



2<sup>nd</sup> July 2018

To, The Manager - Listing Department, The National Stock Exchange of India Ltd Exchange Plaza, 5th floor, Plot no. C/1, "G" Block, Bandra-Kurla Complex, Mumbai-400051  Symbol: APCOTEXIND	To, Manager - Department of Corporate Services BSE Limited Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001  Security Code: 523694
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Dear Sir,

**Sub: Annual Report for the financial year 2017-18.**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed copy of the Annual Report for the financial year 2017-18.

Request you to take the above on records and acknowledge the receipt.

Thanking you,

Yours truly,

For Apcotex Industries Limited

Anand V Kumashi  
Company Secretary

**apcotex industries limited**



The  
**Invisible Bond**  
in all walks of life

**apcotex industries limited**  
ANNUAL REPORT 2017-2018

# Company History

- 1980** Started as a division of Asian Paints. Pioneered the manufacturing of vinyl pyridine latex and Carboxylated Styrene-Butadiene latex in India.
- 1991** Constituted as a Public Limited Company listed on stock exchanges as Apcotex Lattices Limited.
- 1998** Started High Styrene Rubber production with 10, 000 MT p.a. (dry) capacity
- 2005** Name changed to Apcotex Industries Limited.
- 2009** Entered Acrylic Emulsion bussiness to exploit synergies with other products and markets.
- 2013** Installed capacity of saleable latex increased at Taloja from 40,000 MT p.a. to 55,000 MT p.a. (wet).
- 2016** Completed acquisition of Omnova Solutions Indian business of Nitrile Rubber of 16,000 MT p.a. (dry) and High Styrene Rubber to create synergy.
- 2018** Highest Sales INR 526 Crores • Export INR 77 Crores • Operating EBITDA INR 64 Crores • Profit after Tax INR 38 Crores



**Taloja - Maharashtra**

# APCOTEX INDUSTRIES LIMITED

## **BOARD OF DIRECTORS**

Atul C. Choksey	Chairman
Girish C. Choksey	Director
Amit C. Choksey	Director
Manubhai G. Patel	Director
Dr. S. Sivaram	Director
Shailesh S. Vaidya	Director
Kamlesh Vikamsey	Director
Priyamvada Bhumkar	Director
Abhiraj A. Choksey	Managing Director
Y B Gadgil	Executive Director

## **AUDIT COMMITTEE**

Kamlesh Vikamsey (w.e.f.7/11/2017)	Chairman
Girish C. Choksey	Member
Manubhai G. Patel (Chairman upto 6/11/2017)	Member
Priyamvada Bhumkar	Member

## **NOMINATION & REMUNERATION COMMITTEE**

Manubhai G. Patel	Chairman
Dr. S. Sivaram	Member
Atul C. Choksey	Member
Kamlesh Vikamsey	Member

## **COMPANY SECRETARY**

Anand V. Kumashi

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Manubhai G. Patel	Chairman
Girish C. Choksey	Member

## **AUDITOR**

Kalyaniwalla & Mistry LLP  
Chartered Accountants.

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Atul C. Choksey	Chairman
Shailesh Vaidya	Member
Abhiraj A. Choksey	Member

## **BANKERS**

State Bank of India  
Citi Bank

## **REGISTERED OFFICE & PLANT 1**

Plot No.3/1, MIDC Industrial Area, P.O. Taloja,  
Dist. Raigad 410 208, Maharashtra.  
CIN: L99999MH1986PLC039199  
Telephone: (022) 2740 3500  
Fax: (022) 2741 2052  
E-mail – [redressal@apcotex.com](mailto:redressal@apcotex.com)  
Website: [www.apcotex.com](http://www.apcotex.com)

## **PLANT 2**

Village - Dungri,  
Tal- Valia, Ankleshwar- 393135.  
Dist- Bharuch, Gujarat.

## **CORPORATE OFFICE**

N. K. Mehta International House,  
178, Backbay Reclamation,  
Babubhai M. Chinai Marg,  
Mumbai- 400 020  
Telephone: (022) 2283 8302 / 04  
Fax: (022) 2283 8291

## **REGISTRARS AND SHARE TRANSFER AGENTS**

LINK INTIME INDIA PVT LTD.  
C-101, 247 Park,  
L.B.S. Marg, Vikhroli (W),  
Mumbai- 400 083  
Tel. No.- 022 49186000, 49186270  
Fax – 022 49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## NOTICE

**NOTICE** is hereby given that the Thirty Second Annual General Meeting of **apcotex industries limited** will be held at Saphire, Royal Tulip Hotel, 26/B, Sector 7 Kharghar, Navi Mumbai, Maharashtra 410210 on **Friday, the 27<sup>th</sup> day of July 2018 at 4.00 p.m.** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement for the year ended 31st March 2018 together with the Reports of the Board of Directors and Auditor thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Amit Choksey (DIN 00001470), who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. SGDG & Associates LLP, Chartered Accountants (Firm Registration No. W100188), be and is hereby appointed as Auditor of the Company in place of the retiring auditor M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No.104607W/W100166), to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty-seventh AGM to be held in the year 2023, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditor.

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 read with the relevant Rules thereunder, as amended from time to time subject to regulatory approval, the Registered Office of the Company be shifted from “Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra” to “49-53, Mahavir Centre, Sector 17, Vashi, Navi Mumbai – 400703” within the State of Maharashtra, effective from 1st November 2018

**RESOLVED FURTHER THAT** Shri Abhiraj Choksey – Managing Director or Shri Anand Kumashi – Company Secretary of the Company, be and is hereby severally

authorized to do all such acts, deeds, matters and things including but not limited to filing of necessary forms/ documents with the appropriate authorities and to execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion to give effect to the above resolution.

**BY ORDER OF THE BOARD  
For apcotex industries limited**

**ANAND V. KUMASHI**  
Company Secretary

**Date: 14<sup>th</sup> June 2018**

### Registered Office:

Plot no. 3/1,  
MIDC Industrial Area,  
Taloja - 410 208,  
Dist. Raigad, Maharashtra

## NOTES:

1. The relevant Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A statement giving the relevant detail of the Director seeking appointment/re-appointment under item no.3 of the accompanying Notice, as required under Regulation 36(3) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself and a proxy need not be a member of the company.

The instrument appointing a proxy should be deposited at the registered office of the Company not less than forty eight (48) hours before the commencement of the meeting.

4. A person can act as a proxy on behalf of the members not exceeding fifty in number 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 a proxy and such person shall not act as proxy for any other person or shareholder.

5. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID / Folio no.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of the names will be entitled to vote at the Meeting.
8. Relevant documents referred in the accompanying Notice and in the Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during the business hours upto the date of the Meeting.
9. The Register of Shareholders and Share Transfer Books of the Company will remain closed from **Saturday, the 21<sup>st</sup> day of July 2018 to Thursday, the 26<sup>th</sup> day of July 2018**, (inclusive of both days).
10. Dividend recommended by Board of Directors, if approved by the shareholders at the Annual General Meeting, will be paid / dispatched on or after **27<sup>th</sup> July 2018** to those shareholders whose names appear on the Register of

Member/Shareholders as on **20<sup>th</sup> July 2018**. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of **20<sup>th</sup> July 2018**, as per the details furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) for the purpose as on that date.

11. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
12. Pursuant to the provisions of Section 124 of Companies Act, 2013 the Company has transferred the unclaimed dividends upto the financial year 2009-10 from time to time on due dates, to the Investors Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investors Education and Protection Fund (Uploading of Information regarding unpaid / unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 17<sup>th</sup> August 2017 (date of last Annual General Meeting) on the website of the Company viz. [www.apcotex.com](http://www.apcotex.com), as also on the website of the Ministry of Corporate Affairs viz. [www.mca.gov.in](http://www.mca.gov.in).
13. Members holding shares in the single name and physical form are advised to make nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialised form are advised to make a nomination through their Depository Participants. The nomination form can be obtained from Company's Registrars and Share Transfer agent viz. **LINK INTIME INDIA PVT LTD.**
14. Shareholders are requested to notify the changes, if any, in their addresses to the Company's Registrars immediately.
15. The company is using National Electronic Clearing Services (NECS) for dividend remittance. Shareholders holding shares in physical form are requested to notify/send to the Company's Registrar and Share Transfer Agent at: **LINK INTIME INDIA PVT LTD.**, C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai- 400 083, immediately, details of any change in their address/mandate/bank details; and particulars of their bank account, in case the same have not been sent earlier.
16. Shareholders holding shares in the electronic form are requested to inform any change in address / bank mandate directly to their respective Depository Participants. The address / bank mandate as furnished to the Company by the respective Depositories viz. NSDL and CDSL will be printed on the dividend warrants.

## E-VOTING:

- I. In compliance with provision of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 24<sup>th</sup> July 2018 (9:00 am) and ends on 26<sup>th</sup> July 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20<sup>th</sup> July 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. **The instructions for shareholders voting electronically are as under:**
  - (i) The voting period begins on 24<sup>th</sup> July 2018 (9:00 am) and ends on 26<sup>th</sup> July 2018 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> July 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders/Members.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of "Apcotex Industries Limited" on which you choose to vote.

(xii) 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. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the change 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.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone user can download the App from the App store and window phone store respectively. Please follow the instructions as prompted by the mobile App while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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 they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- VI. Mr. Mahesh Hurgat, Practicing Company Secretary (Membership No. 7139 & C.P. No. 2498) has been appointed for 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.
- VII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall after the conclusion of voting at the annual general 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 witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- IX. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. [www.apcotex.com](http://www.apcotex.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

## ANNEXURE TO NOTICE STATEMENT

(Pursuant to section 102(1) of the Companies Act, 2013)

### Item No.4

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No.104607W/W100166) were appointed as the Auditor of the Company at the Twenty eighth Annual General Meeting (AGM) of the Company held on 31<sup>st</sup> July 2014 till the conclusion of this AGM. M/s. Kalyaniwalla & Mistry LLP have been the Auditor of the Company since financial year 2013-14.

As per the provisions of Section 139 of the Companies Act, 2013 no listed Company can appoint or re-appoint an audit firm as auditor for more than five years at a time. Thereafter, the firm may be appointed for further period of 5 years In view of the above, M/s. Kalyaniwalla & Mistry LLP, will be completing the first term of five years as the Auditor of the Company and hold the office up to the conclusion of this AGM, as per the provision of Section 139 of the Companies Act, 2013

Based on the recommendation of the Audit Committee, the Board of Directors have decided to recommend the appointment of M/s. SGD & Associates LLP, Chartered Accountants (Firm registration no.W100188), as Statutory Auditor of the Company, for a period of 5 years from the financial year 2018-19, to hold the office till the conclusion of the AGM during the year 2023, in place of retiring Auditor viz. M/s. Kalyaniwalla & Mistry, Chartered Accountants.



M/s. SGDG & Associat LLP, Chartered Accountants have consented to their appointment as Statutory Auditor and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

Your Directors recommend the resolution for this appointment.

None of the Directors of the Company are concerned or interested in the said Resolution.

#### Item No. 5

The registered office of the Company is at present situated at Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208 and for convenient of shareholders and with a view to improve the operational efficiency, it is proposed to shift the registered office to 49-53, Mahavir Centre, Sector 17, Vashi, Navi Mumbai – 400703, with effect from 1st November 2018.

According to Section 12 and 110 of the Companies Act, 2013, read with The Companies (Incorporation) Rules 2014 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time if the registered office of the Company is shifted outside the local limits, members have to approve the proposal by way of a Special Resolution passed through Postal Ballot.

In view of amended Section 110 of the Companies Act, 2013, which was notified on 9<sup>th</sup> February 2018, the Companies which are mandatorily required to provide the electronic voting facility, may pass the resolution for shifting of the registered office of the Company outside the city / town / local limit within the State, by passing the resolution at the annual general meeting through electronic voting.

The Board of Directors recommends this Special Resolution for the approval by the members.

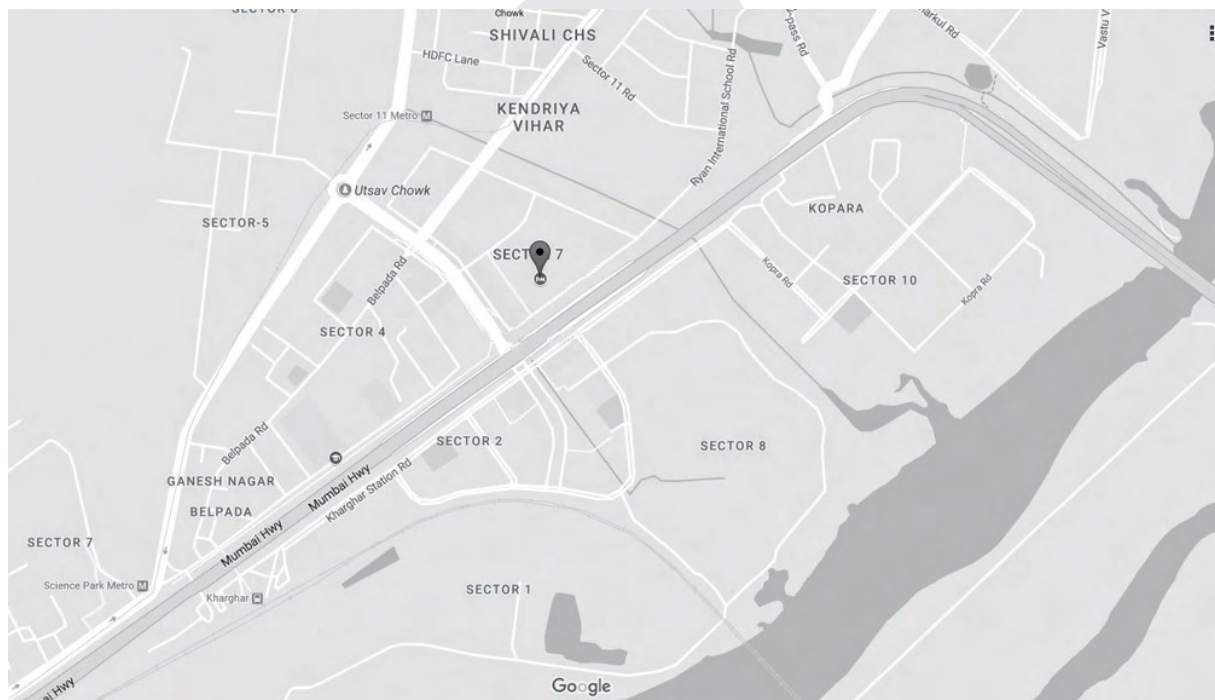
**BY ORDER OF THE BOARD  
For apcotex industries limited**

**ANAND V. KUMASHI**  
Company Secretary

**Date: 14<sup>th</sup> June 2018**

**Registered Office:**  
Plot no. 3/1,  
MIDC Industrial Area,  
Taloja - 410 208,  
Dist. Raigad, Maharashtra

### ROUTE MAP



## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting to you the Thirty second Annual Report of the Company and the Audited Financial Statement for the year ended 31<sup>st</sup> March 2018.

### A. COMPANY PERFORMANCE

#### FINANCIAL HIGHLIGHTS

Rs. in lacs

Particulars	Year ended						Growth % (Pre-Merger)
	31st March 18			31st March 17			
	Pre-Merger	Merged entity #	Post-Merger	Pre-Merger	Merged entity #	Post-Merger	
<b>Income from operations</b>							
(a) Revenue from operations	53,824.80	-	53,824.80	43,100.25	-	43,100.25	
(b) Other income	676.93	36.48	713.41	1,018.37	1,970.87	2,989.25	
<b>Total income from operations (net)</b>	<b>54,501.73</b>	<b>36.48</b>	<b>54,538.21</b>	<b>44,118.62</b>	<b>1,970.87</b>	<b>46,089.50</b>	<b>23.53</b>
<b>Gross Profit Before Depreciation, Finance cost and Tax</b>	<b>7,088.58</b>	<b>(139.81)</b>	<b>6,948.77</b>	<b>3,930.61</b>	<b>1,909.77</b>	<b>5,840.39</b>	
(a) Finance costs	156.98	-	156.98	287.61	-	287.61	
(b) Depreciation & amortization expense	1,214.24	-	1,214.24	1,210.02	-	1,210.03	
<b>Profit before tax</b>	<b>5,717.36</b>	<b>(139.81)</b>	<b>5,577.55</b>	<b>2,432.98</b>	<b>1,909.77</b>	<b>4,342.75</b>	<b>134.99</b>
Tax expenses	1,713.91	-	1,713.91	318.21	526.02	844.23	
<b>Profit after Tax</b>	<b>4,003.45</b>	<b>(139.81)</b>	<b>3,863.64</b>	<b>2,114.77</b>	<b>1,383.75</b>	<b>3,498.52</b>	<b>89.31</b>
Other Comprehensive Income for the year	(29.60)	-	(29.59)	(10.39)	-	(10.39)	
<b>Total Comprehensive Income for the year</b>	<b>3,973.85</b>	<b>(139.81)</b>	<b>3,834.05</b>	<b>2,104.38</b>	<b>1,383.75</b>	<b>3,488.13</b>	<b>88.84</b>
<b>Earnings per Share (EPS)</b>							
(a) Basic	19.30		18.63	10.20		16.87	<b>89.31</b>
(b) Diluted	19.30		18.63	10.20		16.87	<b>89.31</b>

# The financial figures of the merged entity represents Saldhar Investment and Trading Co. Pvt Ltd, the holding company.

### DIVIDEND

Based on the Company's performance, your Directors are pleased to recommend for approval of the Members a dividend @ **Rs.6/-** (Rupees Six) (Previous year Rs.4.50/- (Rupees Four and fifty paise) per Equity Share of Rs.5/- each for the financial year 2017-18. Dividend, if approved, will absorb a sum of Rs.1500.05 lacs (including Dividend Distribution Tax of Rs.255.77 lacs) out of the net profits after tax, as above and will be paid to those shareholders whose names appear on the Register of Members on **Friday, 20<sup>th</sup> day of July 2018**.

### TRANSFER TO RESERVE

The appropriations for the year are:

Rs. in lacs

Particulars	Year ended 31 <sup>st</sup> March 2018
<b>Net Profit after tax for the year</b>	<b>3834.04</b>
Balance of Reserve at the beginning of the year	3603.72
Transfer to General Reserve	400.00
<b>Balance of Reserve at the end of the year</b>	<b>7037.76</b>

## B. MANAGEMENT DISCUSSION AND ANALYSIS

The company manufactures and markets a range of Emulsion Polymers - Synthetic Latexes and Synthetic Rubber.

### I. CURRENT SCENARIO

Your Company is one of the leading producers of emulsion polymer products namely, Synthetic Latexes (Vinylpyridine Latex, Carboxylated Styrene Butadiene Latex, Styrene Acrylic Latex, Nitrile Latex, Carboxylated Nitrile Latex etc.) and Synthetic Rubber (High Styrene Rubber, Nitrile Butadiene Rubber, NBR Powder, and Nitrile Polyblends) in India. The Company has one of the broadest ranges of emulsion polymer products in India and caters to a wide range of industries. Your Company's Synthetic Latex products are used for tyre cord dipping, paper and paperboard coating, carpet backing, concrete modification/water proofing, non-wovens, textile finishing, paints, gloves, etc. Various grades of Synthetic Rubber find application in products such as footwear, automotive components, rice rolls, moulded items, v-belts, conveyor belts, hoses, etc.

The Company's major raw materials are petrochemical products and its business could be vulnerable to high volatility in the prices of crude oil as well as its downstream products.

Over the years, a number of steps have been taken by the management to improve the operational efficiency of the Company in different functions like marketing, human resource development, production process, utilities etc.

Your Company's plant at Taloja is recipient of Total Productive Maintenance (TPM) Excellence in Consistent TPM Commitment Award - Category A by the Japan Institute of Plant Maintenance (JIPM). TPM has helped the company significantly in improving efficiencies in the plant and in operations and rationalizing costs. We are in the process of implementing TPM in the Valia plant as well. Both plants have successfully completed certification/re-certification of the integrated ISO 9001, ISO 14001 and OHSAS 18001. Your company also continues to be Responsible Care certified by the Indian Chemical Council (ICC).

### II. OPERATIONS DURING THE FINANCIAL YEAR 2017-18.

The Company achieved Gross Value Sales of Rs.536.36 crores during the financial year, compared to Rs.429.51 crores in the preceding financial year on standalone basis. The company exported its products worth Rs 76.50 crores during the financial year.

