Flow Discount Rate : 11%	1% increase in discount rate will have decrease in investment by ₹ 0.10 and 1% decrease in discount rate will have an equal but opposite effect.

**38 Capital risk Management**

Equity Share capital and other equity are considered for the purpose of Company’s capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The Capital structure of the Company is based on management’s judgment of its strategic and day-to-day needs with a focus on total equity to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**39 Financial risk management**

The Company’s business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risks. The company’s senior management has the overall responsibility for establishing and governing the Company’s risk management framework. The Company has constituted a risk management committee, which is responsible for developing and monitoring the Company’s risk management policies. The Company’s risk management policies are established to identify and analyse the risks faced by the company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

**A. Management of Liquidity Risk**

Liquidity risk is the risk that the company will face in meeting its obligation associated with its financial liabilities. The Company’s approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions.

Due to dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability of under committed credit lines. Management monitors rolling forecasts of the Company’s liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

The following table shows the maturity analysis of the Company’s financial liabilities based on the contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

**Exposure as at 31<sup>st</sup> March 2019** (₹ in crores )

Particulars	< 1 year	1-5 years	Beyond 5 years	Total
<b>Financial Liabilities</b>				
Borrowings	209.24	0.78	-	210.02
Trade Payable	168.79	-	-	168.79
Other Financial Liabilities	27.86	-	-	27.86
<b>Total Financial Liabilities</b>	<b>405.89</b>	<b>0.78</b>	<b>-</b>	<b>406.67</b>

## NOTES TO FINANCIAL STATEMENTS

Exposure as at 31 <sup>st</sup> March, 2018 (₹ in crores)				
Particulars	< 1 year	1-5 years	Beyond 5 years	Total
<b>Financial Liabilities</b>				
Borrowings	632.39	7.24	-	639.63
Trade Payable	122.83	-	-	122.83
Other Financial Liabilities	24.32	-	-	24.32
<b>Total Financial Liabilities</b>	<b>779.54</b>	<b>7.24</b>	-	<b>786.78</b>

**Financial Arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

Particulars	(₹ in crores)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Expiring within one year (Bank overdraft and other facilities)	661.16	182.77
Expiring beyond one year (bank loans)	-	-

**B. Management of Market Risk**

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Foreign Currency risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below:

**(i) Foreign Currency risk****Derivative Instruments and unhedged foreign currency exposure****(a) Derivatives outstanding as at reporting date**

Particulars	(₹ in millions)			
	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	Currency	Amount	Currency	Amount
Forward contract to sell USD	USD	0.51	---	2.00
Forward contract to buy USD	---	---	---	---
Forward Cross Currency to sell USD	---	---	---	---
Forward Cross Currency to buy EURO	---	---	---	---

**(b) Particular of unhedged foreign currency exposures as at the reporting date.****Currency exposure as at 31<sup>st</sup> March, 2019**

Particulars	(₹ in millions)				
	USD	EURO	AED	SGD	Other
Trade receivables	-	-	-	-	-
Cash and Cash Equivalents	-	-	-	-	-
Borrowings	21.04	0.27	-	-	-
Trade Payable	0.15	-	-	-	-
Other Financial Liabilities	0.66	-	-	-	-



**NOTES TO FINANCIAL STATEMENTS**

<b>Currency exposure as at 31<sup>st</sup> March 2018</b>					<b>(Amount in millions)</b>
<b>Particulars</b>	<b>USD</b>	<b>EURO</b>	<b>AED</b>	<b>SGD</b>	<b>Other</b>
Trade receivables	-	-	-	-	-
Cash and Cash Equivalents	-	-	-	-	-
Borrowings	41.27	2.70	-	-	-
Trade Payable	0.05	-	-	-	-
Other Financial Liabilities	0.07	0.01	-	-	-

Management Policy

The Company manages foreign currency exposures within the prescribed limits, through use of forward exchange contracts. Foreign currency exchange rate exposure is partly balanced by purchasing of goods/commodities in the respective currencies.

Sensitivity to Risk

A change of 5% in Foreign currency would have following Impact on profit before tax

**(₹ in Crores)**

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2019</b>		<b>For the year ended 31<sup>st</sup> March, 2018</b>	
	<b>5% increase</b>	<b>5% decrease</b>	<b>5% increase</b>	<b>5% decrease</b>
USD	(7.56)	7.56	(13.49)	13.49
EURO	(0.10)	0.10	(1.09)	1.09
AED	-	-	-	-
SGD	-	-	-	-
Other	-	-	-	-
<b>Increase/ decrease in Profit and Loss</b>	<b>(7.66)</b>	<b>7.66</b>	<b>(14.58)</b>	<b>14.58</b>

**(ii) Price Risk**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity Analysis

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

A change of 5% in market index would have following impact on profit before tax

**(₹ in crores)**

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March, 2019</b>	<b>For the year ended 31<sup>st</sup> March, 2018</b>
BSE Index 100 - Increase by 5%	1.88	1.21
BSE Index 100 - Decrease by 5%	(1.88)	1.21

The above referred sensitivity pertains to quoted equity investments and equity oriented Mutual Funds. Profit for the year would increase/decrease as a result of gains/losses on equity securities as at Fair Value through Profit or Loss (FVTPL).

**(iii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

**NOTES TO FINANCIAL STATEMENTS****Exposure to interest rate risk**

Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax

(₹ in crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
50 bp decrease would increase the profit before tax by	0.17	0.76
50 bp increase would decrease the profit before tax by	(0.17)	(0.76)

**C Management of Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The Ageing Analysis of Account Receivables has been considered from the date the invoice falls due

(₹ in crores)

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>0-3 months</b>	205.65	212.55
<b>3-6 months</b>	12.05	16.69
<b>6-12 months</b>	0.26	0.07
<b>12 months and up to 2 years</b>	0.00	0.00
<b>Total</b>	<b>217.96</b>	<b>229.31</b>

**40 Earnings per Share (EPS) as per Indian Accounting Standard 33**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Net Profit as per Statement of Profit and Loss (₹ in crores)	<b>198.15</b>	179.88
No. of weighted average outstanding Equity Shares (in crores)	<b>11.47</b>	11.47
Earning per Equity Share of ₹ 2/- each (Basic & Diluted)	<b>17.28</b>	15.69

**NOTES TO FINANCIAL STATEMENTS****41 Related Party Transactions as per Indian Accounting Standard 24**

The disclosure in pursuance to Indian Accounting Standard-24 on “Related Party disclosures” is as under:

**(a) Name of Related Parties & Relationship**

<b>SN</b>	<b>Name</b>	<b>Relationship</b>	<b>Manner</b>
1	Late Vijaykumar Gupta	Managing Director (Key Managerial Personnel) (Up to 23 <sup>rd</sup> May, 2018 )	Key Managerial Personnel
2	Manish Gupta	Chairman & Managing Director (Key Managerial Personnel)	Key Managerial Personnel & Relative as Son of Late Shri Vijaykumar Gupta & Personnel exercising more than 20% voting power
3	Sulochana Gupta	Relative of Key Managerial Personnel	Relative as wife of Late Shri Vijaykumar Gupta & mother of Shri Manish Gupta and Shri Mohit Gupta
4	Shilpa Gupta	Relative of Key Managerial Personnel	Relative as wife of Shri Manish Gupta
5	Shreyan Gupta	Relative of Key Managerial Personnel	Relative as son of Shri Manish Gupta
6	Sandeep Agrawal	Executive Director (Key Managerial Personnel)	Key Managerial Personnel
7	Siddharth Agrawal	Relative of Key Managerial Personnel	Relative as brother of Shri Sandeep Agrawal
8	Dinesh Shah	Chief Financial Officer	Key Managerial Personnel
9	Chetna Dharajiya	Company Secretary	Key Managerial Personnel
10	Jay Infrastructure & Properties LLP	Enterprise significantly influenced by Key Managerial Personnels	Key Managerial Personnels sharing more than 20% in profits
11	SMAS Investors LLP	Enterprise significantly influenced by Key Managerial Personnels	Key Managerial Personnel and relative sharing more than 20% in profits
12	Jupiter Corporate Services Limited	Enterprise significantly influenced by Key Managerial Personnels	Key Managerial Personnel and relatives sharing more than 20% in profits
13	Mohit Agro Commodities Private Limited	Enterprise significantly influenced by Key Managerial Personnels	Key Managerial Personnel and relatives sharing more than 20% in profits
14	Sudhin Choksey	Non Executive Director	
15	Rohit Patel	Non Executive Director	
16	Rashmikant Joshi	Non Executive Director	
17	Vishwavir Saran Das	Non Executive Director	
18	Sandeep Singhi	Non Executive Director	

## NOTES TO FINANCIAL STATEMENTS

(b) Transactions during the year with related parties mentioned in (a) above, in ordinary course of business & balances outstanding as at the year end: (₹ in crores)

Transaction	Total	Key Managerial Person	Relative of Key Managerial Person	Enterprise significantly influenced by Key Managerial Person	Non-Executive Directors
<b>(a) Rent Received</b>					
Jupiter Corporate Services Limited	0.01	-	-	0.01	-
	P.Y. (0.01)	(-)	(-)	(0.01)	(-)
<b>(b) i) Managerial Remuneration</b>					
Late Vijaykumar Gupta	0.12	0.12	-	-	-
	P.Y. (6.59)	(6.59)	(-)	(-)	(-)
Manish Gupta	25.84	25.84	-	-	-
	P.Y. (18.09)	(18.09)	(-)	(-)	(-)
Mohit Gupta	-	-	-	-	-
	P.Y. (0.08)	(0.08)	(-)	(-)	(-)
Sandeep Agrawal	0.60	0.60	-	-	-
	P.Y. (0.57)	(0.57)	(-)	(-)	(-)
Dinesh Shah	0.48	0.48	-	-	-
	P.Y. (0.44)	(0.44)	(-)	(-)	(-)
Chetna Dharajiya	0.15	0.15	-	-	-
	P.Y. (0.14)	(0.14)	(-)	(-)	(-)
<b>ii) Remuneration</b>					
Siddharth Agrawal	0.37	-	0.37	-	-
	P.Y. (0.36)	(-)	(0.36)	(-)	(-)
<b>iii) Commission</b>					
Sulochana Gupta	0.02	-	0.02	-	-
	P.Y. (0.02)	(-)	(0.02)	(-)	(-)
Sudhin Choksey	0.05	-	-	-	0.05
	P.Y. (0.03)	(-)	(-)	(-)	(0.03)
Rohit Patel	0.02	-	-	-	0.02
	P.Y. (0.02)	(-)	(-)	(-)	(0.02)
Rashmikant Joshi	0.02	-	-	-	0.02
	P.Y. (0.02)	(-)	(-)	(-)	(0.02)
Vishwavir Saran Das	0.02	-	-	-	0.02
	P.Y. (0.02)	(-)	(-)	(-)	(0.02)
Sandeep Singhi	0.02	-	-	-	0.02
	P.Y. (0.02)	(-)	(-)	(-)	(0.02)
<b>(c) Services : Sitting Fees</b>					
Rashmikant Joshi	0.01	-	-	-	0.01
	P.Y. (0.02)	(-)	(-)	(-)	(0.02)
Rohit Patel	0.02	-	-	-	0.02
	P.Y. (0.02)	(-)	(-)	(-)	(0.02)
Sandeep Singhi	0.02	-	-	-	0.02
	P.Y. (0.01)	(-)	(-)	(-)	(0.01)
Sudhin Choksey	0.01	-	-	-	0.01
	P.Y. (0.01)	(-)	(-)	(-)	(0.01)
Sulochana Gupta	0.01	-	0.01	-	-
	P.Y. (0.01)	(-)	(0.01)	(-)	(-)
Vishwavir Saran Das	0.01	-	-	-	0.01
	P.Y. (0.01)	(-)	(-)	(-)	(0.01)





**NOTES TO FINANCIAL STATEMENTS**

**(d) Dividend paid**

Late Vijaykumar Gupta	-	-	-	-	-
	P.Y.	(2.12)	(2.12)	(-)	(-)
Manish Gupta	3.38	3.38	-	-	-
	P.Y.	3.01	(3.01)	(-)	(-)
Sulochana Gupta	2.25	-	2.25	-	-
	P.Y.	(0.36)	-	(0.36)	(-)
Shilpa Gupta	0.63	-	0.63	-	-
	P.Y.	(0.56)	-	(0.56)	(-)
Shreyan Gupta	0.32	-	0.32	-	-
	P.Y.	(-)	(-)	(-)	(-)