Profits before tax were up by 151% to Rs.55.78 crores as compared to Rs. 22.21 crores on standalone basis during the previous year. Operating EBITDA increased by 120% to Rs. 64.12 crores from Rs.29.11 crores in the previous year during the financial year 2017-18.

Profit after tax stood at about Rs.38.34 crores as compared to about Rs.19.09 crores, on standalone basis, in the previous year.

The Balance Sheet of the Company is also quite healthy with zero debt, reasonable working capital cycle and cash/liquid Investments valued at about Rs.75 crore based on NAV as on 31<sup>st</sup> March 2018.

Your Directors consider Company's performance as satisfactory.

### III. MERGER

The Scheme of Amalgamation of Holding Company viz. Saldhar Investment and Trading Company Private Limited (Saldhar) with the Company was approved by the Honorable National Company Law Tribunal (NCLT), Mumbai Bench on 1<sup>st</sup> February 2018, with appointed date as 31<sup>st</sup> March 2017, was made effective from 13<sup>th</sup> February 2018 by filing the NCLT Order with Ministry of Corporate Affairs (MCA).

Pursuant to scheme of Amalgamation the shares held by Saldhar as on record date needs to be cancelled and same number of shares to be issued to the Shareholders of Saldhar in the same ratio of shares held by them in Saldhar.

As on record date i.e 23rd February 2018, Saldhar held 10724300 equity shares, which were cancelled and the same no. of shares i.e 10724300 equity shares were allotted by Board of Directors in their meeting held on 24th February 2018 to the shareholders of Saldhar (Transferor Company) in the proportion of their holding in Saldhar.

### IV. OUTLOOK

In light of addition of new products by acquisition of Omnova Solutions India Private Limited during the financial year 2015-16 and introduction of new products, the Company expects Financial Year 2018-19 to be an exciting year in spite of new challenges. The new product range for hand gloves industry is mainly for the export market, and the Company aims to make it one of the future growth drivers for the Company. In the medium to long term the Company is exploring adding new capacities for current products, new adjacent businesses as well as opportunities for inorganic growth.

This has been possible due to the continuous thrust from the management to develop a strong R&D and technical service team to develop new products, explore new applications and understand better the changing customer needs.

With the Company's continuous endeavour to improve efficiencies and performance at all levels and functions, your Directors view the prospects for the financial year 2018-19 with cautious optimism.

## V. RISKS AND CONCERNS

The Company has laid down a well-defined Risk Management Framework covering the risk, risk exposure, potential impact and risk mitigation process. Major risks identified by the business and functions are systematically addressed through mitigating actions on continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's Risk Management Committee, periodically reviews the risks in the organization, identifies new risk areas, develops action plans and monitors and reports the compliance and effectiveness of the policy and procedure to the Audit Committee and Board.

The Audit Committee and Board review the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework.

The Company's Board of Directors perceives the following risks as current high risks areas:

### 1. Procurement Risks:

Major risks arise from a few main raw materials like Styrene, Acrylonitrile and Butadiene that are used in several of our products. There is an availability risk associated with all since Styrene and Acrylonitrile are not manufactured in the country and have to be completely imported. Butadiene is currently available from only two manufacturers in the country and the company is exploring import arrangements. If there is an issue with the supply of any of these materials, production of several products would be affected. To mitigate this risk we have relationships with multiple suppliers and keep an adequate inventory and pipeline of these raw materials. We also mitigate this risk by developing alternative suppliers on a continuous basis.

### 2. Environment, Health and Safety (EHS):

The Company is committed to protecting the environment and ensuring the health and safety of its employees, customers, neighbours and public. Some of our major raw materials are hazardous and flammable and some safety risks are inherent in the manufacturing processes. The Company has ensured that required process controls, safety equipments and infrastructure are in place as per statutes and global safety standards. Your company is also certified for ISO 14001, OHSAS 18001 and Responsible Care, which address Environmental, Health and Safety systems and processes. In addition, all the safety measures

like safety committee's constant supervision, identification and correction of unsafe acts, periodical drills, risks awareness programmes, appropriate treatment of effluents generated, are regularly taken with constant attention from senior levels of management. The Company has also insured its assets, loss of profits and standing charges for insurable risks.

### 3. Dependence on Single Manufacturing facility:

While your company has two manufacturing facilities, some of our products can be manufactured only at a single location. Due to incidents such as strikes, political instability, terrorist attacks or natural calamities the operations of the Company may be materially affected. The Company has taken appropriate available insurance covers for some of these eventualities.

## VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal checks and controls covering operations of the Company are in place and are constantly being improved upon. Adequate system exists to safeguard company's assets through insurance on reinstatement basis and maintenance of proper records. The company has well defined procedures to execute financial transactions.

Internal audit is being conducted by an independent firm of Chartered Accountants. The internal auditor monitors and evaluates the efficiency and adequacy of internal control systems in the organisation, its compliance with operating systems, accounting procedures and policies of the Company. Based on the observations of the internal auditor, the process owners undertake the corrective actions and improvements in their respective areas. Significant audit observations and corrective actions thereupon are presented to the Audit Committee.

The Partners of both, Statutory and Internal Auditor attend all the Audit Committee meetings.

## VII. DEVELOPMENT OF HUMAN RESOURCE / INDUSTRIAL RELATIONS:

The company continuously monitors its Human Resource requirement to ensure that it has adequate human skills commensurate with its needs.

Currently, cordial relations exist between the employees at various levels and the management.

To upgrade human skills and improve their efficiencies, the company continuously organizes workshops on different management areas and also deposes employees to external workshops and seminars.

## CAUTIONARY STATEMENT.

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include raw material availability and prices, cyclical demand, movements in company's principal markets, changes in Government regulations, tax regimes, economic developments within and outside India and other incidental factors.

### C. WIND POWER

The Wind Turbine Generator installed at Sadawaghapur, Taluka – Patan, District Satara, Maharashtra, has generated gross revenue of about Rs.113.00 lacs during the financial year (previous year Rs.135.00 lacs), and same is netted-off against the power cost.

### D. DISCLOSURES UNDER COMPANIES ACT, 2013

#### I. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information sought under the provisions of Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the **Annexure I**, forming part of this report.

#### II. EXTRACT OF ANNUAL RETURN

As per the requirements of Section 92(3) of the Act, the extracts of the annual return is given in **Annexure II** in the prescribed Form no. MGT – 9, which is part of this report.

#### III. CHANGES IN THE SHARE CAPITAL

The paid-up Equity Share Capital as on 31<sup>st</sup> March 2018 was Rs.10.37crores, comprising of 2,07,37,984 equity shares of Rs.5/- each.

Reconciliation of Share Capital:

<b>Balance as at the beginning of the year</b>	2,07,37,984
<b>Less:</b> Shares cancelled pursuant to effecting scheme of amalgamation of Saldhar Investments And Trading Company Private Limited (Saldhar) with the company	1,07,24,300
<b>Add:</b> Shares allotted on 24th February 2018 to shareholders of Saldhar pursuant to effecting scheme of amalgamation	1,07,24,300
<b>Balance as at the end of the year</b>	<b>2,07,37,984</b>

#### IV. NUMBER OF BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on the Company / business policy and strategy apart from other Board business. During the financial year under review, the Board of Directors met 6 (six) times. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report.

### V. COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises of Mr. M G Patel, Mr. Kamlesh Vikamsey, Mr. Girish Choksey, and Mrs. Priyamvada Bhumkar. Mr. Kamlesh Vikamsey (w.e.f. 7.11.2017) is the Chairman of the Committee. Mr. M G Patel (Chairman upto 6.11.2017), Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar are the Non-Executive Independent Directors. More details on the committee are given in the Corporate Governance Report.

All the recommendations of the audit committee are accepted by the Board.

### VI. BOARD INDEPENDENCE

The definition of Independence of Directors is derived from Regulation 16 (1) (b) of SEBI Listing Obligation and Disclosure Requirement (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Independent Directors under Section 149(7) of the Companies Act, 2013 and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013;

1. Mr. M G Patel
2. Dr. S. Sivaram
3. Mr. Shailesh Vaidya
4. Mr. Kamlesh Vikamsey
5. Mrs. Priyamvada Bhumkar

In compliance with Schedule IV of the Companies Act, 2013 and Rules thereunder, the Independent Directors met on 9<sup>th</sup> February 2018 and discussed issues as prescribed under the schedule IV of the Companies Act, 2013 and also discussed various other issues.

### VII. ANNUAL EVALUATION BY THE BOARD

In compliance with the Companies Act, 2013 and Regulation 19 (4) read with Schedule II, Part – D of SEBI (LODR), Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Nomination & Remuneration Committee members, covering various aspects of the Board's functioning such as adequacy of composition of Board and Committees, Board communication, timeliness and unbiased information of right length and quality of information, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance and participation in the discussion and deliberation at the meeting, understanding role and responsibilities as board member, demonstration of knowledge, skill and experience that make him/her a valuable resource for the board.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Executive Directors was carried out by the Independent Directors, who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

#### VIII. **NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration policy of the Company for Directors, Key Managerial Personnel (KMP) and Senior Personnel of the Company is hosted on the website of the company at the following web link: [http://apcotex.com/policy/Nomination\\_Remuneration\\_Policy.pdf](http://apcotex.com/policy/Nomination_Remuneration_Policy.pdf)

Disclosure pertaining to remuneration and other details as required under section 197 (12) of the act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure III** to this Report.

#### IX. **COMMENTS ON AUDITORS REPORT**

There are no qualifications, reservations or adverse remarks on disclaimers made by M/s. Kalyaniwalla & Mistry LLP, Chartered Accountant, Statutory Auditor, in their report and by Mr. Mahesh Hurgat, Company Secretary in Practice, in his Secretarial Audit report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

#### X. **RELATED PARTY TRANSACTIONS**

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions entered into by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the company at large.

All new related party transactions are first approved by the Audit Committee and thereafter placed before the Board for their consideration and approval. A statement of all related party transactions is presented before the Audit Committee meeting on quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The particulars of Contracts or arrangements with related parties referred to in Section 188(1), read with Rule 15 of The Companies (Meetings of Board and Its Powers) Rules 2014 is appended to this report in prescribed Form AOC 2 as **Annexure IV**.

The Related Party Transaction Policy as approved by the Board is uploaded on the company's website at the following web link [http://www.apcotex.com/policy/Related\\_Party\\_Transaction\\_Policy.pdf](http://www.apcotex.com/policy/Related_Party_Transaction_Policy.pdf)

#### XI. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relate and the date of the report.

#### XII. **VIGIL MECHANISM**

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns in compliance with provision of section 177 (10) of Companies Act 2013 and Regulation 22 of SEBI (LODR) 2015. The details of same are given in the Corporate Governance Report annexed to this Report.

#### XIII. **CORPORATE GOVERNANCE**

The Company has always strived to adopt appropriate standards for good Corporate Governance.

Detailed report on the Corporate Governance and Management Discussion Analysis, form part of this report. A certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Regulation 34 (3) read with Schedule V of SEBI (LODR) Regulations, 2015 is annexed to the said Report.

#### E. **CORPORATE SOCIAL RESPONSIBILITY**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in compliance with Section 135 of the Companies Act, 2013. On the recommendation of the CSR committee, the Board has approved the CSR policy of the Company which is published on the Company's website.

The Company has under taken projects in the areas of Healthcare and Education as well as social projects around the area surrounding the factory/corporate office.

The details of CSR activities as required under Section 135 of the Companies Act, 2013, are provided in CSR Report which is annexed herewith as **Annexure V**.

**F. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The company conducts the Familiarisation program when new Director(s) is/are appointed during the year. The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarize them with the process, business and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the Familiarisation Program has been disclosed on the website of the Company at [http://www.apcotex.com/policy/Familiarisation\\_Programme\\_Independent.pdf](http://www.apcotex.com/policy/Familiarisation_Programme_Independent.pdf)

**G. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The insider trading policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and maintain the highest ethical standards of dealing in Company securities

**H. INTERNAL FINANCIAL CONTROLS**

The Company 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 frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures. These are reviewed periodically and made part of work instructions or process in the company.

The Company periodically conducts physical verification of inventory, fixed assets and cash on hand and matches them with the books of account. Explanations are sought for any variance noticed from the respective functional heads.

**I. DIRECTORS RESPONSIBILITY STATEMENT**

The Directors confirm:

- I. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. That they 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 at the end of the financial year and of the profit and loss of the company for that period;
- III. That they 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;

IV. That they have prepared the annual accounts on a going concern basis;

V. That they, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

VI. That they have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**J. DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company takes all necessary measures to ensure a harassment free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. No complaints relating to sexual harassment were received during the year.

**K. FIXED DEPOSITS MATURED BUT NOT CLAIMED**

Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to Rs.48,000/- and accrued interest of Rs.22,491/- thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

**L. INSURANCE**

All insurable assets of the Company including inventories, buildings, plant and machinery etc., as well as the liability under legislative enactments, are insured on reinstatement basis after due valuation of assets by an external agency. The Company also holds a Loss of Profit Policy for the financial year 2018-19.

**M. ECOLOGY AND SAFETY**

Company ensures safe, healthy and eco-friendly environment at its plant and surrounding area. Company continually works towards identification and reduction of risks and prevention of pollution at its plant and its surroundings.

Members of the Safety Committees of the Company's Taloja Plant and Valia Plant, have been regularly reviewing the safety measures and their implementation to ensure adequate safety in material handling and processing, control of pollution caused by liquid effluents, dust and emissions from chimney etc. Samples are periodically drawn and the reports submitted to the Pollution Control Board indicating compliance with the standards.

Consent has been obtained from Maharashtra Pollution Control Board to operate the Plant at Taloja till 30<sup>th</sup> March 2021.

**N. PERSONNEL**

The information required under Section 197 of the Companies Act, 2013 and read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are given in **Annexure III.**

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) & 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, in respect of employees of your company is available for inspection by the members at registered office of the company during business hour on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the company secretary, whereupon a copy would be sent.

**O. DIRECTORS & KEY MANAGERIAL PERSONNEL**

**Retirement by Rotation:**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the Company Mr. Amit Choksey (DIN 00001470) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for reappointment. The Board recommends his reappointment.

The background of the Director(s) proposed for appointment/re-appointment is given under the Corporate Governance section of the Annual Report.

**P. AUDITORS**

I. Pursuant to provisions of Section 139(1) of the Companies Act, 2013, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166), who were appointed as Statutory Auditor of the Company for a period of five years, to hold the office till the conclusion of the Annual General Meeting during the year 2018.

Your Board recommends the appointment of M/s. SGD & Associates LLP, Chartered Accountants (Firm Registration no. W1001888), as Statutory Auditor of the Company for a period of 5 years from the conclusion of 2018 AGM till the conclusion of the 2023 AGM of the Company, in place of retiring auditor viz. M/s. Kalyaniwala & Mistry, Chartered Accountants, on such remuneration as shall be fixed by the Board of Directors of the Company.

The Company has received letter from the M/s. SGD & Associates LLP, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limit under Section 141 (3) (g) of the Companies Act, 2013 and that they are not disqualified from the appointment.

II. Pursuant to provisions of Section 204 of the Companies Act, 2013 the Board of Directors have appointed Mr. Mahesh Hurgat, Practicing Company Secretary to conduct the Secretarial audit and his Report on the Company's Secretarial Audit is appended to this Report as **Annexure VI**.

**Q. CEO & CFO CERTIFICATION**

Certificate from Managing Director and Chief Financial Officer of the Company, pursuant to the Regulation 17 (8) read with Schedule II of SEBI (LODR) Regulations, 2015, for the financial year 2017-18 under review was placed before the Board of Directors of the Company at its meeting held on 3<sup>rd</sup> May 2018.

**R. SECRETARIAL STANDARD**

The Company complies with all applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013 for the financial year ended 31st March 2018.

**S. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), as amended from time to time, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after completion of seven years. Further, according to the Rules, the shares on which dividend had remained unpaid or unclaimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the unclaimed dividend of Rs.449,625 for the year 2009-10 during August 2017. Considering 2009-10 as base year, the Company has transferred 18,182 Shares, on which the dividend was unclaimed for 7 consecutive years, to demat account of IEPF's authority, in compliance with IEPF Rules.

The Company had communicated individually to 1112 Shareholders taking a base year of 2010-11 on 9th February 2018, whose shares are liable to be transferred to IEPF Authority during the financial year 2018-19.

The Company has uploaded full details of such shareholders and shares due for transfer to IEPF Authority on its website at [www.apcotex.com](http://www.apcotex.com). Shareholders are requested to refer to the web-link <http://apcotex.com/financial.asp?fn=SU> to verify the details of unclaimed dividends and the shares liable to be transferred to IEPF Authority.

**T. ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their deep sense of gratitude to State Bank of India, Citi Bank, various departments of State / Central Government and local authorities for their continued guidance and support.

We would also like to place on record our sincere appreciation for the commitment, dedication and hard work put in by every member of the Apcotex family. To all shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

The accompanying **Annexure I to VI** are an integral part of this Director Report.

**FOR AND ON BEHALF OF THE BOARD  
ATUL C CHOKSEY**

**CHAIRMAN  
DIN:00002102**

Mumbai: 3<sup>rd</sup> May 2018



## ANNEXURE I TO DIRECTORS' REPORT

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy:	Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in batch cycle time and improved operations.
(B) Technology absorption:	No new technology has been acquired during the year. Upgradation of present technology is a continuous process, implemented and adapted by the Company through innovation. Efforts are made to reduce batch cycle time and improve operational efficiency. No technology import has been made in the recent past.
Expenditure incurred on Research & Development during the Financial Year are as follows:	

(Rs. in lacs)		
Particulars	2017-18	2016-17
Capital	<b>50.99</b>	8.58
Recurring	<b>298.79</b>	254.38
<b>Total</b>	<b>349.78</b>	262.96
<b>Total Research &amp; Development expenditure as a percentage of Total Revenue</b>	<b>0.67%</b>	0.68%
(C) Foreign Exchange Earnings and Outgo	The Company is currently assessing export potential for its products in various markets. Details of foreign exchange earnings and outgo are given in Note 44 and 45 of the Financial Statement.	

## ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March 2018

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

### I REGISTRATION AND OTHER DETAILS:

i)	CIN	L99999MH1986PLC039199
ii)	Registration Date	12/03/1986
iii)	Name of The Company	apcotex industries limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government company
v)	Address of the Registered Office and contact details	Plot no 3/1, MIDC Industrial area, Taloja, Raigad, Maharashtra-410208 Telephone No. 022-27403500 Fax No. 022-27412052
vi)	Whether listed Company	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any.	Link Intime India Pvt Ltd, C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai- 400 083 Telephone No. 022-49186000, 49186270 Fax No. 49186060

### 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:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of synthetic rubber	20132	50
2	Manufacture of other products or preparations of kind used in the textile, paper, leather and like industries.	20297	50

### III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
	NOT APPLICABLE				

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	<b>Shareholding of Promoter and Promoter Group</b>									
	[1] <b>Indian</b>									
	(a) Individuals / Hindu Undivided Family	891,354	-	891,354	4.30	11,489,654	-	11,489,654	55.40	51.11
	(b) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
	(c) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
	(d) Any Other (Specify)									
	Bodies Corporate	11,116,554	-	11,116,554	53.60	520,754	-	520,754	2.51	(51.09)
	<b>Sub Total (A)(1)</b>	<b>12,007,908</b>	<b>-</b>	<b>12,007,908</b>	<b>57.90</b>	<b>12,010,408</b>	<b>-</b>	<b>12,010,408</b>	<b>57.92</b>	<b>0.01</b>
	[2] <b>Foreign</b>									
	(a) Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
	(b) Government	-	-	-	-	-	-	-	-	-
	(c) Institutions	-	-	-	-	-	-	-	-	-
	(d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
	(e) Any Other (Specify)									
	<b>Sub Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>12,007,908</b>	<b>-</b>	<b>12,007,908</b>	<b>57.90</b>	<b>12,010,408</b>	<b>-</b>	<b>12,010,408</b>	<b>57.92</b>	<b>0.01</b>
(B)	<b>Public Shareholding</b>									
	[1] <b>Institutions</b>									
	(a) Mutual Funds / UTI	1,460	1,236	2,696	0.01	1,460	1,218	2,678	0.01	(0.00)
	(b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	(c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
	(d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
	(e) Foreign Portfolio Investor	-	-	-	-	608	-	608	0.00	0.00
	(f) Financial Institutions / Banks	9,782	888	10,670	0.05	48,685	888	49,573	0.24	0.19
	(g) Insurance Companies	-	-	-	-	-	-	-	-	-
	(h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
	(i) Any Other (Specify)									
	Foreign Bank	-	892	892	0.00	-	892	892	0.00	-
	UTI	-	200	200	0.00	-	200	200	0.00	-
	<b>Sub Total (B)(1)</b>	<b>11,242</b>	<b>3,216</b>	<b>14,458</b>	<b>0.07</b>	<b>50,753</b>	<b>3,198</b>	<b>53,951</b>	<b>0.26</b>	<b>0.19</b>
	[2] <b>Central Government/ State Government(s)/ President of India</b>									
	Central Government / State Government(s)	-	-	-	-	18,182	-	18,182	0.09	0.09
	<b>Sub Total (B)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,182</b>	<b>-</b>	<b>18,182</b>	<b>0.09</b>	<b>0.09</b>
	[3] <b>Non-Institutions</b>									
	(a) <b>Individuals</b>									
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	5,078,100	974,342	6,052,442	29.19	4,824,181	908,574	5,732,755	27.64	(1.54)

Sr No	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,195,064	167,800	1,362,864	6.57	1,368,960	167,800	1,536,760	7.41	0.84
	(b) NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
	(c) Employee Trusts	-	-	-	-	-	-	-	-	-
	(d) Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
	(e) <b>Any Other (Specify)</b>									
	Trusts	3,563	2,932	6,495	0.03	800	2,932	3,732	0.02	(0.01)
	Hindu Undivided Family	209,034	208	209,242	1.01	197,138	208	197,346	0.95	(0.06)
	Non Resident Indians (Non Repat)	153,916	6,396	160,312	0.77	155,349	6,354	161,703	0.78	0.01
	Non Resident Indians (Repat)	155,840	33,914	189,754	0.92	162,299	32,514	194,813	0.94	0.02
	Clearing Member	72,471	-	72,471	0.35	37,115	-	37,115	0.18	(0.17)
	Bodies Corporate	656,034	6,004	662,038	3.19	785,273	5,946	791,219	3.82	0.62
	<b>Sub Total (B)(3)</b>	<b>7,524,022</b>	<b>1,191,596</b>	<b>8,715,618</b>	<b>42.03</b>	<b>7,531,115</b>	<b>1,124,328</b>	<b>8,655,443</b>	<b>41.74</b>	<b>(0.29)</b>
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>7,535,264</b>	<b>1,194,812</b>	<b>8,730,076</b>	<b>42.10</b>	<b>7,600,050</b>	<b>1,127,526</b>	<b>8,655,443</b>	<b>42.09</b>	<b>(0.01)</b>
	<b>Total (A)+(B)</b>	<b>19,543,172</b>	<b>1,194,812</b>	<b>20,737,984</b>	<b>100.0000</b>	<b>19,610,458</b>	<b>1,127,526</b>	<b>20,737,984</b>	<b>100</b>	<b>-</b>
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	-	-	-	-	-	-	-	-	-
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
	<b>Total (A)+(B)+(C)</b>	<b>19,543,172</b>	<b>1,194,812</b>	<b>20,737,984</b>	<b>100</b>	<b>19,610,458</b>	<b>1,127,526</b>	<b>20,737,984</b>	<b>100</b>	<b>-</b>

(ii) Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares held	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of shares held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED	10,574,412	50.99	-	-	-	-	(50.99)
2	DEVANSHI ANANT VEER JALAN	147,353	0.71	-	2,281,178	11.00	-	10.29
3	ABHIRAJ TRADING AND INVESTMENT PVT LTD	116,468	0.56	-	116,468	0.56	-	-
4	APCO ENTERPRISES LIMITED	112,352	0.54	-	112,352	0.54	-	-
5	ABHIRAJ ATUL CHOKSEY	109,888	0.53	-	2,695,000	13.00	-	12.47
6	RITA ASHOK PAREKH	106,380	0.51	-	106,380	0.51	-	-
7	BHUVANTRAY INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED	99,784	0.48	-	99,784	0.48	-	-
8	AQUAMARINE TRADING & INVESTMENTS PRIVATE LIMITED	98,800	0.48	-	98,800	0.48	-	-
9	PARUL ATUL CHOKSEY	72,770	0.35	-	2,911,761	14.04	-	13.69
10	ATUL CHAMPAKLAL CHOKSEY	71,398	0.34	-	3,110,700	15.00	-	14.66
11	AMIT CHAMPAKLAL CHOKSEY	68,910	0.33	-	68,910	0.33	-	-
12	NAMRATA AMIT CHOKSEY	57,076	0.28	-	57,076	0.28	-	-
13	ANKITA AMIT CHOKSEY	54,088	0.26	-	54,088	0.26	-	-
14	GAURIPUTRA INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED	52,400	0.25	-	52,400	0.25	-	-
15	PRITI AMIT CHOKSEY	47,134	0.23	-	47,134	0.23	-	-
16	AMIT CHAMPAKLAL CHOKSEY	41,140	0.20	-	41,140	0.20	-	-
17	BIYASH ABHIRAJ CHOKSEY	36,000	0.17	-	36,000	0.17	-	-
18	DHUMRAKETU INVT AND TRDG CO P LTD	23,888	0.12	-	-	-	-	(0.12)

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares held	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of shares held	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
19	HMP MINERALS PRIVATE LIMITED	19,324	0.09	-	19,324	0.09	-	-
20	GIRISH CHAMPAKLAL CHOKSEY	17,800	0.09	-	17,800	0.09	-	-
21	ABHIRAJ ATUL CHOKSEY	14,217	0.07	-	15,287	0.07	-	0.01
22	ANKUR GIRISH CHOKSEY	13,600	0.07	-	13,600	0.07	-	-
23	PRASHANT GIRISH CHOKSEY	13,200	0.06	-	13,200	0.06	-	-
24	SUNITA GIRISH CHOKSEY	9,200	0.04	-	9,200	0.04	-	-
25	FOREST HILLS TRADING AND INVESTMENT P LTD	8,600	0.04	-	8,600	0.04	-	-
26	HARIDWAR TRADING AND INVESTMENTS PVT LTD	8,600	0.04	-	8,600	0.04	-	-
27	DEVAKI ASHOK PAREKH	6,400	0.03	-	6,400	0.03	-	-
28	JANAKI ASHOK PAREKH	4,800	0.02	-	4,800	0.02	-	-
29	COLORTEK INDIA LIMITED	1,650	0.01	-	4,150	0.02	-	0.01
30	CHOKSEY CHEMICALS PRIVATE LTD	276	0.00	-	276	0.00	-	-
	<b>Total</b>	<b>12,007,908</b>	<b>57.90</b>	<b>-</b>	<b>12,010,408</b>	<b>57.92</b>	<b>-</b>	<b>0.02</b>

(iii) Change in Promoters Shareholding

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total Shares of the Company	Date of Transaction	No. of shares held	No. of shares held	% of total Shares of the Company
1	ATUL CHOKSEY	71,398	0.34			71,398	0.34
	Transfer			23 Mar 2018	4,682,230	4,753,628	22.92
	Transfer			31 Mar 2018	(1,642,928)	3,110,700	15.00
	AT THE END OF THE YEAR					3,110,700	15.00
2	PARUL ATUL CHOKSEY	72,770	0.35			72,770	0.35
	Transfer			23 Mar 2018	3,919,730	3,992,500	19.25
	Transfer			31 Mar 2018	(1,080,739)	2,911,761	14.04
	AT THE END OF THE YEAR					2,911,761	14.04
3	ABHIRAJ CHOKSEY	109,888	0.53			109,888	0.53
	Transfer			23 Mar 2018	1,701,950	1,811,838	8.74
	Transfer			31 Mar 2018	883,162	2,695,000	13.00
	AT THE END OF THE YEAR					2,695,000	13.00
4	DEVANSHI ANANT VEER JALAN	147,353	0.71			147,353	0.71
	Transfer			01 Dec 2017	(145,000)	2,353	0.01
	Transfer			08 Dec 2017	19,000	21,353	0.10
	Transfer			23 Mar 2018	419,320	440,673	2.13
	Transfer			31 Mar 2018	1,840,505	2,281,178	11.00
	AT THE END OF THE YEAR					2,281,178	11.00
5	ABHIRAJ TRADING AND INVESTMENT PVT LTD	116,468	0.56			116,468	0.56
	AT THE END OF THE YEAR					116,468	0.56
6	APCO ENTERPRISES LIMITED	112,352	0.54			112,352	0.54
	AT THE END OF THE YEAR					112,352	0.54
7	RITA ASHOK PAREKH	106,380	0.51			106,380	0.51
	AT THE END OF THE YEAR					106,380	0.51

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total Shares of the Company	Date of Transaction	No. of shares held	No. of shares held	% of total Shares of the Company
8	BHUVANTRAY INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED	99,784	0.48			99,784	0.48
	AT THE END OF THE YEAR					99,784	0.48
9	AQUAMARINE TRADING & INVESTMENTS PRIVATE LIMITED	98,800	0.48			98,800	0.48
	AT THE END OF THE YEAR					98,800	0.48
10	AMIT CHAMPAKLAL CHOKSEY	68,910	0.33			68,910	0.33
	AT THE END OF THE YEAR					68,910	0.33
11	NAMRATA AMIT CHOKSEY	57,076	0.28			57,076	0.28
	AT THE END OF THE YEAR					57,076	0.28
12	ANKITA AMIT CHOKSEY	54,088	0.26			54,088	0.26
	AT THE END OF THE YEAR					54,088	0.26
13	GAURIPUTRA INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED	52,400	0.25			52,400	0.25
	AT THE END OF THE YEAR					52,400	0.25
14	PRITI AMIT CHOKSEY	47,134	0.23			47,134	0.23
	AT THE END OF THE YEAR					47,134	0.23
15	AMIT CHAMPAKLAL CHOKSEY	41,140	0.20			41,140	0.20
	AT THE END OF THE YEAR					41,140	0.20
16	BIYASH ABHIRAJ CHOKSEY	36,000	0.17			36,000	0.17
	AT THE END OF THE YEAR					36,000	0.17
17	HMP MINERALS PRIVATE LIMITED	19,324	0.09			19,324	0.09
	AT THE END OF THE YEAR					19,324	0.09
18	GIRISH CHAMPAKLAL CHOKSEY	17,800	0.09			17,800	0.09
	AT THE END OF THE YEAR					17,800	0.09
19	ABHIRAJ ATUL CHOKSEY	14,217	0.07			14,217	0.07
	Transfer			23 Mar 2018	1,070	15,287	0.07
	AT THE END OF THE YEAR					15,287	0.07
20	ANKUR GIRISH CHOKSEY	13,600	0.07			13,600	0.07
	AT THE END OF THE YEAR					13,600	0.07
21	PRASHANT GIRISH CHOKSEY	13,200	0.06			13,200	0.06
	AT THE END OF THE YEAR					13,200	0.06
22	SUNITA GIRISH CHOKSEY	9,200	0.04			9,200	0.04
	AT THE END OF THE YEAR					9,200	0.04
23	HARIDWAR TRADING AND INVESTMENTS PVT LTD	8,600	0.04			8,600	0.04
	AT THE END OF THE YEAR					8,600	0.04
24	FOREST HILLS TRADING AND INVESTMENT P LTD	8,600	0.04			8,600	0.04
	AT THE END OF THE YEAR					8,600	0.04
25	DEVAKI ANAND TRIVEDI	6,400	0.03			6,400	0.03
	AT THE END OF THE YEAR					6,400	0.03
26	JANAKI ASHOK PAREKH	4,800	0.02			4,800	0.02
	AT THE END OF THE YEAR					4,800	0.02

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total Shares of the Company	Date of Transaction	No. of shares held	No. of shares held	% of total Shares of the Company
27	COLORTEK INDIA LIMITED	1,650	0.01			1,650	0.01
	Transfer			30 Jun 2017	1,500	3,150	0.02
	Transfer			25 Aug 2017	200	3,350	0.02
	Transfer			01 Sep 2017	500	3,850	0.02
	Transfer			08 Sep 2017	300	4,150	0.02
	AT THE END OF THE YEAR					4,150	0.02
28	CHOKSEY CHEMICALS PRIVATE LTD	276	0.00			276	0.00
	AT THE END OF THE YEAR					276	0.00
29	SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED	10,574,412	50.99			10,574,412	50.99
	Transfer			26 May 2017	23,888	10,598,300	51.11
	Transfer			08 Dec 2017	126,000	10,724,300	51.71
	Transfer			16 Mar 2018	(10,724,300)	-	0.00
	AT THE END OF THE YEAR					-	0.00
30	DHUMRAKETU INVT AND TRDG CO P LTD	23,888	0.12			23,888	0.12
	Transfer			26 May 2017	(23,888)	-	0.00
	AT THE END OF THE YEAR					-	0.00

(iv) Shareholding Pattern of Top Ten Shareholders

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total Shares of the Company	Date of Transaction	No. of shares held	No. of shares held	% of total Shares of the Company
1	VIJAY KISHANLAL KEDIA	231,814	1.12			231,814	1.12
	Transfer			07 Jul 2017	(231,814)	-	0.00
	Transfer			14 Jul 2017	231,814	231,814	1.12
	AT THE END OF THE YEAR					231,814	1.12
2	MITA DIPAK SHAH	200,000	0.96			200,000	0.96
	Transfer			01 Sep 2017	1,000	201,000	0.97
	Transfer			08 Sep 2017	200	201,200	0.97
	Transfer			12 Jan 2018	1,000	202,200	0.98
	Transfer			19 Jan 2018	26	202,226	0.98
	Transfer			26 Jan 2018	200	202,426	0.98
	Transfer			02 Feb 2018	1,000	203,426	0.98
	Transfer			09 Feb 2018	525	203,951	0.98
	Transfer			16 Feb 2018	3,000	206,951	1.00
	Transfer			23 Feb 2018	1,643	208,594	1.01
	AT THE END OF THE YEAR					208,594	1.01
3	DHUNSERI PETROCHEM LTD	-	0.00			-	0.00
	Transfer			21 Apr 2017	9,180	9,180	0.04
	Transfer			28 Apr 2017	28,682	37,862	0.18
	Transfer			05 May 2017	18,521	56,383	0.27
	Transfer			12 May 2017	24,062	80,445	0.39
	Transfer			19 May 2017	4,025	84,470	0.41

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of shares held	% of total Shares of the Company	Date of Transaction	No. of shares held	No. of shares held	% of total Shares of the Company
	Transfer			02 Jun 2017	13,000	97,470	0.47
	Transfer			09 Jun 2017	4,500	101,970	0.49
	Transfer			16 Jun 2017	30,937	132,907	0.64
	Transfer			23 Jun 2017	9,965	142,872	0.69
	Transfer			30 Jun 2017	35	142,907	0.69
	Transfer			06 Oct 2017	1,365	144,272	0.70
	Transfer			13 Oct 2017	10,000	154,272	0.74
	AT THE END OF THE YEAR					154,272	0.74
4	ABHAY ARVIND VAKIL	133,624	0.64			133,624	0.64
	AT THE END OF THE YEAR					133,624	0.64
5	FAROKH D PANDOLE	-	0.00			-	0.00
	Transfer			23 Jun 2017	43,600	43,600	0.21
	Transfer			30 Jun 2017	12,800	56,400	0.27
	Transfer			14 Jul 2017	18,600	75,000	0.36
	Transfer			21 Jul 2017	25,000	100,000	0.48
	Transfer			03 Nov 2017	5,500	105,500	0.51
	Transfer			10 Nov 2017	3,000	108,500	0.52
	Transfer			17 Nov 2017	2,075	110,575	0.53
	Transfer			24 Nov 2017	2,000	112,575	0.54
	Transfer			15 Dec 2017	1,425	114,000	0.55
	Transfer			19 Jan 2018	10,000	124,000	0.60
	AT THE END OF THE YEAR					124,000	0.60
6	MINT INVESTMENTS LIMITED	69,358	0.33			69,358	0.33
	Transfer			29 Sep 2017	1,425	70,783	0.34
	Transfer			23 Feb 2018	1,900	72,683	0.35
	AT THE END OF THE YEAR					72,683	0.35
7	G L MIRCHANDANI	38,302	0.18			38,302	0.18
	Transfer			14 Apr 2017	3,000	41,302	0.20
	Transfer			14 Jul 2017	197	41,499	0.20
	Transfer			21 Jul 2017	8,404	49,903	0.24
	Transfer			11 Aug 2017	2,121	52,024	0.25
	Transfer			18 Aug 2017	615	52,639	0.25
	Transfer			25 Aug 2017	1,160	53,799	0.26
	Transfer			01 Sep 2017	566	54,365	0.26
	Transfer			08 Sep 2017	1,516	55,881	0.27
	Transfer			15 Sep 2017	10,602	66,483	0.32
	Transfer			29 Sep 2017	743	67,226	0.32
	AT THE END OF THE YEAR					67,226	0.32
8	AMAR ARVIND VAKIL	57,200	0.28			57,200	0.28
	AT THE END OF THE YEAR					57,200	0.28
9	NAGA DHUNSERI GROUP LIMITED	52,900	0.26			52,900	0.26
	AT THE END OF THE YEAR					52,900	0.26
10	KISHAN GOPAL MOHTA	50,258	0.24			50,258	0.24
	Transfer			20 Oct 2017	3,500	53,758	0.26
	Transfer			10 Nov 2017	(3,500)	50,258	0.24
	AT THE END OF THE YEAR					50,258	0.24



V. Shareholding of Directors and Key Managerial Personnel:

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of shares held	% of total Shares of the Company	Date of Transaction	No. of shares held	No. of shares held	% of total Shares of the Company
1	ATUL CHAMPAKLAL CHOKSEY	71,398	0.34			71,398	0.34
	Transfer			23 March 2018	4,682,230	4,753,628	22.92
	Transfer			31 March 2018	(1,642,928)	3,110,700	15.00
	AT THE END OF THE YEAR					3,110,700	15.00
2	ABHIRAJ ATUL CHOKSEY	124,105	0.59			124,105	0.59
	Transfer			23 March 2018	1,703,020	1,827,125	8.81
	Transfer			31 March 2018	883,162	2,710,287	13.07
	AT THE END OF THE YEAR					2,710,287	13.07
3	GIRISH CHAMPAKLAL CHOKSEY	17,800	0.09			17,800	0.09
	AT THE END OF THE YEAR					17,800	0.09
4	AMIT CHAMPAKLAL CHOKSEY	110,050	0.53			110,050	0.53
	AT THE END OF THE YEAR					110,050	0.53
5	MANUBHAI G PATEL	518	0.00			518	0.00
	AT THE END OF THE YEAR					518	0.00
6	PRIYAMVADA BHUMKAR	10,000	0.05			10,000	0.05
	AT THE END OF THE YEAR					10,000	0.05
7	Y B GADGIL	2,600	0.01			2,600	0.01
	AT THE END OF THE YEAR					2,600	0.01
8	ANAND V KUMASHI	4,600	0.02			4,600	0.02
	AT THE END OF THE YEAR					4,600	0.02

Note : Mr. Kamlesh Vikamsey, Dr. S Sivram, Mr. Shailesh Vaidya, Director and Mr. Rohit Mahakal, CFO were not holding any shares during the year.