**(e) Rent Paid**

Late Vijaykumar Gupta	-	-	-	-	-
	P.Y.	(0.02)	(0.02)	(-)	(-)
Manish Gupta	0.22	0.22	-	-	-
	P.Y.	(0.26)	(0.26)	(-)	(-)
Sulochana Gupta	0.02	-	0.02	-	-
	P.Y.	(0.04)	(-)	(0.04)	(-)
Jay Infrastructure LLP	-	-	-	-	-
	P.Y.	(0.46)	(-)	(-)	(0.46)
Jupiter Corporate Service Limited	0.01	-	-	0.01	-
	P.Y.	(0.01)	(-)	(-)	(0.01)
Mohit Agro Commodities Private limited	0.40	-	-	0.40	-
	P.Y.	-	(-)	(-)	(-)
SMAS LLP	2.61	-	-	2.61	-
	P.Y.	(2.34)	(-)	(-)	(2.34)

**(f) Registrar and Transfer Agent charges**

Jupiter Corporate Services Limited	0.08	-	-	0.08	-
	P.Y.	(0.08)	(-)	(-)	(0.08)

**(g) Brokerage/Commission Paid**

Jupiter Corporate Services Limited	0.08	-	-	0.02	-
	P.Y.	(0.03)	(-)	(-)	(0.03)

**Balance Outstanding as at 31<sup>st</sup> March, 2019**

**Amount Receivable/Recoverable (Deposit)**

Jupiter Corporate Services Limited	1.61	-	-	1.61	-
	P.Y.	(2.07)	(-)	(-)	(2.07)

**Remuneration Payable**

Late Vijaykumar Gupta	-	-	-	-	-
	P.Y.	(5.75)	(5.75)	(-)	(-)
Manish Gupta	25.00	25.00	-	-	-
	P.Y.	(17.25)	(17.25)	(-)	(-)
Others	15.00	-	2.00	-	13.00
	P.Y.	(13.00)	-	(2.00)	(-)

**Guarantees given by Key Managerial Personnel to**

Company's banker for securing loans	622.40	622.40	-	-	-
	P.Y.	(622.40)	(622.40)	(-)	(-)

- Note:
1. No amount has been provided as doubtful debts or advances / written off or written back in respect of debts due from / to above parties. Figures in brackets relate to previous year.
  2. The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions.

## NOTES TO FINANCIAL STATEMENTS

## Compensation to Key Managerial Personnel of the Company

(₹ in crores)

Nature of Benefits	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Short-term employee benefits	27.18	25.90
Post-employment gratuity benefits*	0.22	0.40
<b>Total</b>	<b>27.40</b>	<b>26.30</b>

Note: \* Key Managerial Personnel and Relatives of Promoters who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. Post-employment gratuity benefits of Key Managerial Personnel has not been included in (b) above.

## 42 Segment Information as per Indian Accounting Standard 108

Segment Information for the year ended 31<sup>st</sup> March, 2019

The Company had determined the following reporting segments based on the information reviewed by the Chief Operating Decision Maker (CODM):

- Agro: Solvent extraction, Flour Mill and Cattle feed operations.
- Cotton: Cotton yarn spinning
- Maize: Starch and its derivatives
- Power: Windmill and solar
- Other: Balance

The CODM monitors the operating results of its Business Segment separately for the purpose of making decision about resource allocation and performance assessment.

## Segment assets and liabilities

Segment assets and liabilities includes all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventory and other operating assets. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which can not be allocated to any business segment are shown as unallocable assets/liabilities.

## Inter-segment transfer

Inter-segment transfer are recognised at sale-price. The same is based on market price and business risks.

Notes:

- Unallocated Assets and Liabilities comprises of Corporate Fixed Assets, Investments, Goodwill, Fixed Deposits, Secured Loans, Provision for Taxes, Provision for Dividend, Unclaimed Dividend, Deferred Tax Liability and Provision for Mark to Market Losses on Forward Contracts.
- The Company's manufacturing facilities are located in India.

Primary Reportable Segments (Business Segment)

(₹ in crores)

Particulars	Agro		Cotton		Maize		Power		Total	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Revenue										
External sales	1,900.69	1,759.71	239.75	258.47	1,871.09	1,349.59	9.91	8.86	4,021.44	3,376.63
Total Revenue	1,900.69	1,759.71	239.75	258.47	1,871.09	1,349.59	9.91	8.86	4,021.44	3,376.63
Results										
Segment results before interest and finance cost	71.69	129.90	(7.94)	(7.43)	254.77	160.72	6.85	5.29	325.37	288.48
Unallocable Expenses	-	-	-	-	-	-	-	-	(37.00)	(38.39)
Operating Profit	-	-	-	-	-	-	-	-	288.37	250.09
Interest Expenses	-	-	-	-	-	-	-	-	18.82	17.94
Current Tax (Net of MAT Credit/ Debit)	-	-	-	-	-	-	-	-	65.07	45.01
Deferred Tax Charge/ (Credit)	-	-	-	-	-	-	-	-	6.33	7.27
Net Profit	-	-	-	-	-	-	-	-	198.15	179.87

(₹ in crores)

Other information	Agro		Cotton		Maize		Power		Others		Total	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Segment assets	475.13	579.96	158.09	175.56	970.70	1,042.07	25.77	26.65	-	-	1,629.69	1,824.24
Unallocated assets	-	-	-	-	-	-	-	-	85.46	70.54	85.46	70.54
Total Assets	475.13	579.96	158.09	175.56	970.70	1,042.07	25.77	26.65	85.46	70.54	1,715.15	1,894.78
Segment Liabilities	70.96	49.39	31.76	49.75	126.69	137.75	0.20	0.11	-	-	229.61	237.00
Unallocated liabilities and provisions	-	-	-	-	-	-	-	-	277.30	635.43	277.30	635.43
Total Liabilities	70.96	49.39	31.76	49.75	126.69	137.75	0.20	0.11	277.30	635.43	506.91	872.43
Capital Expenditure Capitalized	5.41	7.65	3.93	3.45	68.82	230.70	-	-	0.53	0.02	78.69	241.83
Depreciation	8.15	8.72	10.19	10.87	72.77	52.09	2.01	2.02	2.53	2.59	95.65	76.29



**NOTES TO FINANCIAL STATEMENTS**

Summary of information relating to external customers and location of non-current assets of its reportable segment has been disclosed as below.

**a Revenue from operations.** (₹ in crores)

Particulars	Year ended 31 <sup>st</sup> March, 2019	Year ended 31 <sup>st</sup> March, 2018
Within India	2,814.99	2,784.15
Outside India	1,206.45	592.48
<b>Total</b>	<b>4,021.44</b>	<b>3,376.63</b>

Revenue from operations has been allocated on the basis of location of customer

b) All Non-current assets of the company are located in India.