V. INDEBTEDNESS

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

(Rs in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,224.40	-	-	2,224.40
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,224.40</b>	<b>-</b>	<b>-</b>	<b>2,224.40</b>
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	487.63	-	-	487.63
<b>Net Change</b>		<b>-</b>	<b>-</b>	<b>487.63</b>
Indebtedness at the end of the financial year				
i) Principal Amount	<b>1,736.77</b>	-	-	<b>1,736.77</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,736.77</b>	<b>-</b>	<b>-</b>	<b>1,736.77</b>

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rs in lacs)

Sl. no.	Particulars of Remuneration	Name of Managing Director	Name of Executive Director	Total Amount
		Mr. Abhiraj Choksey	Mr. Y B Gadgil	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96.51	38.81	135.32
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	5.94	0	5.94
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A) (Rs. In Lacs)	102.45	38.81	141.26
	Ceiling as per the Act	10% of net profit of the Company		

### B. Remuneration to other directors:

(Rs in lacs)

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
		M G Patel	Dr. S. Sivaram	Shailesh Vaidya	Kamlesh Vikamsey	Priyamvada Bhumkar	
1	Independent Directors						
2	• Fee for attending board / committee meetings	2.00	1.60	1.20	2.40	0.60	7.80
	• Commission	2.50	2.50	2.50	2.50	2.50	12.50
	• Others, please specify						
3	Total (1)						20.30
4	Other Non-Executive Directors	Atul Choksey	Girish Choksey	Amit Choksey			
5	• Fee for attending board / committee meetings	0.80	0.80	0.60			2.20
	• Commission	40.81	-	-			40.81
	• Others, please specify						
6	Total (2)						43.01
7	Total (B) = (1 + 2)						63.31
8	Total Managerial Remuneration						
9	Overall Ceiling as per the Act	1% of net profits of the Company					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Rs. In Lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Anand V Kumashi, Company Secretary	Rohit R Mahakal, Chief Financial Officer	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.6	18.07	48.67
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5	Others, please specify	-	-	-
	Total	30.6	18.07	48.67

**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)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

## ANNEXURE III TO DIRECTORS' REPORT

A. Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Disclosure Requirement	Disclosure details			
1	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer during the financial year 2017-18, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18.	Directors / KMP	Title	Ratio	% increase in remuneration
		Atul C. Choksey	Non-Executive Chairman	9.49	205.51
		Abhiraj A. Choksey	Managing Director	23.15	10.25
		Girish C. Choksey	Non-Executive Director	0.18	0.00
		Amit C. Choksey	Non-Executive Director	0.14	0.00
		Manubhai G. Patel	Non-Executive Director	1.03	7.14
		Dr. S. Sivaram	Non-Executive Director	0.94	46.43
		Shailesh S. Vaidya	Non-Executive Director	0.84	68.18
		Kamlesh Vikamsey	Non-Executive Director	1.12	16.67
		Priyamvada Bhumkar	Non-Executive Director	0.71	-3.13
		Y B Gadgil	Executive Director	8.85	8.65
		Anand V. Kumashi	Company Secretary	N.A	7.02
		Rohit R. Mahakal	Chief Financial Officer	N.A	11.68
2	Percentage increase in the median remuneration of employees in the financial year	16.06%; considering employees who were in employment for the whole of FY 2016-17 and FY 2017-18.			
3	Number of permanent employees on the rolls of Company at the end of the year	447			
4	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than managerial personnel who were in employment for the whole of FY 16-17 and FY 17-18 the average increase is 18.61%. Average increase for managerial personnel is 10.11%.			
5	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company is in Compliance with its Remuneration policy.			

B. Details pertaining to remuneration as required under section 197(2) of the Companies Act 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1

Name	Mr. Abhiraj A.Choksey
Age	40 years
Qualification	Bachelor of Science in Economics from Wharton Business School and Bachelor of Science in Engineering from the Engineering School, both of University of Pennsylvania in U.S.A
Designation	Managing Director
Date of Commencement of Employment	1 <sup>st</sup> May 2005
Experience	17 years
Gross Remuneration	102.45 lacs
Previous Employment	Apcosoft Pvt., Ltd
Designation	Managing Director
Shares held	13.07%

2

Name	Mr. Y B Gadgil
Age	58 years
Qualification	Bachelor of Chemical Engineering
Designation	Executive Director
Date of Commencement of Employment	1981
Experience	37 years
Gross Remuneration	38.81 lacs
Previous Employment	Asian Paints Ltd
Designation	Production, Engineering Services and Projects, Plant Manager in- charge of Production and Projects etc
Shares held	0.01%

## ANNEXURE IV TO DIRECTORS' REPORT

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)								
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto								
<b>1</b>	<b>Details of contracts or arrangements or transactions not at arm's length basis:</b>							
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
Sr. no.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

<b>2</b>	<b>Details of material contracts or arrangement or transactions at arm's length basis</b>					
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>
Sr. No	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
1	Apco Enterprise Ltd Common Director(s).	Leasing of premises	5 years 01/10/2014 to 30/09/2019	Lease Rent @ Rs.55,000/- p.m + all direct expenses	31-10-14	7,02,000
2	Parul Choksey	Leasing of premises	on going	All direct expenses	25-05-09	N.A.
3	Choksey Chemicals Pvt Ltd. Common Director(s).	Sale of Goods at prevailing market Price.	on going	Sale of Goods at prevailing market price.	31-10-13	N.A.
4	Aquamarine Investment Managers LLP. Director's relatives are partners	Leasing of premises	5 years 01/07/2015 to 30/06/2020	Lease Rent @ Rs.7,000/- p.m + all direct expenses	08-05-15	N.A.

## ANNEXURE V TO DIRECTORS' REPORT

<b>ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES</b>		
<b>1</b>	A brief outline of the Company's CSR Policy, including overview of the Projects or Programs Proposed to be undertaken and a reference to the web-link to the CSR Policy and the Projects or Programs.	The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Social Responsibilities) Rules 2014 and same is placed on the Company's website and web-link of same is <a href="http://apcotex.com/CSRP.pdf">http://apcotex.com/CSRP.pdf</a>
		The company has undertaken activities in the area of Healthcare, Education and Social Projects in the Plant area through:
		a. Vidya Mandir Trust - Palanpur
		b. St. Jude - Mumbai
		c. Shree Ram Dharmada Trust
		d. Bhagwan Yagnyavalkya Ved Tauva Gyan Yogashram
	e. Cancer Patients Aid Association	
<b>2</b>	The composition of CSR Committee	Mr. Atul Choksey – Chairman (Chairman of the Company)
		Mr. Shailesh Vaidya – Member (Independent Director)
		Mr. Abhiraj Choksey – Member (Managing Director)
<b>3</b>	Average net profit of the Company for last three financial years	Rs.3015.77 lacs.
<b>4</b>	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs.60.32 lacs
<b>5</b>	Details of CSR spend for the financial year:	
	a.Total amount spent for the financial year	Rs.63.80 lacs
	b. Amount unspent, if any.	NIL
	c. Manner in which the amount spent during the financial year is detailed below:	

(Rs in lacs)

Sr. No.	Projects / Activities	Sector	Locations (District & State)	Amount Outlay (Budget) Project or Programwise	Amount Spent on the Project or Program	Cumulative Expenditure upto Report period	Amount Spent : Direct or through implementing Agency.
1	Providing shelter, food and medicines to cancer affected childrens and their parents from poor family - Total committed budgeted amount over a period of 5 years is Rs.108.00 lacs	Healthcare	Mumbai, Maharashtra	14.00	14.00	14.00	St. Jude India Childcare Centre.
2	Providing healthcare facility to women for deliveries, diseases of women, neonates	Healthcare	Mumbai, Maharashtra	18.96	18.96	18.96	Shree Ram Dharmada Trust
3	Providing education to children	Education	Mumbai, Maharashtra	25.00	29.00	29.00	Vidya Mandir Trust Palanpur
4	Provides medicines to deserving family affected by cancer.	Healthcare	Mumbai, Maharashtra	1.00	1.00	1.00	Cancer Patients Aid Association
5	Educational & Residential support for childrens studying Vedic culture	Education	Village Mudeti, Tal, Idar, Dist. Sabarkantha, Gujarat	0.51	0.51	0.51	Bhagwan Yagnayavalkya Ved Tauva Gyan Yogashram Trust
6	Donation to Chief Minister Relief Fund (CMRF) for carrying out the relief works for flood affected people of Banaskantha district	Healthcare	Banaskantha district - Gujarat	0.33	0.33	0.33	Banaskanta Flood Victims - utencials
				<b>59.80</b>	<b>63.80</b>	<b>63.80</b>	

Our CSR Responsibilities:

We hereby confirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the projects and activities in compliance with our CSR objectives of the Company.



## ANNEXURE VI TO DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

For the financial year ended 31<sup>st</sup> March 2018

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

To

#### The Members

#### APCOTEX INDUSTRIES LIMITED

Plot No. 3/1, PB No.13,  
MIDC Industrial Area,  
Taloja: 410 208,  
Dist. Raigad, Maharashtra.

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

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

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

- (i) The Companies Act, 1956 and The Companies Act, 2013 (the Act) as applicable, and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:Not Applicable.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:Not Applicable.
  - (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.
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:Not Applicable.

(vi) Following Laws applicable specifically to the Company.

- a) The Petroleum Act, 1934 and Rules made thereunder.
- b) The Indian Explosive Act, 1884 read with The Static and Mobile Pressure Vessels (Unfired) Rules, 1981.
- c) The Factories Act, 1948 read with The Maharashtra Factories (Control of Industrial Major Accident Hazards) Rules, 2003.
- d) The Environment (Protection) Act, 1986 read with The Manufacture, storage and Import of Hazardous Chemicals Rules, 1989.

(vii) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other generally applicable Acts, Laws and Regulations to the Company.

I 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 Stock Exchanges and SEBI (LODR) Regulations, 2015.

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

#### **I further report that**

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

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

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

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

Place: Mumbai  
Date: 03/05/2018

apcotex

**MAHESH HURGAT**  
**PRACTISING COMPANY SECRETARY**  
**ACS NO.: 7139 C. P. NO.: - 2498**

## CORPORATE GOVERNANCE

### I. Company's Philosophy on Code of Corporate Governance:

The Company is committed to good Corporate Governance practices with the object of increasing benefits for all stakeholders of the Company viz. Shareholders, Customers, Suppliers, Employees and Society in general.

### II. Board of Directors:

The composition of the Board of Directors of the Company is presently governed by the provisions of Companies Act, 2013, the Articles of Association of the Company and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is comprised of Ten Directors, both executive and non-executive. Mr. Atul Champaklal Choksey is the non-executive Chairman. The day-to-day operations of the Company are managed by Mr. Abhiraj A. Choksey, the Managing Director and Plant operations by Mr. Y B Gadgil – Executive Director, under the active guidance of the chairman.

Mr. Manubhai G Patel, Dr. S. Sivaram, Mr. Shailesh Vaidya, Mr. Kamlesh Vikamsey, and Mrs. Priyamvada Bhumkar are non-executive, independent directors, who constitute fifty percent (50) of the total strength of the Board.

The Board of Directors of the Company consists of persons of eminence, having good experience in business management, polymer technology, finance, accountancy and law. The Board of Directors meet as often as required but not less than four times a year i.e. once in a calendar quarter. The Directors receive minutes of all the meetings of the Board and of the respective Committee meetings wherever they are members; namely Audit Committee, Nomination & Remuneration Committee, Social Responsibility Committee and Stakeholders Relationship Committee. During the financial year 2017-18, six meetings of the Board of Directors were held on **i) 5<sup>th</sup> May 2017, ii) 28<sup>th</sup> July 2017, iii) 17<sup>th</sup> August 2017, iv) 7<sup>th</sup> November 2017 v) 9<sup>th</sup> February 2018 and vi) 24<sup>th</sup> February 2018.**

Independent Directors are expected not to serve on the Board of competing companies. No Director of the company is a member of more than ten Committees or can act as Chairman of more than five committees across all public limited companies in which he / she is a Director. For the purpose of these only membership and chairmanship of Audit Committee and Stakeholders' Relationship Committee are considered.

Further, every Director informs the Company about the Committee position he / she occupies in other companies and notifies the changes as and when they take place. The details of directorships held by the Company's Directors in public limited companies as on 31<sup>st</sup> March 2018 and attendance at the Board Meetings of the Company are given below:

Name of Director(s)	Designation/Category of Directorship	Board Meetings attended	Attendance at last AGM	No. of other Directorships held	No. of Committees of which Member / Chairman
Atul C. Choksey	Non- Executive Chairman Promoter	5	Yes	1	-/-
Abhiraj A. Choksey	Managing Director	6	Yes	-	-/-
Girish C. Choksey	Non-Executive	6	Yes	2	3/-
Amit C. Choksey	Non-Executive	6	Yes	-	-/-
Manubhai G. Patel	Non-Executive, Independent	5	Yes	-	1/1
Dr. S. Sivaram	Non-Executive, Independent	6	Yes	5	1/-
Shailesh S. Vaidya	Non-Executive, Independent	5	No	3	-/-
Kamlesh S. Vikamsey	Non-Executive, Independent	6	Yes	6	2/3
Priyamvada Bhumkar	Non-Executive, Independent	2	No	-	1/-
Y B Gadgil	Executive Director	4	Yes	--	-/-

Mr. Atul C. Choksey, Mr. Abhiraj A. Choksey, Mr. Girish C. Choksey and Mr. Amit C. Choksey are related to each other.

#### Details of shareholding of Directors as on 31<sup>st</sup> March 2018

The number of equity shares of face value of Rs.5/- each of the Company held by the Directors as on 31<sup>st</sup> March 2018 is as under:

Name of Directors	Executive or Non-Executive Director	No. of Shares	% to paid up capital
Atul C. Choksey	Non-Executive Director	31,10,700	15.00
Abhiraj A. Choksey	Executive Director	27,10,287	13.07
Girish C. Choksey	Non-Executive Director	17,800	0.09
Amit C. Choksey	Non-Executive Director	1,10,050	0.53
Manubhai G. Patel	Non-Executive Director Independent	518	--
Dr. S. Sivaram	Non-Executive Director Independent	--	--
Shailesh S. Vaidya	Non-Executive Director Independent	--	--
Kamlesh Vikamsey	Non-Executive Director Independent	--	--
Priyamvada Bhumkar	Non-Executive Director Independent	10,000	0.05
Y B Gadgil	Executive Director	2,600	0.01

#### Responsibilities:

The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the intervening gap between the meetings is within the period prescribed under the Companies Act 2013. During the year under review the Board met six times. The agenda of the Board meetings is circulated to all the Directors well in advance and contains all the relevant information. The Managing Director is responsible for corporate strategy, planning, external contacts and Board Matters. The Executive Director is responsible for Plant Operations. The senior management personnel heading respective divisions are responsible for all day-to-day operations related issues, productivity, recruitment, and employees retention for their divisions.

#### Remuneration Policy;

Non-executive Directors are paid sitting fees for each meeting of the Board or its committees attended by them and are also eligible for commission. The shareholders of the Company at the meeting held on 17<sup>th</sup> August 2017 had authorised the payment of commission to the Non-Executive Directors @ 1% of net profit of the Company, calculated in accordance with provisions of Section 197 and 198 of the Companies Act, 2013. The allocation of commission to Non-Executive Directors is determined by the Board based on the individual contribution.

The Remuneration paid to the Non-Executive Directors of the Company during the financial year 2017-18 are as under:

Name of Director	Sitting Fees	Commission	Total
Mr. Atul Choksey	80,000	40,81,000	41,61,000
Mr. Girish Choksey	80,000	-	80,000
Mr. Amit Choksey	60,000	-	60,000
Mr. M.G.Patel	2,00,000	2,50,000	4,50,000
Dr. S. Sivaram	1,60,000	2,50,000	4,10,000
Mr. Shailesh Vaidya	1,20,000	2,50,000	3,70,000
Mr. Kamlesh Vikamsey	2,40,000	2,50,000	4,90,000
Mrs. Priyamvada Bhumkar	60,000	2,50,000	3,10,000

#### Remuneration paid to Directors for the financial year 2017-18 is as under:

Name	Mr. Abhiraj A Choksey	Mr. Y B Gadgil
Salary	Rs.94.71 lacs	Rs. 37.58 lacs
Variable Pay	As per Company's Policy.	As per Company's Policy.
Provident Fund	Rs.3.57 lacs	Rs.1.56 lacs
Perquisites	Rs.5.94 lacs	Nil
Notice Period	6 months	6 months

#### Details of Service contracts with Directors

Director	Service Contract and Period	Severance Fees
Mr. Abhiraj Choksey Managing Director	Agreement date. 10-08-2016: Period:01-05-2016 to 30-04-2019	Nil
Mr. Y B Gadgil Executive Director	Period:06-02-2016 to 05-02-2019	Nil

### III. Board Committees:

The Company has constituted various committee(s) in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Company Secretary acts as the Secretary to all the Committees. Each of these Committees has the authority to engage outsider experts, advisors, and counsels to the extent it considers appropriate to assist in its functions. Minutes of the Committee meetings are circulated to the Directors and placed before the Board meeting for noting thereat.

#### A) Audit Committee

The Audit Committee was constituted in April 2000, which was reconstituted by the Board of Directors in their meeting held on 26th April 2014. During the year under review, four meetings of the Committee were held on **i) 5th May 2017, ii) 17th August 2017 iii) 7th November 2017 and iv) 9th February 2018**

The Audit Committee comprises of four directors viz. Mr. Kamlesh Vikamsey as the Chairman (with effect from 7th November 2017), Mr. M. G. Patel (Chairman upto 6th November 2017), Mr. Girish Choksey and Mrs. Priyamvada Bhumkar as members. Mr. M. G. Patel, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar are Non- Executive Independent Directors.

Attendance at the Audit Committee meetings during the year under review are given below:

Name	Non-Executive / Independent	Numbers of Meetings held – <b>Four</b>
		Attended
M. G. Patel	Non-Executive, Independent	4
Girish C. Choksey	Non-Executive	2
Kamlesh Vikamsey	Non-Executive, Independent	4
Priyamvada Bhumkar	Non-Executive, Independent	1

The Audit Committee invites the executives of the Company, as it considers appropriate, representatives of Statutory Auditors and representatives of the Internal Auditors at its meetings.

The role of the Audit Committee includes the followings pursuant to Regulation 18 (3) read with Schedule II of SEBI (LODR) Regulations, 2015 and read with Section 177 of the Companies Act, 2013:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for terms of appointment and remuneration of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to quarterly and yearly financial statements
  - f. Disclosure of any related party transactions
  - g. Modified opinion in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendations to Company's Board;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the company, whenever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of Statutory and Internal Auditors, reviewing Internal Control Systems in the organisation;

13. Reviewing adequacy of internal audit function, if any, including structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors over significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO;
20. Approval or any subsequent modification/ changes of Related Party Transactions;
21. To investigate into any matter specified under Section 177(4) or any matter referred by the Board.
22. The Committee has power to obtain external professional help/ advice and has right to ask for any information/ explanation.

**B) Nomination and Remuneration Committee:**

Pursuant to provisions of Section 178 of the Companies Act, 2013 and other applicable provisions, the Remuneration Committee was reconstituted as "Nomination and Remuneration Committee" by the Board of Directors in their meeting held on 26<sup>th</sup> April 2014. The present Members of Committee are - Mr. M G Patel, Mr. Atul Choksey, Dr. S. Sivaram and Mr. Kamlesh Vikamsey.

The Nomination and Remuneration committee met twice during the financial year viz. i) **28<sup>th</sup> July 2018** and ii) **9<sup>th</sup> February 2018**. The necessary quorum was present for all the meetings. The Chairman of the Nomination & Remuneration Committee meeting was present at the last Annual General Meeting. The composition of the Committee during the financial year and the details of the meetings held and attended by the members are as under:

Name	Non-Executive / Independent	Numbers of Meetings held – <b>Two</b>
		Attended
Dr. S. Sivaram	Non-Executive Independent	2
Mr. Atul Choksey	Non-Executive	2
Mr. Kamlesh Vikamsey	Non-Executive Independent	2

The broad terms of reference of the Nomination and Remuneration Committee are as under:

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

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published elsewhere in this report as Annexure to the Directors Report. Further, the details of remuneration paid to all the Directors and other disclosures as required to be made under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 have been provided in the previous section of this Report.

**C) Corporate Social Responsibility Committee:**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted a "Corporate Social Responsibility Committee" in their meeting held on 26<sup>th</sup> April 2014, comprising of three Directors including an Independent Director viz. Mr. Shailesh Vaidya, Mr. Atul Choksey - Chairman and Mr. Abhiraj Choksey – Managing Director.

The broad terms of reference of the Corporate Social Responsibility (CSR) Committee are as under:

- a) Formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

- b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c) To monitor the CSR policy of the Company from time to time;
- d) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Committee met on 2<sup>nd</sup> May 2018. The necessary quorum was present for the meeting. The composition of the Committee during the financial year 2017-18 and details of meeting held and attended by the Directors are as under:

Name	Non-Executive / Independent	Numbers of Meetings held – <b>One</b>
		Attended
Mr. Atul Choksey	Non-Executive	1
Mr. Abhiraj Choksey	Managing Director	1

The CSR policy devised in accordance with Section 135 of the Companies Act, 2013 and the details about the development of CSR Policy and initiatives under taken by the Company on CSR during the financial year as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 have also been appended as an Annexure to the Directors Report.