**43. Operating Lease as per Indian Accounting Standard 17 (Refer Note No. 1.11)**

- i) The Company has taken various residential, office and godown premises under operating lease on leave and license agreements. These are generally not non-cancelable and range between 11 months and 36 months under leave and licence or longer for other lease and are renewable by mutual agreeable terms. The Company has given refundable interest free security deposits under certain agreements.
- ii) Lease payments are recognized as expense in the Statement of Profit and Loss on straight line basis over the lease term under expense head 'Rent' amounting to ₹ 5.85 Crores (Previous year ₹ 6.12 Crores )

**44. Post Retirement Benefit Plans as per Indian Accounting Standard 19**

As per Actuarial Valuation as on 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018 and recognised in the financial statements in respect of Employee Benefit Schemes:

**A. Amount recognised in the Balance Sheet** (₹ in crores)

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Gratuity:</b>		
Present value of plan liabilities	12.50	11.20
Fair value of plan assets	4.66	4.26
Deficit/(Surplus) of funded plans	7.84	6.94
Unfunded plans	0.00	0.00
<b>Net Plan Liability/ (Asset)*</b>	<b>7.84</b>	<b>6.94</b>

**B. Movements in Plan Assets and Plan Liabilities** (₹ in crores)

Gratuity:	For the year ended 31 <sup>st</sup> March, 2019			For the year ended 31 <sup>st</sup> March, 2018		
	Plan Assets	Plan liabilities	Net	Plan Assets	Plan liabilities	Net
<b>As at 1<sup>st</sup> April</b>	<b>4.26</b>	<b>11.20</b>	<b>6.94</b>	<b>4.14</b>	<b>10.57</b>	6.43
Current service cost	0.00	1.09	1.09	0.00	<b>1.09</b>	1.09
Past Service Cost	0.00	0.00	0.00	0.00	<b>0.18</b>	0.18
Return on plan assets excluding actual return on plan assets	(0.01)	0.00	0.01	0.01	<b>0.00</b>	(0.01)
Actual return on plan asset	0.33	0.00	(0.33)	0.30	<b>0.00</b>	(0.30)
Interest cost	0.00	0.87	0.87	0.00	<b>0.76</b>	0.76
Actuarial (gain)/loss arising from changes in demographic Assumptions	0.00	0.00	0.00	0.00	<b>0.00</b>	0.00
Actuarial (gain)/loss arising from changes in financial Assumptions	0.00	0.04	0.04	0.00	<b>(0.61)</b>	(0.61)
Actuarial (gain)/loss arising from experience adjustments	0.00	(0.33)	(0.33)	0.00	<b>(0.03)</b>	(0.03)
Employer contributions	0.45	0.00	(0.45)	0.40	<b>0.00</b>	(0.40)
Benefit payments	(0.37)	(0.37)	0.00	(0.59)	<b>(0.76)</b>	(0.17)
<b>As at 31<sup>st</sup> March</b>	<b>4.66</b>	<b>12.50</b>	<b>7.84</b>	<b>4.26</b>	<b>11.20</b>	6.94

The liabilities are split between different categories of plan participants as follows:

**Defined benefit obligation and employer contribution** (₹ in crores)

Particulars	Gratuity	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Active members	<b>2883</b>	2852

The Company expects to contribute around ₹ 0.40 crores to the funded plans in financial year 2019-20 (2018-19 : ₹ 0.40 crores) for gratuity.

## NOTES TO FINANCIAL STATEMENTS

## C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses (₹ in crores)

Gratuity	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Current service cost	1.09	1.09
Finance cost/(income)	0.54	0.46
Past Service Cost	0.00	0.18
Asset/(Liabilities) recognised in Balance Sheet*	-	-
<b>Net impact on the Profit / (Loss) before tax</b>	<b>1.63</b>	<b>1.73</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Return on plan assets excluding actuarial return on plan assets	0.01	(0.01)
Actuarial gains/(losses) arising from changes in demographic	-	-
Actuarial gains/(losses) arising from changes in financial assumption	0.04	(0.61)
Experience gains/(losses) arising on experience adjustments	(0.33)	(0.02)
Benefit plan liabilities	-	-
<b>Net Gain recognised in the Other Comprehensive Income before tax</b>	<b>(0.28)</b>	<b>(0.64)</b>

\* Surplus of assets over liabilities has not been recognised on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds.

## D. Assets (₹ in crores)

	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Gratuity:</b>		
<b>Unquoted</b>		
Government Debt Instruments	-	-
Corporate Bonds	-	-
Insurer managed funds	4.66	4.26
Others	-	-
<b>Total</b>	<b>4.66</b>	<b>4.26</b>

## E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fairvalue on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Gratuity:	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Financial Assumptions</b>		
Discount rate	<b>7.79%</b>	7.83%
Salary Escalation Rate	<b>7.00%</b>	7.00%
Attrition Rate	<b>2.00%</b>	2.00%

**Demographic Assumptions**

Published rates under the Indian Assured Lives Mortality (2006-08) Ult table.

## F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are :

Gratuity:	As at 31 <sup>st</sup> March, 2019			As at 31 <sup>st</sup> March, 2018		
	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities	Change in assumption	Increase in present value of plan liabilities	Decrease in present value of plan liabilities
Discount rate	100 bps	1.07	(0.92)	100 bps	<b>1.00</b>	(0.86)
Salary Escalation Rate	100 bps	1.04	(0.92)	100 bps	<b>0.98</b>	(0.86)
Attrition Rate	100 bps	0.05	(0.06)	100 bps	<b>0.05</b>	(0.06)



**NOTES TO FINANCIAL STATEMENTS**

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

**G. The defined benefit obligations shall mature after year end 31<sup>st</sup> March, 2019 as follows:** (₹ in crores)

Gratuity :	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
2019	2.11	1.92
2020	0.49	0.33
2021	0.79	0.60
2022	0.77	0.73
2023	0.77	0.71
Thereafter	23.60	22.21

**Risk Exposure - Asset Volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

**(i) Leave obligations**

The leave obligations cover the Company's liability for sick and earned leave. The amount of the provision of ₹ 3.00 crores [31<sup>st</sup> March, 18: ₹ 2.74 crores] is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

**(ii) Defined contribution plans**

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 2.81 crores [31<sup>st</sup> March, 18: ₹ 2.75 crores]

**45 Disclosure as per Indian Accounting Standard 37 relating to Provisions** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Opening Balance	0.93	0.93
Addition during the year	-	-
Closing Balance	0.93	0.93

The provision relates to estimated outflow of cash expected to be paid in relation to damages payable on account of cancellation of contract for supply of raw material and on account of quality rebate claim for sale of traded goods. Due to its nature, it is not possible to estimate the timing of resulting cash flows.