**D) Shareholders / Investors Grievances Committee:**

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and other applicable provisions, 'Shareholders / Investors Grievances Committee' was reconstituted as '**Stakeholders Relationship Committee**' in the Board meeting held on 26<sup>th</sup> April 2014.

The committee comprises of two directors' viz. a) Mr. M. G. Patel, a non-executive independent Director, Chairman of the reconstituted Committee and b) Mr. Girish Choksey, non-executive Director.

Terms of Reference of Stakeholders Relationship Committee as set out in the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013 will include the following:

- Considering and resolving the grievances of security holders of the Company.
- Overseeing redressal of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

The details of correspondences / grievances received and redressed during the financial year 2017-18 by the Company through the Registrars, LINK INTIME INDIA PVT LTD, are as under;

Source		Correspondences	
		Received	Redressed / Attended
<b>A</b>	<b>Complaints</b>		
	Directly from Shareholders	301	270
	SEBI	2	2
	Stock Exchanges	2	2
	Any other governing body to be specifies (Office of custodian)	4	4
	<b>Total (A)</b>	<b>309</b>	<b>278</b>
<b>B</b>	<b>Type of Requests from Shareholders</b>		
	Request for change of address	141	135
	Request for procedure of transfer/transmission of shares /deletion of name	112	107
	Request for change/correction of Bank details/mandate /ECS details	49	48
	Request for revalidation/issue of fresh demand drafts	145	141
	Issue of Duplicate share certificates	58	51
	Change of Signature	15	15
	Request for stop transfer / removal / procedure for duplicate	115	114
	Confirmation of details	31	30
	Miscellaneous	115	110
	<b>Total (B)</b>	<b>781</b>	<b>751</b>
	<b>Grand Total (A+B)</b>	<b>1090</b>	<b>1029</b>

Mr. Anand V. Kumashi, has been appointed as the Compliance Officer, as required by Regulation 6 of SEBI (LODR) Regulations 2015. He has been entrusted the task of meeting fully the requirements of the said Regulation and overseeing the share transfer work done by the Registrars and Share Transfer Agents; attending to grievances of the shareholders and investors; compliance with the statutory and regulatory requirements etc. of SEBI, and stock exchanges.

With reference to Regulation 46 of SEBI (LODR) Regulations, 2015 the Company has designated exclusive e-mail ID as [redressal@apcotex.com](mailto:redressal@apcotex.com) for investors to register their grievances, if any. This has been initiated by the company to resolve investors' grievances, immediately. The Company has displayed the said e-mail ID on its Website for the knowledge of Investors.

#### **Meeting of Independent Directors:**

The company's Independent Directors met on 9<sup>th</sup> February 2018 without the presence of the Managing Director, Non-Executive Non-Independent Directors and the Management representatives. The meeting was attended by all the Independent Directors except Mrs. Priyamvada Bhumkar and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

#### **Code of Conduct:**

The Company has a Code of Conduct for Directors and members of Senior Management. The Code is available on the Company's Website at <http://apcotex.com/apadmin/Images/-CODE%20OF%20CONDUCT.pdf>. All Board members and senior management personnel have affirmed compliance with the code. A declaration to that effect signed by Mr. Abhiraj A. Choksey, Managing Director is appearing in the Annual Report.

#### **Prohibition of Insider Trading:**

In compliance with the provisions of SEBI (Prohibition of Insider Trading Regulations) 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted Code of Conduct for Insider Trading for prohibition of Insider trading for all Directors and specified employees of the Company. This policy also provides for periodical disclosures from the designated employees as well as pre-clearances of transactions by such persons.

#### **Vigil Mechanism or Whistle-Blower Policy:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the Regulation 22 of SEBI (LODR) Regulation, 2015, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at [http://apcotex.com/policies/Whistle\\_Blower\\_Policy.pdf](http://apcotex.com/policies/Whistle_Blower_Policy.pdf)

#### **Details of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (in pursuance of Regulation 36(3) of SEBI (LODR) Regulations 2015).**

Name of the Director	<b>Mr. Amit Choksey</b>
Director Identification Number (DIN)	<b>00001470</b>
Date of Birth	<b>14/10/1954</b>
Nationality	<b>Indian</b>
Date of Appointment on Board	<b>21/11/1997</b>
Qualification	<b>Bachelor of Commerce</b>
Shares held	<b>1,10,050</b>
List of Directorship held in other listed Companies	<b>-</b>
Membership/Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	<b>-/-</b>
Relationship with other Board Members.	<b>Related to Mr. Girish Choksey, Mr. Atul Choksey and Mr. Abhiraj Choksey</b>

#### **General Body Meetings**

During the preceding three years, the Company's Annual General Meeting were held at Sapphire, Royal Tulip Hotel, 26/B, Sector 7 Kharghar, Navi Mumbai, Maharashtra 410210 (2016-17) and Plot no. 3/1, MIDC Industrial Area, Taloja-410208, Dist. Raigad, Maharashtra (2014-15 & 2015-16)



**Details of last three Annual General Meetings Held:**

Year	Date	Time	Special resolution/s passed
2016-17	17 <sup>th</sup> August 2017	04.30 p.m	Yes(One)*
2015-16	10 <sup>th</sup> August 2016	04.00 p.m	Yes(Three)*
2014-15	31 <sup>st</sup> July 2015	04.00 p.m	No

**\*Special Resolution/s passed:**2016-17:

- 1) Payment of Commission to Directors.

2015-16:

- a. Re-appointment of Mr. Abhiraj Choksey as Managing Director for a further period of 3 years.
- b. Alteration of Memorandum of Association for increased in authorized share capital.
- c. Alteration of Articles of Association for increased in authorized share capital.

**Special Resolution passed through postal ballot**

None of the business proposed to be transacted in the ensuing Annual General meeting require passing a special resolution through postal ballot.

**Disclosures:****Related Party Transactions:**

During the year, there were no material related party transactions i.e. transactions of the Company of a material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large. The details of Related Party Transactions are given in Annexure to the Directors Report.

**Risk Management:**

The Company has since 2004-05, undertaken the exercise of identifying risks being faced by the company and ways of managing such risks. Risk minimisation is being built up in the operating systems. Risks are periodically reviewed at both Audit committee level and Board of Directors of the company.

**MD and CFO Certification:**

Certificate from Mr. Abhiraj Choksey, Managing Director and Mr. Rohit Mahakal, CFO, in terms of Regulation 17 (8) read with Schedule II, was placed before the Board of Directors of the Company in its meeting held on 3<sup>rd</sup> May 2018.

**Compliances:**

The Company believes that it has complied with all the regulations of Stock Exchanges, Securities and Exchange Board of India (SEBI) or other statutory authority/ties on matters related to capital markets. No penalty has been imposed or strictures passed during the year against the Company by SEBI, Stock Exchange(s), or any other statutory authority.

**Means of Communication:**

The quarterly, half yearly and annual results of the Company's financial performances were published in two newspapers viz. 'Business Standard' and 'Mumbai Lakshadeep', and displayed on Company's website, [www.apcotex.com](http://www.apcotex.com).

1. The Annual Report is circulated to all members, and is also available on the Company's website.
2. The Annual Report of the Company for the financial year 2017-18 is being emailed to the members whose email addresses are available with the depositories or are obtained directly from the members, as per section 136 of the Companies Act, 2013 and Rule 11 of the Company (Accounts) Rules, 2014. For other members, who have not registered their email addresses, the Annual Report has been sent at their registered address.
3. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

Management Discussion and Analysis forms part of the Directors Report.

**Certification of Corporate Governance Report:**

Certificate from Mr. Mahesh Hurgat, Practicing Company Secretary, (Membership no.-7139) on Corporate Governance, as required by Regulation 34 (3) read with Schedule V of SEBI (LODR), Regulations, 2015, is incorporated in this Annual Report.

**General Shareholders Information:**

- a) 32<sup>nd</sup> Annual General Meeting will be held on **Friday, 27<sup>th</sup> day of July 2018 at 4.00 pm** at Sapphire, Royal Tulip Hotel, 26/B, Sector 7 Kharghar, Navi Mumbai, Maharashtra 410210.
- b) The Company's financial Year is 1<sup>st</sup> April to 31<sup>st</sup> March

- c) Dates of book closure: **Saturday, 21<sup>st</sup> of July 2018 to Thursday, 26<sup>th</sup> day of July 2018** (both days inclusive) for the Purpose of Annual General meeting and payment of dividend.
- d) Proposed Dividend: Rs.6/- (Rupees Six only) for Equity Shares of Rs.5/- each.
- e) Dividend payment date: **on or after 27<sup>th</sup> July 2018.**
- f) Electronic Clearing Service (ECS): The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages members to avail of this facility as ECS provides adequate protection against fraudulent interception and encashment of dividend warrants, apart from eliminating loss/damage of dividend warrants in transit and correspondence with the Company on revalidation/issuance of duplicate dividend warrants.
- g) Bank Details for electronic shareholding: Members are requested to notify their depository participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank accounts, including the MICR codes of their banks, to their DPs.
- h) Furnish copies of Permanent Account Number (PAN): The members are requested to furnish their PAN which will help us to strengthen the compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002.  
For transfer of shares in physical form, SEBI has made it mandatory to the transferee to submit a copy of PAN card to the Company.
- i) Listing on Stock Exchanges: The Company's equity shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Ltd, Mumbai. The Annual Listing fees have been paid and there is no outstanding payment towards the stock exchanges, as on date.
- j) Stock Code: Bombay Stock Exchange Limited - 523694  
Symbol : National Stock Exchange of India Ltd. – APCOTEXIND
- k) ISIN allotted to Equity Shares is INE116A01024

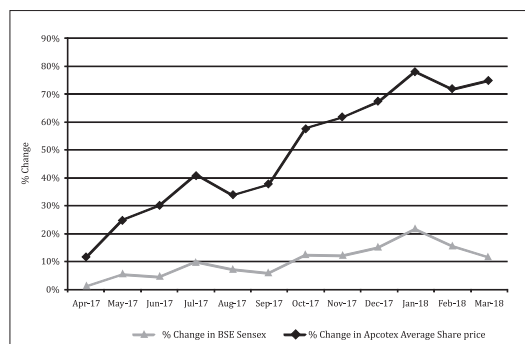
#### Market Price Data:

Monthly high and low prices of equity shares of the company quoted at Bombay Stock Exchange and National Stock Exchange during the year **2017-18.**

(Amount in Rs.)

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April	393	315	394.00	311.30
May	412	355	412.00	352.25
June	440	365	443.00	368.05
July	442	401	441.00	400.60
August	441	370	440.00	369.00
September	465	380	470.00	382.30
October	508	426	510.10	428.00
November	510	450	520.00	430.00
December	514	463	514.00	473.50
January	530	473	529.00	470.25
February	562	440	557.20	423.70
March	564	484	566.15	481.00

#### Stock Performance Index :



Share Price Performance in comparison to BSE Sensex and NSE Nifty as on 31st March 2018				
Year	BSE (% Change)		NSE (% Change)	
	Apcotex	Sensex	Apcotex	Nifty
1 year (FY 2017-18)	54.0%	11.3%	53.3%	10.2%
2 years	129.4%	30.1%	130.7%	326.0%
3 years	98.6%	17.9%	98.1%	288.3%
5 years	892.5%	75.0%	905.1%	480.2%

### Registrars and Share Transfer Agents:

The Company has appointed Link Intime India Pvt Limited as its Registrars and Share Transfer Agents w.e.f 1st August 2006. Share Transfers, dematerialisation of shares, and all other investors related activities are attended and processed at the office of the Registrars and Share Transfer Agents at the following address :

#### LINK INTIME INDIA PVT LTD

C-101, 247 Park,

L.B.S. Marg, Vikhroli (W),

Mumbai- 400 083

Tel. No.- 022-49186000, 49186270

Fax : (022) 49186060

Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

#### Share Transfer System:

Company's shares are compulsorily traded in the demat segment on the stock exchange(s), and most transfers of shares take place in electronic form.

For expediting Physical transfer of shares, the Board has delegated the share transfer formalities to the officials of Registrar and Share Transfer Agent, to approve the transfer of shares on every Monday. Physical transfers are effected well within the stipulated period of 30 days.

**Distribution of Share:** Distribution of shareholding as on 31st March 2018.

Category	No. of Shareholders	% to total No. of Shareholders	No. of shares	% to total Shares
1 - 500	19,536	89.90	23,92,054	11.53
501 - 1000	1,096	5.04	8,31,142	4.01
1001 - 2000	531	2.44	8,00,075	3.86
2001 - 3000	149	0.69	3,76,974	1.82
3001 - 4000	118	0.54	4,31,714	2.08
4001 - 5000	62	0.29	2,84,438	1.37
5001 - 10000	120	0.55	9,00,635	4.34
Above 10001	119	0.55	1,47,20,952	70.99
<b>Total</b>	<b>21,731</b>	<b>100.00</b>	<b>2,07,37,984</b>	<b>100.00</b>

**Categories of Shareholding as on 31<sup>st</sup> March 2018:**

Sr. No.	Category	No. of Shares	% of shareholding
1.	<b>Promoters' Holding</b> Indian Promoters	1,20,10,408	57.92
2.	<b>Non promoters' Holding</b> Mutual Funds/Trusts/clearing members	43,525	0.21
	Insurance companies/Banks/Financial Institution	51273	0.25
	Indian Public	7256397	34.99
	Directors/Relatives	13118	0.06
	Hindu Undivided Family	197346	0.95
	Non Resident Indians	356516	1.72
	Other Corporate Bodies	791219	3.82
	IEPF Authority	18182	0.09
	<b>Total</b>	<b>2,07,37,984</b>	<b>100.00</b>

**Dematerialisation of Shares:**

The shares of the Company are available for dematerialisation (holding of shares in electronic form) on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Equity Shares of the company are to be compulsorily traded in the dematerialised form. As on 31st March 2018, 1,96,10,458 Equity Shares comprising of 94.56% of paid up capital of the company, have been dematerialised by the investors and bulk of transfers take place in the demat segment.

Outstanding GDR's/ADR's/Warrants or any convertible instruments, conversion data and impact on equity: NIL

**Other Information:****Corporate Identification Number (CIN No.):**

L99999MH1986PLC039199

**Taloja Plant:**

Plot No.3/1, MIDC Industrial Area  
Taloja – 410 208, Dist. Raigad, Maharashtra  
Telephone: (022) 2740 3500  
Fax: (022) 2741 2052

**Valia Plant:**

Village – Dungri,  
Tal- Valia, Ankleshwar – 393135.  
Dist – Bharuch, Gujarat

**Investors Correspondence:**

Investor correspondence may be addressed to any of the following:

Registered Office and Plant	Registrar & Share Transfer Agents
Plot No.3/1, MIDC Industrial Area, Taloja – 410 208, Dist. Raigad, Maharashtra Telephone: (022) 2740 3500 Fax: (022) 2741 2052	<b>LINK INTIME INDIA PVT LTD (formerly Intime Spectrum Registry Ltd)</b> C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai- 400 083 Tel. No.-022-49186000, 49186270 Fax - (022) 49186060
Website: <a href="http://www.apcotex.com">www.apcotex.com</a> E-mail: <a href="mailto:redressal@apcotex.com">redressal@apcotex.com</a>	Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> E-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

**Unclaimed Dividend**

Under the Companies Act, 2013, dividends that are unclaimed for a period of seven years are to be transferred to the Investors Education and Protection Fund, administered by the Central Government. The table given below gives the dates of dividend declaration or payment and the corresponding date when unclaimed dividends will be due to be transferred to the Central Government.

Year	Dividend Account No.	Bank name	Date of declaration	Date due for transfer to Central Government
2010-11	31847607342	State Bank of India	30/07/2011	29/07/2018
2011-12	32385456081	State Bank of India	05/07/2012	04/07/2019
2012-13	33052231411	State Bank of India	28/06/2013	27/06/2020
2013-14	33955651985	State Bank of India	31/07/2014	29/07/2021
2014-15	35071962068	State Bank of India	31/07/2015	29/07/2022
2015-16	35933618597	State Bank of India	10/08/2016	09/08/2023
2016-17	37018745044	State Bank of India	17/08/2017	16/08/2024

The concerned shareholders are requested to get their uncashed dividend warrants revalidated and encashed thereafter.

## **DECLARATION – CODE OF CONDUCT**

The Board has laid down the code of conduct for the all the Board Members and Senior Management of the company, which is posted on the Company's Website. All the Board Members and Senior Management personnel of the company, for the financial year ended 31<sup>st</sup> March 2018, have affirmed compliance with code of conduct.

For Apcotex Industries Limited

**Date : 3<sup>rd</sup> May 2018.**  
**Place : Mumbai**

**Abhiraj Choksey**  
**Managing Director**  
**DIN: 00002120**

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## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE;**

To the **Members of**  
**Apcotex Industries Limited**

Taloja, Dist. Raigad, Maharashtra.

I have examined the compliance of conditions of **Corporate Governance** by **Apcotex Industries Limited** for the financial year **2017-18**, as stipulated under Regulation 34 of SEBI (LODR) Regulations 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of 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.

In My opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 34 of SEBI (LODR) Regulations 2015 .

I further state that such compliance is neither an assurance as to the future viability of the Company or the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Mahesh Hurgat**  
Practicing company secretary  
**ACS No. 7139 C.P. No. 2498**

**Date : 3<sup>rd</sup> May 2018.**  
**Place : Mumbai**

## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF APCOTEX INDUSTRIES LIMITED.**

### **Report on the Ind AS Financial Statement**

We have audited the accompanying Ind AS financial statements of **Apcotex Industries Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Ind AS Financial Statement**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including Other Comprehensive Income), cash flow and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

### **Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other Comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraph 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, 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 Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 36 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 are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS**

Firm Registration Number 104607W / W100166

**Sai Venkata Ramana Damarla  
PARTNER**

**Membership Number: 107017**

Place: Mumbai

Dated: May 03, 2018



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2018.

### Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company, except:

Sr. No.	Total No. of cases	Type of Assets	Gross Block as at March 31, 2018 (₹ In Lakhs)	Net Block as at March 31, 2018 (₹ In Lakhs)	Remarks
1	1	Lease Hold Land	394.93	354.39	The Company is in the process of transferring the title deeds.

- ii. In our opinion and according to the information and explanations given to us, physical verification of inventories has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification and the same have been properly dealt with in the books of account.
- iii. The Company has not granted any loan, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the company has not advanced any loans to the parties covered under section 185 of the Act. The Company has not given any loans and guarantees but has made investments in the securities of other body corporates within the limits specified by section 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- vi. In our opinion and according to information and explanation given to us, maintenance of cost records under section 148 (1) of the Act, is not applicable to the company under the Company (Cost Record and Audit) Rules, 2014.
- vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable and there are no such outstanding dues as at March 31, 2018, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute except:

Sr. No.	Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the Amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Tax	3.75	2002-03	Commissioner of Income Tax (Appeals)
2	Income Tax Act, 1961	Tax	8.00	2007-08	Income Tax appellate tribunal (ITAT)
3	Income Tax Act, 1961	Tax	264.29	2011-12	Commissioner of Income Tax (Appeals)
4	Income Tax Act, 1961	Tax	23.75	2013-14	Commissioner of Income Tax (Appeals)
5	Income Tax Act, 1961	Tax	88.39	2012-13	Commissioner of Income Tax (Appeals)
6	Income Tax Act, 1961	Tax	53.52	2014-15	Commissioner of Income Tax (Appeals)
7	Income Tax Act, 1961	Tax	147.06	2010 - 11	Commissioner of Income Tax (Appeals)
8	Customs Act	Customs Duty	142.09	August 2000 to July 2004	Supreme Court
9	Central Excise Act and Service Tax	Service Tax	11.24	2005-06 to 2009-10	Central Excise and Service Tax Appealate Tribunal



Sr. No.	Name of the Statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the Amount relates	Forum where dispute is pending
10	Central Excise Act and Service Tax	Service Tax	81.80	2010-11 to 2014-15	Central Excise and Service Tax Appealate Tribunal
11	Central Excise Act and Service Tax	Service Tax	7.15	2005-06 to 2009-10	Assistant Commissioner - Service Tax
12	Central Excise Act and Service Tax	Service Tax	9.01	2005-06 to 2009-10	Assistant Commissioner - Service Tax
13	Central Excise Act and Service Tax	Excise Duty	0.13	2007-08	Tribunal
14	Central Excise Act and Service Tax	Excise Duty	1.59	2009-10 to 2011-12	Deputy Commissioner
15	Central Excise Act and Service Tax	Excise Duty	0.24	2006 to 2008	Deputy Commissioner
16	Maharashtra Value Added Tax	VAT	1.70	2006-07	Bombay High Court
17	Maharashtra Value Added Tax	VAT	73.49	2007 to 2011	Joint Commissioner of Sale Tax
18	Profession Tax	Profession Tax	2.29	2007-08	Joint Commissioner Appeals
19	Profession Tax	Profession Tax	1.20	2009 - 10	Joint Commissioner Appeals
20	Local Body Tax	LBT	152.17	2016-17	Bombay High Court

- viii. According to information and explanation given to us and based on examination of the records, the Company has not defaulted in repayment of loans or borrowings to the bank. The Company does not have any dues to financial institutions, government or debenture holders.
- ix. The Company has not raised money through initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us and based on the documents and records examined by us on an overall basis, the Term loans obtained by the Company were applied for the purpose for which the loans were obtained.
- x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.
- xi. According to information and explanation given to us and based on examination of the records of the Company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable.
- xiii. According to information and explanation given to us and based on examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

**For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS**

Firm Registration Number: 104607W / W100166

**Sai Venkata Ramana Damarla  
PARTNER  
Membership Number: 107017**

Place: Mumbai

Dated: May 03, 2018

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Ind AS financial statement for the year ended March 31, 2018.