**46 Schedule of Government Grant** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
<b>a.</b> At 1 <sup>st</sup> April	10.27	11.04
Grant Received during the Year	0.71	1.00
Released to the statement of Profit & Loss	(2.09)	(1.77)
At 31 <sup>st</sup> March	8.89	10.27
<b>b.</b> Current	2.01	2.08
Non- Current	6.88	8.19
<b>Total</b>	8.89	10.27

**47 CSR expenditure** (₹ in crores)

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
a) Gross amount required to be spent by the Company during the year	3.99	2.97
b) Amount spent during the year	0.47	0.40
i) Construction/acquisition of any asset	0.00	0.00
ii) On purposes other than (i) above	0.47	0.40
<b>Total</b>	0.47	0.40

**NOTES TO FINANCIAL STATEMENTS****48 Dues to Micro, Small and Medium Enterprises**a) **Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006. (₹ in crores)**

Sr.	Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
A	i) Principal amount remaining unpaid at the end of the accounting year (including creditors for capital goods)	2.14	2.05
	ii) Interest due on above ( ₹ 18019/- P.Y. ₹ 1967/-)	-	-
B	The amount of interest paid by the Company in terms of section 16 of the MSMED, along with amount of payment made to the supplier beyond the appointed date during the accounting year.	-	-
C	The amount of interest accrued and remaining unpaid at the end of the financial year ( ₹ 18019/- P.Y. ₹ 1967/-)	-	-
D	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under MSMED.	-	-
E	The amount of further interest remaining due and payable in succeeding years, until such interest is actually paid.	-	-
	<b>Total</b>	<b>2.14</b>	<b>2.05</b>

As per our report of even date

**For ARPIT PATEL & ASSOCIATES  
CHARTERED ACCOUNTANTS**

Firm Registration No.: 144032W

**ARPIT PATEL**

Partner

Membership No.: 034032

**Place : Ahmedabad****Date : 25<sup>th</sup> May, 2019****For and on behalf of the Board of Directors****MANISH GUPTA**Chairman & Managing Director  
DIN: 00028196**DINESH SHAH**Chief Financial Officer  
Membership No.: 038650**Place : Ahmedabad****Date : 25<sup>th</sup> May, 2019****SANDEEP AGRAWAL**Whole-Time Director  
DIN: 00027244**CHETNA DHARAJIYA**Company Secretary  
Membership No.: A20835



## FIVE YEAR FINANCIAL HIGHLIGHTS - STANDALONE

(₹ in crores)

	2018-19	2017-18	2016-17	2015-16	2014-15
<b>SALES, PROFIT &amp; DIVIDEND</b>					
Revenue	4033.08	3385.74	3404.65	2786.69	2531.30
EBDITA	384.02	326.39	293.58	195.49	173.73
EBIT	288.37	250.10	222.16	129.32	112.76
Profit before Exceptional Items and Tax (PBT)	269.55	232.16	199.37	119.41	97.76
Profit after Tax (PAT)	198.15	179.88	158.55	100.43	84.17
Dividend (Amount)	11.47	9.17	0.00	11.07	11.62
Total Dividend Per share (₹)	1.00	0.80	0.00	0.80	0.84
Special Dividend Per Share (₹)	0.00	0.00	0.00	0.00	0.00
Normal Dividend Per Share (₹)	1.00	0.80	0.00	0.80	0.84
<b>FINANCIAL POSITION</b>					
Equity Share Capital	22.93	22.93	22.93	27.67	27.67
Reserves and Surplus	1185.31	999.42	830.17	892.95	805.36
Long Term Borrowings	0.78	7.24	14.48	21.72	24.91
Capital Employed	1209.02	1029.59	867.58	942.34	857.94
Gross Block	1022.56	968.71	733.17	627.30	549.29
Net Block	752.30	771.06	606.28	567.11	548.20
Investments	52.45	42.62	47.13	77.17	59.87
Net Current Assets	391.52	197.97	81.45	255.10	217.65
<b>RETURN</b>					
On Sales (PBT)%	6.68	6.86	5.86%	4.29%	3.86%
On Capital Employed (EBIT)%	23.85	24.29	25.61%	13.72%	13.14%
On Shareholders' Fund (PAT)%	16.40	17.59	18.59%	10.91%	10.10%
Earning Per share (₹)	17.28	15.69	11.50	7.26	6.08

## FIVE YEAR FINANCIAL HIGHLIGHTS - SEGMENT WISE

(₹ in crores)

Sr. No.	Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
<b>1</b>	<b>Segment Revenue</b>					
	a) Cotton Yarn Division	239.75	258.47	219.69	172.21	180.30
	b) Maize Processing Segment	1871.09	1349.59	1305.56	1105.55	992.27
	c) Other Agro Processing Segment	1900.69	1759.71	1846.50	1488.25	1350.54
	d) Power Division	9.91	8.86	10.12	10.43	8.19
	<b>Total</b>	<b>4021.44</b>	<b>3376.63</b>	<b>3381.87</b>	<b>2776.44</b>	<b>2531.30</b>
<b>2</b>	<b>Segment Results (Profit before tax and interest from each segment)</b>					
	a) Cotton Yarn Division	(7.94)	(7.43)	6.69	(14.35)	(16.22)
	b) Maize Processing Segment	254.77	160.72	149.94	147.89	144.73
	c) Other Agro Processing Segment	71.69	129.90	80.78	10.47	(3.85)
	d) Power Division	6.85	5.29	7.68	7.61	5.21
	<b>Total</b>	<b>325.37</b>	<b>288.48</b>	<b>245.09</b>	<b>151.62</b>	<b>129.87</b>
	Less: i) Finance cost	18.82	17.94	22.79	9.91	15.00
	Profit before tax from ordinary activities before tax and exceptional items	306.55	270.54	222.30	141.71	114.87
	Add: Exceptional items	(37.00)	(38.38)	(22.93)	(22.30)	(17.11)
	Profit from ordinary activities before tax and after exceptional items	269.55	232.16	199.37	119.41	97.76
	Add: Extraordinary items	0	0	0	0	0.00
	<b>Profit before tax after extraordinary items (PBT)</b>	<b>269.55</b>	<b>232.16</b>	<b>199.37</b>	<b>119.41</b>	<b>97.76</b>
<b>3</b>	<b>Capital Employed</b>					
	(Segment Assets - Segment Liabilities)					
	a) Cotton Yarn Division	126.33	125.81	140.44	128.30	100.34
	b) Maize Processing Segment	844.01	904.32	735.05	537.22	471.01
	c) Other Agro Processing Segment	404.17	530.57	499.96	390.16	376.77
	d) Power Division	25.57	26.54	28.89	114.05	116.59
<b>4</b>	<b>RATIOS</b>					
	<b>EBIT as % of Sales</b>					
	a) Cotton Yarn Division	(3.31)	(2.87)	3.05	(8.33)	(9.00)
	b) Maize Processing Segment	13.62	11.91	11.48	13.38	14.59
	c) Other Agro Processing Segment	3.77	7.38	4.37	0.70	(0.29)
	d) Power Division	69.12	59.71	75.89	72.96	63.61
	<b>Total EBIT as % of Sales</b>	<b>8.09</b>	<b>8.54</b>	<b>7.25</b>	<b>5.46</b>	<b>5.13</b>