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

We have audited the internal financial controls over financial reporting of **APCOTEX INDUSTRIES LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statement of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statement, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statement 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 Ind AS financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statement.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by "The Institute of Chartered Accountants of India".

### **For KALYANIWALLA & MISTRY LLP CHARTERED ACCOUNTANTS**

Firm Registration Number: 104607W / W100166

**Sai Venkata Ramana Damarla**  
**PARTNER**  
**Membership Number:107017**

Place: Mumbai  
Dated:May 03, 2018.

## BALANCE SHEET AS AT 31ST MARCH 2018

(₹ in Lacs)

		Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>I</b>	<b>ASSETS</b>				
	<b>NON CURRENT ASSETS</b>				
a)	Property, Plant and Equipment	2	7,816.46	8,712.84	8,954.21
b)	Capital Work in Progress	2	912.42	595.74	488.57
c)	Investment Properties	3	11.36	11.72	12.09
d)	Intangible Assets	4	36.50	65.83	31.06
e)	Financial Assets:				
	i) Investments	5	4,990.70	3,978.19	8,980.10
	ii) Trade Receivables	6	-	-	-
f)	Deferred Tax Assets	7	-	-	672.75
g)	Other Non-Current Assets	8	2,090.78	2,394.46	1,948.91
			<b>15,858.22</b>	<b>15,758.78</b>	<b>21,087.69</b>
	<b>CURRENT ASSETS</b>				
a)	Inventories	9	4,930.41	4,450.24	4,333.85
b)	Financial Assets:				
	i) Trade Receivables	10	9,824.35	7,812.77	8,375.26
	ii) Cash and Cash Equivalents	11	3,099.71	560.27	1,013.71
	iii) Other Bank Balances	12	174.65	100.80	99.06
	iv) Loans	13	30.45	30.99	33.63
	v) Others	14	438.70	606.06	987.08
c)	Other Current Assets	15	550.16	389.76	295.06
			<b>19,048.42</b>	<b>13,950.89</b>	<b>15,137.66</b>
	<b>TOTAL ASSETS</b>		<b>34,906.64</b>	<b>29,709.67</b>	<b>36,225.35</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>EQUITY</b>				
a)	Equity Share Capital	16	1,040.80	1,040.80	1,040.80
b)	Other Equity	17	23,597.89	21,251.04	26,125.70
			<b>24,638.69</b>	<b>22,291.84</b>	<b>27,166.50</b>
	<b>LIABILITIES</b>				
	<b>NON CURRENT LIABILITIES</b>				
a)	Financial Liabilities:				
	i) Other Financial Liabilities	18	298.66	313.70	259.71
b)	Provisions	19	219.64	178.76	131.78
c)	Deferred Tax Liabilities	7	180.85	88.29	-
d)	Other Non Current Liabilities	20	505.69	90.00	67.03
			<b>1,204.84</b>	<b>670.75</b>	<b>458.52</b>
	<b>CURRENT LIABILITIES</b>				
a)	Financial Liabilities:				
	i) Borrowings	21	1,736.77	2,224.40	2,541.64
	ii) Trade Payables				
	Total outstanding dues of Micro and Small Enterprise	22	117.14	238.27	166.58
	Total outstanding dues of creditors other than Micro Enterprises	22	4,691.76	1,980.14	3,246.91
	iii) Other Financial Liabilities	23	1,610.53	1,166.10	1,175.02
b)	Provisions	24	35.24	26.71	59.41
c)	Current Tax Liabilities (net)		-	-	261.16
d)	Other Current Liabilities	25	871.67	1,111.46	1,149.61
			<b>9,063.11</b>	<b>6,747.08</b>	<b>8,600.33</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>34,906.64</b>	<b>29,709.67</b>	<b>36,225.35</b>
	<b>Significant Accounting policies</b>	1.3			
	<b>The accompanying notes 1 to 55 are an integral part of these financial statement</b>				

As per our Report of even date  
**For KALYANIWALLA & MISTRY LLP**  
Chartered Accountants  
Firm Registration Number: 104607W / W100166

For and on behalf of Board of Directors  
**ATUL C. CHOKSEY** Chairman (DIN00002102)  
**ABHIRAJ A. CHOKSEY** Managing Director (DIN00002120)  
**KAMLESH S. VIKAMSAY** Director (00059620)

**SAI VENKATA RAMANA DAMARLA**  
Partner  
Membership Number: 107017  
Mumbai, Date : 03rd May, 2018

**ANAND V. KUMASHI** Company Secretary  
**ROHIT R MAHAKAL** Chief Financial Officer  
Mumbai, Date : 03rd May, 2018

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

(₹ in Lacs)

		Notes	For the Year ended 31st March 2018	For the Year ended 31st March 2017
	<b>CONTINUING OPERATIONS</b>			
I	Revenue from Operations	26	<b>53,824.80</b>	43,100.25
II	Other Income	27	<b>713.41</b>	2,989.25
III	<b>Total Revenue (I + II)</b>		<b>54,538.21</b>	46,089.50
IV	<b>EXPENSES</b>			
	a) Cost of Material Consumed	28A	<b>35,941.51</b>	26,264.93
	b) Changes in stock of finished goods, work-in-progress and stock in trade	28B	<b>116.68</b>	657.12
	c) Employee benefits expense	29	<b>3,383.42</b>	2,916.38
	d) Finance Costs	30	<b>156.98</b>	287.61
	e) Depreciation and amortisation expense	31	<b>1,214.24</b>	1,210.03
	f) Other expenses	32	<b>8,004.43</b>	10,355.80
	<b>Total Expenses (IV)</b>		<b>48,817.26</b>	41,691.86
V	Profit before Exceptional Items and Tax (III - IV)		<b>5,720.96</b>	4,397.64
VI	Exceptional Items	33	<b>143.40</b>	54.89
VII	<b>Profit after Exceptional Items and before Tax (V - VI)</b>		<b>5,577.55</b>	4,342.75
VIII	Tax Expense	34		
	a) Current Tax		<b>1,860.00</b>	1,043.59
	b) Deferred Tax		<b>(146.09)</b>	1,021.06
	c) Adjustment of Tax relating to earlier years		-	(966.11)
	d) MAT Credit Entitlement		-	(254.31)
	<b>Total Tax (VIII)</b>		<b>1,713.91</b>	844.23
IX	<b>Profit after Tax from Continuing Operations</b>		<b>3,863.64</b>	3,498.52
X	<b>Profit for the period</b>		<b>3,863.64</b>	3,498.52
XI	Other Comprehensive Income			
	- not to be reclassified to profit and loss in subsequent year			
	Actuarial gains/(losses) on defined benefit plans		<b>(45.26)</b>	(15.89)
	Deferred tax relating to Other Comprehensive Income		<b>15.66</b>	5.50
	<b>Other Comprehensive Income for the year</b>		<b>(29.59)</b>	(10.39)
XII	<b>Total Comprehensive Income for the period</b>		<b>3,834.05</b>	3,488.13
XIII	Earnings per Equity share of ₹ 5/- each ( for continuing operation)			
	- Basic & Diluted	35	<b>18.63</b>	16.87
	<b>Significant Accounting policies</b>	1.3		
	<b>The accompanying notes 1 to 55 are an integral part of these financial statement</b>			

As per our Report of even date  
**For KALYANIWALLA & MISTRY LLP**  
Chartered Accountants  
Firm Registration Number: 104607W / W100166

**SAI VENKATA RAMANA DAMARLA**  
Partner  
Membership Number: 107017  
Mumbai, Date : 03rd May, 2018

For and on behalf of Board of Directors  
**ATUL C. CHOKSEY** Chairman (DIN00002102)  
**ABHIRAJ A. CHOKSEY** Managing Director (DIN00002120)  
**KAMLESH S. VIKAMSAY** Director (00059620)

**ANAND V. KUMASHI** Company Secretary  
**ROHIT R MAHAKAL** Chief Financial Officer

Mumbai, Date : 03rd May, 2018

## Statement of Changes in Equity for the year ended 31st March 2018

### A) EQUITY SHARE CAPITAL

(₹ in Lacs)

	Note	Balance
<b>Balance as at 1st April 2016</b>		<b>1,040.80</b>
Changes in Equity Share Capital during the year		-
<b>Balance as at 31st March 2017</b>		<b>1,040.80</b>
Less : Shares cancelled pursuant to effecting scheme of amalgamation of Saldhar Investments And Trading Company Private Limited with the company	16	(536.22)
Add : Shares allotted to shareholders of Saldhar Investments And Trading Company Private Limited pursuant to effecting scheme of amalgamation	16	536.22
<b>Balance as at 31st March 2018</b>		<b>1,040.80</b>

### B) OTHER EQUITY

(₹ in Lacs)

	Note	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earning	Total
<b>As at 01 st April 2016 - Pre Merger (IGAAP)</b>		<b>7,402.47</b>	-	<b>2,599.95</b>	<b>3,203.72</b>	<b>4,474.74</b>	<b>17,680.88</b>
Reserves taken over in Merger of Saldhar Investment & Trading Company Private Limited		22,820.04	0.32	-	369.67	28.75	23,218.77
Merger Adjustment		(17,603.68)	-	-	-	-	(17,603.68)
Reserve Fund as per Sec.45(IC)(i) of the RBI Act, 1934 taken over in Merger of Saldhar Investment & Trading Company Private Limited		-	-	-	758.83	-	758.83
Dividend on Equity Shares for the FY 2015-16		-	-	-	-	933.21	933.21
Dividend distribution tax		-	-	-	-	189.98	189.98
IND AS Transition Entries		-	-	-	-	949.41	949.41
Other Comprehensive Income - Remeasurement of net defined benefits plan		-	-	-	-	(1.70)	(1.70)
<b>Balance as at 1st April 2016 -Re-stated (Ind AS)</b>	<b>17</b>	<b>12,618.83</b>	<b>0.32</b>	<b>2,599.95</b>	<b>4,332.22</b>	<b>6,574.39</b>	<b>26,125.70</b>
Profit for the year FY 16 -17		-	-	-	-	3,498.52	3,498.52
Other Comprehensive Income - Remeasurement of net defined benefits plan		-	-	-	-	(10.39)	(10.39)
Transfer from Reserve		-	-	-	400.00	-	400.00
Total Comprehensive Income for the year		12,618.83	0.32	2,599.95	4,732.22	10,062.52	30,013.83
Dividend on Equity Shares for the FY 2015-16		-	-	-	-	(513.81)	(513.81)
Dividend distribution tax		-	-	-	-	(189.98)	(189.98)
Transfer to Reserve		-	-	-	-	(400.00)	(400.00)
Merger Adjustment		(7,659.00)	-	-	-	-	(7,659.00)
<b>Balance as at 31st March 2017 (Ind AS)</b>	<b>17</b>	<b>4,959.83</b>	<b>0.32</b>	<b>2,599.95</b>	<b>4,732.22</b>	<b>8,958.73</b>	<b>21,251.04</b>
Profit for the year FY 17 -18		-	-	-	-	3,863.64	3,863.64
Other Comprehensive Income - Remeasurement of net defined benefits plan		-	-	-	-	(29.59)	(29.59)
Transfer from Reserve		-	-	-	400.00	-	400.00
Total Comprehensive Income for the year		4,959.83	0.32	2,599.95	5132.22	12,792.77	25,485.09
Dividend on Equity Shares for the FY 2016-17		-	-	-	-	(456.29)	(456.29)
Dividend distribution tax		-	-	-	-	(189.98)	(189.98)
Transfer to Reserve		-	-	-	-	(400.00)	(400.00)

**B) OTHER EQUITY**

(₹ in Lacs)

	Note	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earning	Total
Reserve Fund as per Sec.45(IC)(i) of the RBI Act,1934 taken over in Merger of Saldhar Investment & Trading Company Private Limited		-	-	-	90.00	-	90.00
Merger Adjustment		(593.53)	-	-	-	(90.00)	(683.53)
Share Issue Expenses		-	-	-	-	(247.41)	(247.41)
<b>Balance as at 31st March 2018 (Ind AS)</b>	<b>17</b>	<b>4,366.30</b>	<b>0.32</b>	<b>2,599.95</b>	<b>5222.22</b>	<b>11409.10</b>	<b>23,597.89</b>

The accompanying notes 1 to 55 are an integral part of these financial statement

As per our Report of even date

**For KALYANIWALLA & MISTRY LLP**

Chartered Accountants

Firm Registration Number: 104607W / W100166

**SAI VENKATA RAMANA DAMARLA**

Partner

Membership Number: 107017

Mumbai, Date : 03rd May, 2018

For and on behalf of Board of Directors

**ATUL C. CHOKSEY**

Chairman (DIN00002102)

**ABHIRAJ A. CHOKSEY**

Managing Director (DIN00002120)

**KAMLESH S. VIKAMSAY**

Director (00059620)

**ANAND V. KUMASHI**

Company Secretary

**ROHIT R MAHAKAL**

Chief Financial Officer

Mumbai, Date : 03rd May, 2018



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

(₹ in lacs)

			For the Year ended 31st March 2018	For the Year ended 31st March 2017
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>			
	<b>Profit Before Tax</b>		5,577.56	4,342.75
	Adjustments for :			
	Depreciation and Amortization Expense		1,214.24	1,210.02
	Finance Cost		156.98	287.61
	Prov for Diminishing Value of Investments (PL)		24.93	-
	Foreign Exchange Fluctuation Difference		(180.92)	(78.06)
	Amalgamation Adjustment		-	490.80
	Fixed Assets Written off		47.37	-
	Loss / (Profit) on Sale of Assets		39.78	2.83
	Bad Debts Written Off		-	56.55
	Provision for Bad and Doubtful Debts		(20.96)	(75.36)
	Net gain on financial assets measured at fair value through Profit and Loss		(571.79)	(195.00)
	Loss / (Surplus) on Sale of Investment		81.37	(2,517.88)
	Dividend Income		(66.01)	(69.22)
	Interest received		(30.14)	(101.38)
	Income from Investment Property		(55.07)	(53.31)
	Excess Provision Written back		(32.90)	(53.57)
	<b>Operating Profit Before Working Capital Changes</b>		<b>6,184.43</b>	<b>3,246.78</b>
	Adjustments for :			
	Increase / (Decrease) in Non Current Liabilities		25.83	100.97
	Increase / (Decrease) in Current Liabilities		2,836.56	(1,221.28)
	(Increase) / Decrease in Non Current Assets		254.85	442.84
	(Increase) / Decrease in Current Assets		(2,583.31)	340.85
	<b>Cash Flow Generated from Operations</b>		<b>6,718.36</b>	<b>2,910.16</b>
	Direct taxes paid		(1,400.41)	(692.10)
	<b>Net Cash Flow from Operating Activities</b>	(a)	<b>5,317.95</b>	<b>2,218.06</b>
B.	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Purchase of PPE and intangible assets		(1,206.33)	(1,125.41)
	Proceeds on sale of PPE and intangible assets		504.61	59.83
	Purchase of Investments		(1,428.03)	(13,771.65)
	Sale of Investments		881.02	13,880.07
	Dividend Income		66.01	69.22
	Interest received		104.10	10.36
	Income from Investment Property		55.07	53.31
	<b>Net Cash Used in Investing Activities</b>	(b)	<b>(1,023.55)</b>	<b>(824.27)</b>
C.	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Proceeds / (Repayment) of Short Term Borrowings (Net)		(487.63)	519.32
	Repayment of Long Term Borrowings		-	(836.56)
	Finance Cost paid		(157.09)	(289.08)
	Dividends paid		(920.22)	(919.29)
	Dividend Distribution Tax paid		(189.98)	(189.98)
	<b>Net Cash Used in Financing Activities</b>	(c)	<b>(1,754.92)</b>	<b>(1,715.59)</b>
	<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	(a+b+c)	<b>2,539.48</b>	<b>(321.80)</b>
	Cash and cash equivalents as at 1st April		560.22	882.02
	Cash and cash equivalents as at 31st March		3,099.70	560.22
			<b>2,539.48</b>	<b>(321.80)</b>

The accompanying notes 1 to 55 are an integral part of these financial statements

## Notes

- 1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - Cash Flow Statement and presents cash flows by operating , investing and financing activities.
- 2 Figures in the Bracket are outflows / deductions.
- 3 Cash flow of year ended 31st March 17 is adjusted on account of merger of Saldhar Investments and Trading Company Private Limited, the holding company, with the Company with effect from 1st April 2016. Refer Note 50.
- 4 Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.

As per our Report of even date  
**For KALYANIWALLA & MISTRY LLP**  
Chartered Accountants  
Firm Registration Number: 104607W / W100166

**SAI VENKATA RAMANA DAMARLA**  
Partner  
Membership Number: 107017  
Mumbai, Date : 03rd May, 2018

For and on behalf of Board of Directors  
**ATUL C. CHOKSEY** Chairman (DIN00002102)  
**ABHIRAJ A. CHOKSEY** Managing Director (DIN00002120)  
**KAMLESH S. VIKAMSAY** Director (00059620)

**ANAND V. KUMASHI** Company Secretary  
**ROHIT R MAHAKAL** Chief Financial Officer

Mumbai, Date : 03rd May, 2018





## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### NOTE: 1

#### 1.1 COMPANY INFORMATION:

Apcotex Industries Ltd. is one of the leading producers of Synthetic Lattices (VP Latex, Acrylic Latex, Nitrile Latex) and Synthetic Rubber (HSR, SBR) in India. The Company has one of the broadest ranges of products based on STYRENE – BUTADIENE CHEMISTRY available in the market today. Company's product range is used, among other applications, for TYRE CORD DIPPING, PAPER/PAPER BOARD COATING, CONCRETE MODIFICATION/WATER PROOFING, PAINT EMULSIONS, TEXTILE FINISHING etc. The various grades of Synthetic Rubber find application in products such as Footwear, Automotive components, V-belts, Conveyor belts and hoses.

#### 1.2 BASIS OF PREPARATION

##### (a) Compliance with IND AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (herein referred to as 'IND AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of Companies Act 2013, read with Rule 3 of Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements for the period ended 31<sup>st</sup> March, 2018 are the first financial statements the company has prepared under IND AS. For all periods upto and including 31<sup>st</sup> March, 2017 the company has prepared the financial statements on accrual basis under the historical cost convention and ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act') / The Companies Act, 1956, as applicable.

The financial statements for the year ended 31<sup>st</sup> March, 2017 and the opening Balance Sheet as at 1<sup>st</sup> April, 2016 have been restated in accordance with IND AS for comparative information. Reconciliations and explanations of the effect of transition from previous GAAP to IND AS on the Company's Balance Sheet, Profit and Loss A/c and Statement of Cash Flows is provided in Note 1.4.

The financial statements have been prepared on accrual and going concern basis except certain financial asset and liabilities (including derivative financial instruments) measured at fair value, defined benefit plans-plan asset measured at fair value, fair value of investments. The Accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of opening IND AS Balance Sheet as on 1<sup>st</sup> April, 2016.