## **SHAREHOLDERS' REFERENCER**

### **(I) Exchange of Shares:**

#### **(a) Members holding shares in physical form:**

1. Members of erstwhile Gujarat Ambuja Cotspin Limited (GACL) (Also known as Gujarat Ambuja Steel Limited and Ambuja Foods Limited), Gujarat Ambuja Proteins Limited (GAPL) and Jupiter Biotech Limited (Formerly known as Gujarat Vita Pharma Limited) (hereinafter also referred as Amalgamating Companies) are requested to send their shares of above companies for exchange at the Registered Office of the Company to get shares of Gujarat Ambuja Exports Limited (GAEL and / or Company).
2. Members holding equity shares of ₹ 10/- each of GAEL are also requested to send at the Registered Office of the Company their ₹ 10/- face value shares to get sub-divided ₹ 2/- face value equity shares certificates of GAEL.
3. Equity Shares of the Company are under compulsory dematerialization and to get benefits of dematerialization, please send equity shares of GAEL of ₹ 2/- each for dematerialization through your Depository Participant (DP). ISIN No. of the Company is INE036B01022.
4. Kindly get your shares transmitted in the name of second holder / legal heirs, in case of death of first holder / single holder, as the case may be, at the earliest.
5. Kindly register your change of address with the Company and get acknowledgement for registration.
6. As per Regulation 40(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all transferee(s) as well as transferor(s) are compulsorily required to submit copy of PAN card alongwith transfer form, in absence of which, request for transfer will be rejected. In cases where PAN card is not available i.e. in case of residents of Sikkim, the requirement of PAN card may be substituted with Identity proof.
7. Members holding shares in physical form and desirous of making nomination may request for Form No. SH-13 from the Company or Share Transfer Agent, Jupiter Corporate Services Limited. Nomination Form is also available on the website of the Company i.e. [www.ambujagroup.com](http://www.ambujagroup.com)
8. Please quote your Folio No. and other details in all communication / correspondence with the Company and / or Share Transfer Agent of the Company.

#### **(b) Members holding shares in dematerialised form:**

1. Kindly update your change of address and bank details / particulars alongwith MICR Code, Core Banking Account Number with your Depository Participant (DP) to get corporate benefits and serve you better.
2. Kindly quote your Client ID along with DP ID in all your correspondence / communication with the Company and / or Share Transfer Agent of the Company.

### **(II) Dividend (Physical and Demat Shares):**

If you are holding unpaid dividend warrants / warrants not received by you for the financial year as referred in notes to Notice of the Meeting, you are requested to send the same for revalidation/apply for duplicate dividend warrants. In view of provisions of Section 124 and 125 of the Companies Act, 2013, the amount of dividend remaining unclaimed for a period of 7 (seven) years shall be transferred to the Investor Education and Protection Fund (IEPF). In view of the above, all shareholders are requested to ensure that any dividend payable to them, are claimed without any delay.

### **(III) Refunds to claimants from Fund:**

In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed e-Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the e-Form IEPF-5. It is advised to read the instructions given in the help-kit carefully before filling the form. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

### **(IV) Dematerialization of Equity Shares:**

Trading in the shares of the Company can be done in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to Members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those Members who have still not dematerialized their shares to get their shares dematerialized at the earliest.

**(V) Bank Mandate:**

1. The Securities and Exchange Board of India (SEBI) vide its press release dated 3<sup>rd</sup> September, 2015 had issued the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") applicable from 1<sup>st</sup> December, 2015 to all listed entities pursuant to which the listed entities are required to use any of the electronic mode of payment facility approved by the Reserve Bank of India, in the manner specified in Schedule I of the Regulations, for the payment of (a) dividends; (b) interest; (c) redemption or repayment amounts. Accordingly, the Members, holding shares in physical form, are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the Company or Share Transfer Agent, Jupiter Corporate Services Limited (STA) and Members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participant (DP) to enable the Company or STA for making arrangements for electronic credit of dividend / other benefits to Members.
2. Kindly note that as per RBI notification, with effect from 1<sup>st</sup> October, 2009 the remittance of money through Electronic Clearing Service (ECS) is replaced by National Electronic Clearing Service (NECS) and banks have been instructed to move to the NECS platform with immediate effect. The advantages of NECS over ECS include faster credit of remittances to beneficiary's account, coverage of more bank branches and ease of operations for remitting agencies.
3. NECS essentially operates on the new and unique bank account number allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.
4. In this regard, if you hold shares in electronic form, please furnish the new Bank Account Number allotted to you by your bank after implementation of CBS, along with a photocopy of a cheque pertaining to the concerned account, to your DP, at your convenience and for shares held in physical form to Share Transfer Agent, Jupiter Corporate Services Limited. This will further facilitate to comply with Regulation 12 of the Regulations in terms of printing the bank account details of the Members on physical payment instruments.
5. If you do not provide your new account number allotted after implementation of CBS by your bank to your DP, please note that ECS to your old account may either be rejected or returned.
6. NRI Members of the Company are requested to update their bank account details with the Share Transfer Agent / Company, for getting the electronic credit of dividend / other benefits.
7. Please ignore the instruction above, in case you have already submitted the necessary details to your DP / Share Transfer Agent of the Company, as the case may be.

**(VI) Updation of Email Ids - A Green Initiative:**

With a view to conserve natural resources, we request Members to update and register their email addresses with their Depository Participants (DP) or with the Company, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars etc. electronically.

**(VII) Share Transfer Agent:**

Kindly note that Share Transfer Agent of the Company is **Jupiter Corporate Services Limited, "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059** and Members / beneficial owners of equity shares are requested to address all correspondences to Jupiter Corporate Services Limited and / or to the Company only.