The classification of assets and liabilities of the Company into current or non-current is based on the criterion specified in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

##### (b) Functional and Presentation currency:

The financial statements are prepared in Indian Rupees, which is the functional and Presentation currency for the Company.

##### (c) Use of Estimates:

The preparation of Financial Statement in accordance with IND AS requires use of estimates and assumptions for some items, which might have effect on their recognition and measurement in the Balance Sheet and statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized, and if material, their effects are disclosed in the notes to financial statements.

Estimates and assumptions are required for:

##### i. Useful life of PPE:

Determination of estimated useful life of tangible assets and the assessments as to which components of cost may be capitalized. Useful life of tangible fixed assets is based on life prescribed in Schedule II of the Companies Act, 2013. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### ii. **Recognition and measurement of defined benefit obligations:**

The obligation arising from the defined benefit plan is determined on basis of actuarial assumptions. Key actuarial assumptions include discount rate, salary escalation rate, attrition rate, and life expectancy. The discount rate is determined with reference to market yields at the end of reporting period on the government bonds.

### iii. **Recognition of deferred tax assets:**

A deferred tax asset is recognized for all the deductible temporary differences to the extent that is probable that taxable profits will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

### iv. **Recognition and measurement of other provisions:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstances known at the Balance Sheet date. The actual outflow of resources at future date may vary from the figure included in other provisions.

### v. **Discounting of long-term financial liabilities:**

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are subsequently measured at amortised cost, interest is accrued using the effective interest method.

### vi. **Determining whether an arrangement contains a lease:**

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or an reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. If the company concludes for a finance lease that it is impracticable to separate the payments reliably then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

### vii. **Fair value of financial instruments:**

Derivatives are carried at fair value. Derivatives include Foreign Currency Forward Contracts. Fair value of Foreign Currency Forward Contracts is determined using the rates published by Reserve Bank of India / State Bank of India.

### viii. **Current vs Non Current classification:**

#### I. An asset is classified as current when it is:

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

All other assets are classified as non current

#### II. A liability is classified as current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for purpose of trading
3. Due to be settled within twelve months after the reporting period or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non current.

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

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### 1.3 Significant accounting policies:

#### I. Property Plant and Equipment

##### a) Initial and subsequent recognition and CWIP:

Freehold land is carried at carrying cost. All other items of Property Plant & Equipment are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of items of Property Plant & Equipment includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant asset heads.

Subsequent costs are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs & maintenance are charged to profit and loss during the reporting period in which they are incurred.

Capital work-in-progress comprises of the cost of fixed assets that are not ready for their intended use at the reporting date. Any gain or loss on de-recognition (calculated as difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Statement of Profit and Loss when the asset is derecognized.

##### b) Depreciation & Amortisation:

Depreciation is provided on a pro-rata basis on the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

##### c) Impairment:

The carrying amounts of the Company's tangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first time adoption of IND AS, the Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount as its deemed cost as on the date of transition to IND AS i.e. 1<sup>st</sup> April, 2016.

#### II. Intangible Assets:

##### a) Initial and subsequent recognition:

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Separately purchased intangibles are initially measured at cost. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Subsequently intangible assets are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

The useful lives of intangible assets is assessed as either finite or infinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives of finite-life intangible assets is as follows:

Computer software – 3 years

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### b) Amortization:

The amortization period and the amortization method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first time adoption of IND AS, the Company has elected to measure its intangible assets at the previous GAAP carrying amount as its deemed cost as on the date of transition to IND AS i.e. 1<sup>st</sup> April, 2016.

### III. Investments property

#### a) Initial and subsequent recognition:

Investment properties are properties that are held to earn rentals and /or for capital appreciation (including property under construction for such purposes) and not occupied by the Company for its own use.

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes. The cost includes the cost of replacing parts and borrowing costs if recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

#### b) Depreciation:

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act, 2013.

#### c) De-recognition:

Investment properties are derecognized either when they have been disposed of or when they are being occupied by the Company for its own use or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

Upon adoption of IND AS, the Company has elected to measure its investment property at the previous GAAP carrying amount as its deemed cost as on the date of transition to IND AS i.e. 1st April, 2016

### IV. Inventories:

Inventories are valued at lower of Cost and Net Realizable Value.

The cost is determined as follows:

- a) Raw and Packing Materials are valued at cost or market value, whichever is lower, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes, which are subsequently recoverable from the taxing authorities.
- b) The finished goods inventory is valued at cost or net realizable value whichever is lower. Cost includes material cost, conversion, appropriate factory overheads, any tax or duties and other costs incurred in bringing the inventories to their present location and condition.
- c) Work-in-Process is valued at material cost and cost of conversion appropriate to their location in the manufacturing cycle.
- d) Stores, Spares and consumables are valued at cost, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities, if any.

Slow-moving and damaged, unserviceable stocks are adequately provided wherever considered necessary.

If payment for inventory is on deferred basis i.e. beyond normal credit terms, then cost is determined by discounting the future cash flows at an interest rate determined with reference to the market rates. The difference between total cost and deemed cost is recognized as interest expense over the period of financing under the effective interest method.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### V. Cash and Cash Equivalents:

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less and which are subject to an insignificant risk of changes in value.

### VI. Non current Assets held for sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met:

- (i) decision has been made to sell
- (ii) the assets are available for immediate sale in its present condition
- (iii) the assets are being actively marketed
- (iv) sale has been agreed or expected to be concluded within 12 months of the Balance Sheet date

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less cost to sell. Non-current assets held for sale are not depreciated or amortized.

### VII. Borrowing costs:

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an qualifying asset (net of income earned on temporary deployment of funds) that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are charged to statement of profit and loss. Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing cost.

General Borrowing cost incurred in connection with qualifying assets is capitalized by applying the capitalization rate on the quantum of such borrowings utilized for such assets.

### VIII. Revenue recognition:

**Timing of Recognition:** Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods is transferred to the buyer as per the terms of contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

**Measurement of Revenue:** Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the governments which are levied on the sales such as value added tax etc. No element of financing is deemed present as the sales are made with credit terms, which are consistent with market practices.

Revenue income from services is recognized in the accounting period in which the services are rendered.

Dividend income is recognized in statement of profit and loss only when the right to receive payment is established, which is generally when shareholders approve dividend.

Export incentives receivable under Duty Drawback Scheme are accounted on accrual basis.

Interest income is recognized using the effective interest rate (EIR) method.

Insurance claims are recognized post filing of the claim with the insurer.

### IX. Foreign Currency Transactions:

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date. Non-monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on restatement is recognized in the Statement of Profit and Loss.

The Exchange Rate Difference and the forward premium on the loan taken for capital assets are being capitalized along with Interest till the date of commissioning of the said capital assets.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### X. 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 and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### b) Long term employee benefits:

##### i) Defined contribution plans:

Contributions to defined contribution schemes such as employees state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and is charged as an expense in the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

##### ii) Defined benefit plans:

The Company operates a defined benefit gratuity plan, which required contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized immediately, in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- the date of the plan amendment or curtailment or
- the date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of Profit and Loss:

- service costs comprising current service costs, pasts service costs, gains and losses on curtailments and non-routine settlements.
- Net Interest expense or income.

#### c) Termination benefits:

Termination benefits in the nature of voluntary retirement benefits or termination benefits arising from restructuring are recognized in the Statement of Profit or Loss. The Company recognizes termination benefits at the earlier of the following dates:

- when the Company can no longer withdraw the offer of these benefits
- when the company recognizes costs for restructuring that is within the scope of IND AS 37 and involves the payment of termination benefits.

### XI. Fair Value Measurement:

The Company measures financial instruments, such as derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

- in the principal market for the asset or liability or
- in absence of principal market, in the most advantageous market for asset or liability. The principal or the most advantageous market should be accessible to the Company.

The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company uses valuation techniques, that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 market prices in active market for identical assets or liabilities.
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

External valuers are involved for valuation of significant assets, such as properties, unquoted financial assets etc. Involvement of independent external valuers is decided upon annually by the Company. Further such valuation is done annually at the end of the financial year and the impact if any on account of such fair valuation is taken in the annual financial statements.

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.

### XII. 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 contract lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

- 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. Operating lease payments are recognized as an expense in the Statement of profit and loss as per lease terms as such payments are structured to increase in line with expected general inflation.
- Company as a lessor:** Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized as revenues as per lease terms since such rentals are structured to increase in line with expected general inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases.

### XIII. Financial Instruments:

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

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### A) Financial Assets:

#### i) Initial recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets are recognized at fair value. In case of financial assets which are recognized at Fair Value through Profit and Loss (FVTPL), its transaction costs are recognized in the statement of profit and loss. In other cases, transaction costs are attributable to the acquisition value of the financial asset are added to the value of financial asset.

Financial assets are not reclassified subsequent to their recognition, except and if and in the period the Company changes its business model for managing financial assets.

#### ii) Subsequent measurement:

Financial assets are subsequently classified and measured at:

- Amortized cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVTOCI)

#### Investments in Debt Instruments:

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

#### a) Financial Assets measured at amortized cost:

Financial assets are measured at amortized cost when the asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the assets are such that they give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument. The losses from impairment are recognized in the statement of profit and loss.

#### b) Financial Assets measured at fair value through OCI (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

#### c) Financial Assets measured at fair value through profit and loss:

Financial Assets under this category are measured initially as well as at each reporting date at fair value, with all changes recognized in statement of profit and loss.

#### Investments in Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

Fair value changes on an equity instrument is recognized as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss even on the sale of investment. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

#### Investment in Subsidiary, Joint Venture and Associate

Investments in equity instruments of Subsidiaries are measured at costs. Provision for impairment loss on such investment is made only when there is a diminution in the value of investment which is other than temporary.



## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### iii) **Derecognition of Financial Assets:**

A financial asset is derecognized only when the contractual rights to receive cash flows from the asset have expired or the Company has transferred the financial asset and substantially all the risks and rewards of ownership of the asset.

### iv) **Impairment of Financial Assets:**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date). or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies simplified approach which requires lifetime ECL allowances to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk lifetime ECL is used.

The impairment losses and reversals are recognized in Statement of Profit and Loss.

## B) **Financial Liabilities:**

### i) **Initial recognition and measurement:**

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

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

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

### ii) **Subsequent measurement:**

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or losses are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

#### **Loans and borrowings:**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

### iii) **Derecognition:**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

## XIV. **Derivatives:**

The Company enters into various derivative financial instruments to manage its exposure to interest and foreign exchange rate risks, like foreign exchange forward contracts and interest rate swaps.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

Derivatives are initially recognized at fair value on the date the derivative contracts are entered into and are subsequently re-measured to their fair value (Mark to Market) at the end of each reporting period. The resulting gain or loss is recognized in the Statement of profit and loss. Company does not designate any of its derivative instruments as hedge instruments. Derivatives are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative.

Transaction costs incurred for such derivative instruments are charged off to Statement of Profit and Loss on initial recognition.

Fees paid for availing the loan facilities are recognized as transaction cost of the loans.

### **XV. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

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

Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

### **XVI. Segment Information:**

The Managing Director (MD) is designated as company's Chief Operating Decision Maker (CODM). The MD reviews the company's internal financial information for the purpose of evaluating performance and assigning resources to segments. The Company has determined the operating segment based on structure of reports reviewed by MD. The Company operates in a single primary business segment, i.e. Synthetic Lattices & Rubber.

### **XVII. Income taxes:**

Income tax expense for the year comprises of current tax and deferred tax, recognized in the Statement of Profit and Loss, except to the extent it relates to a business combination, or items recognized directly in equity or in other Comprehensive Income. Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date and any adjustment to taxes in respect of previous years. Interest income/expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. A deferred tax liability is recognized based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets deriving from carry forward of unused tax credits (including MAT) and unused tax losses are recognized to the extent that it is probable that future taxable profit will be available in future against which the deductible temporary differences, unused tax losses and credits can be utilized. Deferred tax relating to items recognized in other comprehensive income and directly in equity is recognized in correlation to the underlying transaction.

Current tax assets and Current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### XVIII. Research and Development:

Expenditure on research and development is charged to statement of profit and loss in the year in which it is incurred, with the exception of:

- expenditure incurred in respect of major new products where the outcome of these projects is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalized and depreciated over useful life. Capital expenditure in respect of assets used for conducting research activities are capitalized under respective heads of fixed assets. These assets are depreciated over their useful life.

### XIX. Earnings per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## 1.4 FIRST TIME ADOPTION OF IND AS

The adoption of IND AS has been carried out in accordance with IND AS 101, First-time Adoption of Indian Accounting Standards. IND AS 101 requires that all IND AS standards and interpretations that are issued and effective for the first IND AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with IND AS for year ended 31<sup>st</sup> March, 2017, together with the comparative information as at and for the year ended 31<sup>st</sup> March, 2016 and the opening IND AS Balance Sheet as at 1<sup>st</sup> April, 2016, the date of transition to IND AS.

In preparing these IND AS financial statements, the Company has availed certain exemptions and exceptions in accordance with IND AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under IND AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1<sup>st</sup> April, 2016 and the financial statements as at and for the year ended 31<sup>st</sup> March, 2017.

### A. Optional Exemptions from retrospective application

IND AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under IND AS. The Company has elected to apply the following optional exemptions from retrospective application:

#### (i) Business combinations

IND AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, or of interests in associates and joint ventures and transactions which are considered businesses for IND AS, that occurred before 1<sup>st</sup> April, 2016. The carrying amounts of assets and liabilities in accordance with Previous GAAP are considered as their deemed cost at the date of acquisition.

#### (ii) Deemed cost for property, plant and equipment and intangible assets:

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to IND AS.

### B. Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of IND AS mandatorily required under IND AS 101:

#### (i) Estimates:

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under IND AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under IND AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### (ii) Classification and measurement of financial assets

The classification of financial assets to be measured at amortized cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to IND AS.

### C. Transition to IND AS – Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to IND AS in accordance with IND AS 101:

- I. Reconciliation of Equity as at 1<sup>st</sup> April, 2016
- II. A Reconciliation of Equity as at 31<sup>st</sup> March, 2017  
B. Reconciliation of Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2017
- III. Adjustments to Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2017

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under IND AS.



NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

Note No 1.4.I) - Reconciliation of Equity as at 1st April 2016

(₹ in Lacs)

	Notes	Previous GAAP	IND AS adjustments	As at 1st April, 2016
<b>ASSETS</b>				
<b>Non Current Assets</b>				
Property, Plant and Equipment		8,954.21	-	8,954.21
Capital Work in Progress		488.57	-	488.57
Investment Property		12.09	-	12.09
Intangible Assets		31.06	-	31.06
Financial Assets:				
i) Investments	a	8,024.26	955.84	8,980.10
ii) Loans		-	-	-
Deferred Tax Assets		672.75	-	672.75
Other Non-Current Assets	c	1,949.00	(0.09)	1,948.91
		<b>20131.94</b>	<b>955.75</b>	<b>21087.69</b>
<b>Current Assets</b>				
Inventories		4,333.85	-	4,333.85
Financial Assets				
i) Investments		-	-	-
ii) Trade Receivables	d	8,384.08	(8.82)	8,375.26
iii) Cash and Cash Equivalents		1,013.71	-	1,013.71
iv) Other Bank Balances		99.06	-	99.06
v) Loans		33.63	-	33.63
vi) Other financial asset		987.08	-	987.08
Short term loans & advances		-	-	-
Current Tax Assets (net)		-	-	-
Other Current Assets		295.06	-	295.06
		<b>15,146.48</b>	<b>(8.82)</b>	<b>15,137.66</b>
<b>TOTAL ASSETS</b>		<b>35,278.42</b>	<b>946.93</b>	<b>36,225.35</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		1,040.80	-	1,040.80
Other Equity	a,b,c,d,g	24,054.62	2,071.08	26,125.70
		<b>25,095.42</b>	<b>2,071.08</b>	<b>27,166.50</b>
<b>Liabilities</b>				
<b>Other Non Current Liabilities</b>				
Financial Liabilities:				
i) Other Financial Liabilities	c	260.07	(0.36)	259.71
Employee benefit obligations		131.78	-	131.78
Deferred Tax Liabilities		-	-	-
Other Non Current Liabilities		67.03	-	67.03
		<b>458.88</b>	<b>(0.36)</b>	<b>458.52</b>
<b>Current Liabilities</b>				
Financial Liabilities				
i) Borrowings		2,541.64	-	2,541.64
ii) Trade Payables				
Due to Micro and Small Enterprise		166.58	-	166.58
Due to Others		3,246.91	-	3,246.91
iii) Other Financial Liabilities		1,175.02	-	1,175.02
Provisions	b	59.41	-	59.41
Current Tax Liabilities (net)		261.16	-	261.16
Other Current Liabilities	g	2,273.40	(1,123.79)	1,149.61
		<b>9,724.12</b>	<b>(1,123.79)</b>	<b>8,600.33</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,278.42</b>	<b>946.93</b>	<b>36,225.35</b>

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

Note No 1.4.II A) - Reconciliation of Equity as at 31st March, 2017

	Notes	Previous GAAP	IND AS adjustments	(₹ in Lacs) As at 31st March,2017
<b>ASSETS</b>				
<b>Non Current Assets</b>				
Property, Plant and Equipment		8,712.84	-	8,712.84
Capital Work in Progress		595.74	-	595.74
Investment Properties		11.72	-	11.72
Intangible Assets		65.83	-	65.83
<b>Financial Assets</b>				
i) Investments	a	2,829.41	1,148.78	3,978.19
ii) Trade Receivables		-	-	-
iii) Other Financial Assets		-	-	-
Deferred Tax Assets		-	-	-
Other Non-Current Assets	c	2,394.58	(0.12)	2,394.46
		<b>14,610.13</b>	<b>1,148.66</b>	<b>15,758.78</b>
<b>Current Assets</b>				
Inventories		4,450.24	-	4,450.24
<b>Financial Assets</b>				
i) Trade Receivables	d	7,820.97	(8.20)	7,812.77
ii) Cash and Cash Equivalents		560.27	-	560.27
iii) Other Bank Balances		100.80	-	100.80
iv) Loans		30.99	-	30.99
v) Other Financial Asset		606.06	-	606.06
Current Tax Assets (net)		-	-	-
Other Current Assets		389.76	-	389.76
		<b>13,959.09</b>	<b>(8.20)</b>	<b>13,950.89</b>
<b>TOTAL ASSETS</b>		<b>28,569.22</b>	<b>1,140.46</b>	<b>29,709.67</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		1,040.80	-	1,040.80
Other Equity	a,c,d,g	20,107.98	1,143.06	21,251.04
		<b>21,148.78</b>	<b>1,143.06</b>	<b>22,291.84</b>
<b>Liabilities</b>				
<b>Other Non Current Liabilities</b>				
<b>Financial Liabilities</b>				
i) Other Financial Liabilities	c	314.06	(0.36)	313.70
Provisions		178.76	-	178.76
Deferred Tax Liabilities		-	-	-
Deferred Tax Liabilities (Net)		88.29	-	88.29
Other Non Current Liabilities		90.00	-	90.00
		<b>671.11</b>	<b>(0.36)</b>	<b>670.76</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
i) Borrowings		2,224.40	-	2,224.40
ii) Trade Payables		-	-	-
Due to Micro and Small Enterprise		238.27	-	238.27
Due to Others		1,980.14	-	1,980.14
iii) Other Financial Liabilities		1,166.10	-	1,166.10
Provisions		26.71	-	26.71
Other Current Liabilities	g	1,113.71	(2.25)	1,111.46
		<b>6,749.33</b>	<b>(2.25)</b>	<b>6,747.08</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>28,569.22</b>	<b>1,140.46</b>	<b>29,709.67</b>

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

Note No 1.4.II B) - Reconciliation of Statement of Profit and Loss for the year ended 31st March ,2017

(₹ in Lacs)

	Notes	Previous GAAP	IND AS adjustments	For the year ended 31st March,2017
Revenue from Operations	e	39,015.72	4,084.53	43,100.25
Other Income	f	2,794.64	194.61	2,989.25
<b>Total Revenue</b>		<b>41,810.36</b>	<b>4,279.14</b>	<b>46,089.50</b>
<b>EXPENSES</b>				
a) Cost of Material Consumed		26,264.93	-	26,264.93
b) Changes in stock of finished goods, work-in-progress and stock in trade		657.12	-	657.12
c) Employee benefits expense	g	2,934.52	(18.14)	2,916.38
d) Finance Costs	c	286.31	1.30	287.61
e) Depreciation and amortisation expense		1,210.03	-	1,210.03
f) Other expenses	c,d,e,f	6,271.49	4,084.32	10,355.80
<b>Total Expenses</b>		<b>37,624.40</b>	<b>4,067.47</b>	<b>41,691.87</b>
Profit before Exceptional Items and Tax		4,185.97	211.66	4,397.64
Exceptional Items		54.89	-	54.89
<b>Profit after Exceptional Items and Tax</b>		<b>4,131.08</b>	<b>211.66</b>	<b>4,342.75</b>
Tax Expense				
a) Current Tax		1,043.59	-	1,043.59
b) Deferred Tax	g	1,015.56	5.50	1,021.06
c) Income Tax for Earlier Years		(966.11)	-	(966.11)
d) MAT credit entitlement		(254.31)	-	(254.31)
<b>Total Tax (VIII)</b>		<b>838.73</b>	<b>5.50</b>	<b>844.23</b>
<b>Profit after Tax from Continuing Operations</b>		<b>3,292.35</b>	<b>206.16</b>	<b>3,498.52</b>
<b>Profit for the period</b>				
- not to be reclassified to profit and loss in subsequent year				
Actuarial gains/(losses) on defined benefit plans		-	(15.89)	(15.89)
Deferred tax relating to Other Comprehensive Income		-	5.50	5.50
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>(10.39)</b>	<b>(10.39)</b>
<b>Total Comprehensive Income for the period</b>		<b>3,292.35</b>	<b>195.77</b>	<b>3,488.13</b>

Note No 1.4.III) - Adjustments to Statement of Cash Flows

There were no material differences between the Statement of Cash Flows presented under IND AS and the previous GAAP

Notes to the Reconciliations

Current Investments

a Investments in Equities, Mutual Funds

Under previous GAAP, Investments in Equities, Mutual Funds were valued at Cost or Market Value whichever is lower. Under IND AS, the Company has designated these Investments as Fair Value Through Profit and Loss (FVTPL). Accordingly these Investments are required to be measured at Fair Value. At the date of transition to IND AS, difference between the Fair Value of the instruments and the carrying value under Previous GAAP has been recognised in retained earnings. Fair Value changes are recognised in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	Debit / (Credit) Balance Sheet		Debit / (Credit) Statement of Profit and Loss
	As at 1st April, 2016	As at 31st March 2017	Year ended 31st March 2017
<b>Assets:</b>			
Investments (current)	955.84	1,148.78	-
<b>Equity:</b>			
Other equity (through retained earnings)	(955.84)	(1,148.78)	-
<b>(Profit)/Loss</b>			
Other Income	-	-	(192.94)

**b Proposed Dividend:**

Under Previous GAAP, proposed dividends and related dividend distribution tax was recognised as a provision in the year to which they relate, irrespective of when they are declared. Under Ind AS, dividends and related dividend distribution tax are recognised as a liability in the year in which it is approved by the shareholders in the Annual General Meeting of the Company.