**(VIII) Mandatory update of PAN and Bank Account Details:**

With reference to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018, security holders whose ledger folios have incomplete details with respect to PAN and Bank Account details; they need to provide such particulars as are mandatorily required to be furnished to the Issuer Company / RTA for registration in the folio.

Those security holders whose folio(s) do not have complete details relating to their PAN and Bank Account, or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to the RTA / Company for registration / updation.

The members need to submit the following documents to the RTA / Company to update the records:

- Self-attested copy of PAN Card of all the security holders. For resident of Sikkim, the requirement of PAN card may be substituted with a valid Identity proof issued by Government.



- Cancelled Cheque leaf with name of account holder / joint account holders, Bank A/c No., Bank Name, type of account, IFSC and MICR Code. In case Cheque does not bear the name of security holder, bank attested copy of the first page of passbook showing name of account holder of the first security holder or statement of the first security holder attested by the Bank.
- Address proof (self-attested copy of Aadhaar card / Electricity bill / Telephone bill / Passport) of the first holder.
- Any change in the name of holders.

Kindly note that all the above documents are mandatorily to be submitted (in case not submitted so far) with the Company / RTA for processing the payment of dividend / transfer / transmission / issue of duplicate share certificate correction of errors etc.

In case of non-submission or in case no response is received from the concerned shareholder, any future transactions for above matters shall be subject to enhanced due diligence by the Company.

Further the Mandate Form for updation of aforesaid documents is provided on Page No. 128. You are requested to accordingly, update the required details.

Ref. No. JCSL/PAN/1

To,  
Jupiter Corporate Services Limited  
Unit: Gujarat Ambuja Exports Limited  
"Ambuja Tower",  
Opp. Sindhu Bhavan, Sindhu Bhavan Road,  
Bodakdev, P.O. Thaltej,  
Ahmedabad – 380 059

Dear Sir,

**Subject: Updation of PAN and Bank details against our shareholding**

With reference to the above captioned subject, we are providing the following details for updation of records:

- i. Self-attested copy of PAN Card of all the security holders;
- ii. Original Cancelled Cheque leaf with name of account holder / joint account holders, Bank A/c No., Bank Name, type of account, IFSC and MICR Code / copy of the first page of bank passbook / statement of the 1<sup>st</sup> security holder attested by the bank [delete whichever is not applicable] (in cases where the cheque does not bear the name of the security holder); and
- iii. Address proof (self attested copy of Aadhar Card / Electricity bill / Telephone bill / Passport) of the first holder

Folio No.	
Name of the security holder(s)	
Address of the 1 <sup>st</sup> security holder as per the Share Certificate	
Mobile No. / Telephone No.	
Email Id	

Bank Account Details: (for electronic credit of unpaid dividends and all future dividends)			
Name of the Bank			
Name of the Branch			
Account Number (as appearing in cheque book)			
Account Type (Saving / Current / Cash Credit)	<u>Saving</u>	<u>Current</u>	<u>Cash Credit</u>
9 Digit MICR Number (as appearing on the MICR cheque issued by the Bank)			
11 Digit IFSC			

	PAN	Name	Signature
First Holder:			
Joint Holder 1:			
Joint Holder 2:			

Date:

Place:

Name and Signature of Account holder(s)

**NB: The above details will not be updated if the supporting documents (duly self-attested / attested by bank) are not attached.**



**PROCEDURES / STEPS FOR CLAIMING SHARES AND / OR DIVIDEND AMOUNT FROM IEPF**

1. The Shareholder is required to download the e-form IEPF-5 with Instruction kit from the IEPF Authority website <http://www.iepf.gov.in/IEPF/refund.html> for filing the claim for refund.
2. Please go through the instructions provided on the website / instructions kit along with the e-form carefully before filling the form.
3. After filling the e-form save it on your computer and upload the duly filled form in the upload link on the website of IEPF Authority (redirected to MCA21).
4. Login using your ID and password (New user has to register himself / herself).
5. After login, click on normal upload. Click on Browse and attach the form and click to submit.
6. SRN will be generated and you will be asked for payment option (Pay now or Pay Later).
7. Click on Pay now (Fees is Zero), for the purpose of upload of your e-form.
8. On successful uploading of e-form, an 'acknowledgement / challan' will be generated indicating the Service Request Number (SRN).
9. Shareholders are requested to note the SRN for future tracking of the status of the claim for credit of shares / refund of dividend amount as the case may be.
10. Take a printout of the duly filled IEPF-5 and the acknowledgement / challan issued after uploading the form.
11. The Shareholder has to forward self-attested copy of e-form with acknowledgement / challan, along with original indemnity bond, advance stamped receipt and other documents mentioned in the e-form IEPF-5 to **Nodal Officer (IEPF)** of the Company at its registered office in an envelope marked "Claim for refund from IEPF Authority" along with below documents.
12. **Indemnity Bond (Please download updated Annexure II from [www.iepf.gov.in](http://www.iepf.gov.in) )**  
Indemnity Bond (original) need to be executed on a non-judicial stamp paper in the format given in **Annexure II** for claiming shares and / or dividend amount.
  - a) For claiming dividend amount not exceeding ₹ 10,000/-, Indemnity Bond need to be executed on a plain paper.
  - b) In case of dividend amount exceeding ₹ 10,000/- Indemnity Bond need to be executed on a non-judicial stamp paper of value as prescribed under the Stamp Act of the State where the shareholder resides.
  - c) In case of refund of shares and dividend amount, on a non-judicial stamp paper of the value as prescribed under the Stamp Act of the State where the shareholder resides.
13. Advance Receipt (original) with signature of claimant and two witnesses. (Format is given in **Annexure I**). **(Please download updated Annexure II from [www.iepf.gov.in](http://www.iepf.gov.in) )**
14. In case of refund of matured deposit or debenture, or bonds, or where shares (in physical form) are claimed, original certificate thereto.
15. Copy of Aadhaar Card of the claimant and if joint holders are there, copy of aadhar card of all the joint holders. In case any joint holder is deceased, copy of death certificate to be attached.
16. Copy of Passport, OCI and PIO card in case of foreigners and NRI.
17. Copy of PAN Card (mandatory in case of claim for shares).
18. Proof of entitlement (Certificate of share / Interest warrant / dividend warrant, Application No. etc.)
19. Cancelled Cheque leaf.
20. Client Master List of demat A/c of the claimant.
21. Other optional documents (if any).

# GUJARAT AMBUJA EXPORTS LIMITED

CIN: L15140GJ1991PLC016151

Registered Office: "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059

Phone: 079-61556677, Fax: 079-61556678

Website: [www.ambujagroup.com](http://www.ambujagroup.com) Email Id: [investor-jcsl@ambujagroup.com](mailto:investor-jcsl@ambujagroup.com)

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s)	
Registered Address	
Email Id	
Folio No./ Client Id	
DP Id	

PROXY FORM

I/We, being the member(s) of \_\_\_\_\_ shares of Gujarat Ambuja Exports Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having Email Id: \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having Email Id: \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having Email Id: \_\_\_\_\_ and whose

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 28<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, the 3<sup>rd</sup> day of August, 2019 at 11.00 a.m. at H. T. Parekh Hall, 1<sup>st</sup> Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad - 380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:



## GUJARAT AMBUJA EXPORTS LIMITED

CIN: L15140GJ1991PLC016151

Registered Office: "Ambuja Tower", Opp. Sindhu Bhavan, Sindhu Bhavan Road, Bodakdev, P.O. Thaltej, Ahmedabad - 380 059

Phone: 079-61556677, Fax: 079-61556678

Website: [www.ambujagroup.com](http://www.ambujagroup.com) Email Id: [investor-jcsl@ambujagroup.com](mailto:investor-jcsl@ambujagroup.com)

## ATTENDANCE SLIP

I hereby record my presence at the 28<sup>th</sup> ANNUAL GENERAL MEETING of the Company held on Saturday, 3<sup>rd</sup> August, 2019 at 11.00 a.m.

Venue: H. T. Parekh Hall, 1<sup>st</sup> Floor, Ahmedabad Management Association (AMA), AMA Complex, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380 015

Folio No. / DP-ID & Client ID : \_\_\_\_\_ No. of Shares held : \_\_\_\_\_

Name of Member(s) / Proxy : \_\_\_\_\_

Please tick whether Member [  ] Joint Holder [  ] Proxy [  ]

Member's / Proxy's Signature : \_\_\_\_\_

### Notes :

1. Members / Proxies must bring the attendance slip duly completed and signed and hand over the same at the entrance.
2. Admission restricted strictly for members and valid proxy holders only. Please bring your copy of the Annual Report.
3. Members intending to require information about accounts, to be explained at the meeting, are requested to inform the Company atleast 10 days in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.

ATTENDANCE SLIP



RESOLUTIONS	Vote-Refer Note No. 5		
	For	Against	Abstain
<b>Ordinary Business</b>			
1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2019 and the Reports of the Board of Directors and the Auditors thereon for the financial year ended 31 <sup>st</sup> March, 2019			
2. To declare Final Dividend on equity shares for the financial year 2018-19			
3. To appoint a Director in place of Shri Sandeep Agrawal (holding DIN 00027244), who retires by rotation and being eligible, offers himself for re-appointment			
<b>Special Business</b>			
4. Ratification of remuneration of Cost Auditors for the Financial Year 2019-20			
5. Remuneration to Non-Executive Directors of the Company			
6. Appointment of Ms. Maitri Mehta (DIN 07549243) as an Independent Director of the Company			
7. Re-appointment of Shri Sandeep Agrawal as Whole-Time Director of the Company w.e.f. 1 <sup>st</sup> August, 2019 till 31 <sup>st</sup> July, 2024			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Signature of Member(s)

Affix Revenue Stamp of not less than ₹ 1/-

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

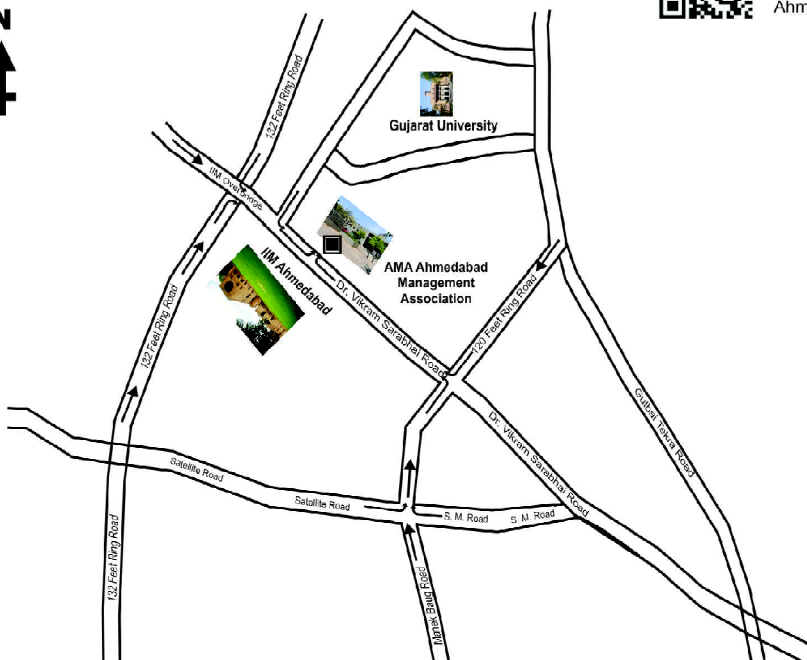
**Notes:**

- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 28<sup>th</sup> Annual General Meeting
- The Proxy Form must be lodged at the Registered Office of the Company, not less than 48 hours before the time of commencement of the aforesaid Meeting
- The Form should be duly filled in, stamped and signed across the stamp as per specimen signature registered with the Company
- A Proxy need not be a Member of the Company
- It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate

**Route map to the venue of the AGM**



AMA  
Ahmedabad Management Association  
Dr. Vikram Sarabhai Road,  
Vastrapur,  
Ahmedabad - 380015



# Events at Gujarat Ambuja



*Committed to Growth*



## Our Core Strength Agro Processed Products



*“Truly, for some men destiny, isn't written,  
UNLESS THEY WRITE IT....”*



Corporate & Registered Office :

**GUJARAT AMBUJA EXPORTS LIMITED**

CIN: L15140GJ1991PLC016151

“Ambuja Tower”, Opp. Sindhu Bhavan,  
Sindhu Bhavan Road, Bodakdev, P.O. Thaltej,  
Ahmedabad - 380 059

Phone: 079-61556677 | Fax: 079-61556678

Website: [www.ambujagroup.com](http://www.ambujagroup.com) | Email Id: [info@ambujagroup.com](mailto:info@ambujagroup.com)

If undelivered, please return to :

JUPITER CORPORATE SERVICES LIMITED

Unit: GUJARAT AMBUJA EXPORTS LIMITED

“Ambuja Tower”, Opp. Sindhu Bhavan,  
Sindhu Bhavan Road, Bodakdev, P.O. Thaltej,  
Ahmedabad - 380 059