(₹ in Lacs)

	Debit / (Credit) Balance Sheet		Debit / (Credit) Statement of Profit and Loss
	As at 1st April, 2016	As at 31st March 2017	Year ended 31st March 2017
<b>Equity:</b>			
Other Equity (Retained Earnings)	(1,123.19)	-	-
<b>Liability:</b>			
Provisions (Current)	1,123.19	-	-

**c Other Non-Current Assets / Liabilities:**

Under previous GAAP, interest free security deposits were recorded at their transaction value. Under IND AS, all financial liabilities/assets are required to be recognised at fair value. Accordingly the Company has fair valued these security deposits under IND AS. This led to a change in the value of non-current liabilities on the date of transition which was adjusted against retained earnings. IND AS also provides that where discounting is used, the carrying amount of the liability increases in each period to reflect the passage of time. This increase is recognised as finance cost. The interest cost on unwinding of discount and impact of change in discount rate are recognised in the Statement of Profit and Loss under 'other Income', 'interest expenses' and 'other expenses' respectively for the year ended 31st March, 2017.

(₹ in Lacs)

	Debit / (Credit) Balance Sheet		Debit / (Credit) Statement of Profit and Loss
	As at 1st April, 2016	As at 31st March 2017	Year ended 31st March 2017
<b>Profit/Loss</b>			
Other Income	-	-	(1.67)
Interest Expenses	-	-	1.30
Other Expenses	-	-	0.41

**d Trade Receivables:**

Under previous GAAP, provision for bad and doubtful debts has been made as per Company's policy under incurred loss method. Under IND AS, trade receivables are required to be tested for expected credit loss, if any. Accordingly an impairment allowance has been determined based on Expected Credit Loss model ( ECL). At the date of transition to IND AS the impairment allowance calculated based on ECL model has been recognised in retained earnings. This is reviewed at each reporting period, with corresponding effect given in profit and loss account.



NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	Debit / (Credit) Balance Sheet		Debit / (Credit) Statement of Profit and Loss
	As at 1st April, 2016	As at 31st March 2017	Year ended 31st March 2017
<b>Equity:</b>			
Other Equity (Retained Earnings)	8.82	8.20	-
<b>Assets:</b>			
Trade receivables	(8.82)	(8.20)	-
<b>Profit/Loss</b>			
Other Expenses	-	-	(0.62)

**e Excise duty:**

Under Previous GAAP, excise duty was netted off against sale of goods. However, under Ind AS, excise duty is included in sale of goods and is separately presented as expense on the face of Statement of Profit and Loss. Thus, sale of goods under Ind AS has increased with a corresponding increase in expenses.

(₹ in Lacs)

	Debit / (Credit) Balance Sheet		Debit / (Credit) Statement of Profit and Loss
	As at 1st April, 2016	As at 31st March 2017	Year ended 31st March 2017
<b>Profit/Loss</b>			
Revenue from operations	-	-	(4,296.57)
Other Expenses	-	-	4,296.57

**f Revenue from sale of goods:**

Under Previous GAAP, revenue was recognised net of trade discounts, rebates, sales taxes and excise duties. Under Ind AS, revenue is recognised at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as sales tax and value added tax except excise duty. Discounts given include rebates, and incentives given to customers which have been reclassified from 'advertising and sales promotion' within other expenses under Previous GAAP and netted from revenue under Ind AS.

(₹ in Lacs)

	Debit / (Credit) Balance Sheet		Debit / (Credit) Statement of Profit and Loss
	As at 1st April, 2016	As at 31st March 2017	Year ended 31st March 2017
<b>Profit/Loss</b>			
Revenue from operations	-	-	212.04
Other Expenses	-	-	(212.04)

**g Defined benefit obligation:**

Under Previous GAAP and IND AS, the Company recognised costs related to its post-employment defined benefit plan on Actuarial basis. Under previous GAAP, the entire cost, including actuarial gains and losses, are charged to statement of profit and loss account. Under IND AS, remeasurements are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI.

(₹ in Lacs)

	Debit / (Credit) Balance Sheet		Debit / (Credit) Statement of Profit and Loss
	As at 1st April, 2016	As at 31st March 2017	Year ended 31st March 2017
<b>Liabilities:</b>			
Employee benefit obligations	(0.60)	(2.25)	-
<b>Profit/Loss:</b>			
Employee benefit expenses	-	-	(18.14)
Deferred tax relating to			
- Remeasurement (gain)/loss on net defined benefit plans	-	-	5.50

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018**

**NOTE 2 : NON-CURRENT ASSETS  
PROPERTY, PLANT AND EQUIPMENT**

	Land- Freehold	Land- Leasehold	Buildings	Plant & Equipment	Furnitures & office equipments	Vehicles	Scientific Equipments	Electric & Pipe Fittings	Wind Turbine Generator	Total	Capital work in progress
<b>Gross carrying amount:</b>											
Deemed Cost as on 1st April, 2016	5.33	730.47	2,333.67	4,315.98	128.69	77.76	91.84	840.19	430.29	8,954.21	488.57
Additions	-	30.97	257.52	435.89	57.30	81.39	8.58	76.71	-	948.36	
Deductions	-	-	-	-	(2.92)	(44.41)	-	-	-	(47.33)	
Balance as at 31st March, 2017	5.33	761.44	2,591.19	4,751.87	183.07	114.74	100.42	916.90	430.29	9,855.24	595.74
Additions	-	88.94	273.28	307.32	43.76	78.99	50.99	46.44	-	889.73	
Deductions	-	-	(572.90)	(177.49)	(61.76)	(12.81)	(1.55)	(0.19)	-	(826.70)	
<b>Balance as at 31st March, 2018</b>	<b>5.33</b>	<b>850.38</b>	<b>2,291.58</b>	<b>4,881.70</b>	<b>165.07</b>	<b>180.92</b>	<b>149.85</b>	<b>963.15</b>	<b>430.29</b>	<b>9,918.26</b>	<b>912.42</b>
<b>Accumulated Depreciation:</b>											
Balance as at 1st April, 2016	-	-	-	-	-	-	-	-	-	-	-
Additions	-	9.79	123.17	740.81	45.08	26.94	17.92	184.30	26.51	1,174.51	
Deductions	-	-	-	-	(2.82)	(29.29)	-	-	-	(32.11)	
Balance as at 31st March, 2017	-	9.79	123.17	740.81	42.26	(2.35)	17.92	184.30	26.51	1,142.40	
Additions	-	10.82	136.33	712.93	41.29	27.13	19.20	208.39	26.51	1,182.60	
Deductions	-	-	(59.53)	(133.01)	(16.72)	(12.69)	(1.07)	(0.18)	-	(223.19)	
<b>Balance as at 31st March, 2018</b>	<b>-</b>	<b>20.61</b>	<b>199.96</b>	<b>1,320.73</b>	<b>66.83</b>	<b>12.09</b>	<b>36.06</b>	<b>392.52</b>	<b>53.01</b>	<b>2,101.81</b>	
<b>Net carrying amount:</b>											
Balance as at 1st April, 2016	5.33	730.47	2,333.67	4,315.98	128.69	77.76	91.84	840.19	430.29	8,954.21	488.57
Balance as at 31st March, 2017	5.33	751.64	2,468.03	4,011.07	140.81	117.09	82.49	732.60	403.78	8,712.84	595.74
<b>Balance as at 31st March, 2018</b>	<b>5.33</b>	<b>829.77</b>	<b>2,091.62</b>	<b>3,560.97</b>	<b>98.25</b>	<b>168.83</b>	<b>113.80</b>	<b>570.63</b>	<b>377.28</b>	<b>7,816.46</b>	<b>912.42</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018**

The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e 31st March 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e 1st April 2016. The movement in carrying value of property, plant and equipment as per IGAAP is mentioned below:

	Land-Freehold	Land-Leasehold	Buildings	Plant & Equipment	Furnitures & office equipment	Vehicles	Scientific Acquirements	Electric & Pipe Fittings	Windmill	Total	Capital work in progress
<b>Gross carrying amount:</b>											
Balance as at 1st April, 2016 (IGAAP)	5.33	808.46	3,519.49	10,971.70	390.88	229.65	290.71	1,772.24	612.79	18,601.25	
Additions	-	30.97	257.52	435.89	57.30	81.39	8.58	76.71	-	948.36	
Deductions	-	-	-	-	(2.92)	(44.41)	-	-	-	(47.33)	
Balance as at 31st March, 2017	5.33	839.43	3,777.01	11,407.59	445.26	266.62	299.29	1,848.95	612.79	19,502.28	595.74
<b>Accumulated Depreciation :</b>											
Balance as at 1st April, 2016	-	77.99	1,185.82	6,655.72	262.19	151.88	198.87	932.05	182.51	9,647.04	
Additions	-	9.79	123.17	740.81	45.08	26.94	17.92	184.30	26.51	1,174.51	
Deductions	-	-	-	-	(2.82)	(29.29)	-	-	-	(32.11)	
Balance as at 31st March, 2017	-	87.79	1,308.98	7,396.53	304.45	149.53	216.80	1,116.35	209.01	10,789.44	
<b>Net carrying amount:</b>											
Balance as at 1st April, 2016	5.33	730.47	2,333.67	4,315.98	128.69	77.76	91.84	840.19	430.29	8,954.21	488.57
Balance as at 31st March, 2017	5.33	751.64	2,468.03	4,011.07	140.81	117.09	82.49	732.60	403.78	8,712.84	595.74

**Notes:**

On 27th October 2016, The Honorable High Court of Judicature at Bombay has approved a scheme of amalgamation of Apcotex Solutions India Private Limited (AS IPL), the wholly owned subsidiary company, with the Company with effect from 31st March, 2016.

The Company is in process of registering Title deeds of the following immovable property in the Company's name:

Type of Assets	Number of cases	Gross Block as at 31st March, 2018	Net Block as at 31st March, 2018	Remarks
Lease Hold Land	1	399.93	351.74	Company has received the allotment letter from GIDC. Company is in the process of transferring the title deeds.

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

**NOTE 3: NON-CURRENT ASSETS  
INVESTMENT PROPERTY**

(₹ in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
<b>Buildings given on Operating Lease:</b>			
Opening Gross Carrying Amount	32.69	32.69	32.69
Add: Transfer from Fixed Assets during the year	-	-	-
Closing Gross Carrying Amount	32.69	32.69	32.69
<b>Less:</b>			
Opening Accumulated Depreciation	20.97	20.60	20.24
Add: Transfer from Accumulated Depreciation during the year	-	-	-
Add: Depreciation for the year	0.37	0.37	0.36
Closing Accumulated Depreciation	21.33	20.97	20.60
<b>Net Carrying Amount (a)</b>	<b>11.36</b>	<b>11.72</b>	<b>12.09</b>

**Note:**

The Company has elected to measure its investment property at the previous GAAP carrying amount i.e 31st March 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e 1st April 2016.

	Year ended 31st March, 2018	Year ended 31st March, 2017
<b>Information regarding income and expenditure of Investment property:</b>		
Rental income derived from Investment Properties	24.15	24.15
Direct operating expenses (including repairs and maintenance) generating rental income	(2.51)	(2.44)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
<b>Profit arising from Investment Properties before depreciation and indirect expenses</b>	<b>21.64</b>	<b>21.71</b>

**Note:**

The Company's Investment properties consist of commercial property given on rentals.

As at 31st March, 2018, 31st March, 2017 and 1st April, 2016 the fair value of this property is ₹ 756.04 Lacs, ₹ 737.60 Lacs and ₹ 663.84 Lacs respectively. These valuations are based on valuations performed by Chartered Surveyors - Yardi Prabhu Consultants & Valuers, an accredited independent valuer.

The fair value was derived using the market comparable approach based on recent market price without any significant adjustments beings made to the market observable data in the neighbourhood. Observed by the valuers for similar properties in the locality and adjusted basis on the valuer's knowledge of the factors specification to the respective properties. Fair valuation is based on market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In estimating the fair value of properties, the highest and best use of the properties is their current use.

**Fair Value disclosures for investment properties is detailed below:**

(₹ in Lacs)

	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
<b>Reconciliation of Fair value</b>			
Building	-	-	-
Opening balance	737.60	663.84	0.01
Fair Value	756.04	737.60	663.84
Fair Value difference	18.44	73.76	663.83
Purchases	-	-	-
Fair Value difference	-	-	-
<b>Closing Balance</b>	<b>756.04</b>	<b>737.60</b>	<b>663.84</b>

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

**NOTE 4: NON-CURRENT ASSETS  
INTANGIBLE ASSETS**

(₹ in Lacs)

	Goodwill	Computer Software	Total
<b>Gross carrying amount</b>			
Deemed Cost as on 1st April, 2016	-	31.06	31.06
Additions	-	69.93	69.93
Deductions	-	(77.47)	(77.47)
Balance as at 31st March, 2017	-	23.52	23.52
Additions	-	1.95	1.95
Deductions	-	-	-
<b>Balance as at 31st March, 2018</b>	-	<b>25.46</b>	<b>25.46</b>
<b>Accumulated Amortization:</b>			
Balance as at 1st April, 2016	-	-	-
Additions	-	35.15	35.15
Deductions	-	(77.47)	(77.47)
Balance as at 31st March, 2017	-	(42.32)	(42.32)
Additions	-	31.28	31.28
Deductions	-	-	-
<b>Balance as at 31st March, 2018</b>	-	<b>(11.04)</b>	<b>(11.04)</b>
<b>Net carrying amount:</b>			
Balance as at 1st April, 2016	-	31.06	31.06
Balance as at 31st March, 2017	-	65.83	65.83
<b>Balance as at 31st March, 2018</b>	-	<b>36.50</b>	<b>36.50</b>

**Note:**

The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e 31st March 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e 1st April 2016. The movement in carrying value of property, plant and equipment as per IGAAP is mentioned below:

	Goodwill	Computer Software	Total
<b>Gross carrying amount</b>			
Balance as at 1st April, 2016 (IGAAP)	140.85	205.69	346.54
Additions	-	69.93	69.93
Deductions	-	(77.47)	(77.47)
Balance as at 31st March, 2017	140.85	198.15	339.00
<b>Accumulated Amortization:</b>			
Balance as at 1st April, 2016	140.85	174.63	315.49
Additions	-	35.15	35.15
Deductions	-	(77.47)	(77.47)
Balance as at 31st March, 2017	140.85	132.31	273.17
<b>Net carrying amount:</b>			
Balance as at 1st April, 2016	-	31.06	31.06
Balance as at 31st March, 2017	-	65.83	65.83

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

NOTE 5: NON-CURRENT ASSETS -  
FINANCIAL ASSETS -INVESTMENTS

(₹ in Lacs)

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Units	Amount	Units	Amount	Units	Amount
<b>A QUOTED INVESTMENTS</b>						
<b>i) INVESTMENTS IN EQUITY INSTRUMENTS ( at Fair Value Through Profit and Loss )</b>						
1 Asian Paints Ltd of the face value of Re. 1/- fully paid	40,800	457.12	40,800	437.05	40,800	354.43
2 Axis Bank of the face value of ₹. 2/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	5,000	25.53	5,000	24.54	5,000	22.23
3 Kesoram Textile Mills Ltd of the face value of ₹. 10/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	300	-	300	-	300	-
4 Computech International Ltd of the face value of ₹. 5/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	100	-	100	-	100	-
5 Consortex Karl Doelitz (India) Ltd of the face value of ₹. 10/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	1,000	-	1,000	-	1,000	-
6 Skylid Telecom Equipments Ltd of the face value of ₹. 10/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	1,000	-	1,000	-	1,000	-
7 Lupin Ltd of the face value of ₹. 2/- fully paid	-	-	3,225	46.59	3,225	47.74
8 Axis Bank Ltd. of the face value of ₹ 2/- fully paid	-	-	-	-	15,800	70.24
9 United Phosphorous Ltd. of the face value of ₹ 2/- fully paid	15,700	114.65	12,850	93.28	12,850	61.37
10 Kajaria Ceramics Ltd. of the face value of ₹ 2/- fully paid	-	-	10,900	63.74	5,450	51.93
11 Cadila Healthcare Ltd. of the face value of ₹ 5/- fully paid	12,450	47.04	17,750	78.68	17,750	56.26
12 Kotak Mahindra Bank of the face value of ₹ 5/- fully paid	8,575	89.85	13,150	114.68	11,874	80.86
13 Dalmia Bharat Ltd. of the face value of ₹ 2/- fully paid	4,875	140.11	5,150	101.31	9,800	78.05
14 MRF Ltd. of the face value of ₹ 10/- fully paid	-	-	-	-	100	38.37
15 Indusind Bank of the face value of ₹ 10/- fully paid	9,275	166.65	8,675	122.27	6,175	59.75
16 Raymond Ltd. of the face value of ₹ 10/- fully paid	-	-	-	-	9,625	39.11
17 PC Jewellers of the face value of ₹ 10/- fully paid	14,525	46.51	9,950	41.53	9,950	36.31
18 ICICI Bank Ltd of the face value of ₹ 2/- fully paid	25,500	70.98	11,825	32.77	11,050	26.14
19 MCX India of the face value of ₹ 10/- fully paid	-	-	5,025	60.48	4,375	36.54
20 Ashok Leyland of the face value of ₹ 1/- fully paid	-	-	75,400	63.75	60,650	65.84
21 Havells India Ltd. of the face value of ₹ 1/- fully paid	19,025	92.81	18,900	88.48	18,900	60.91
22 Maruti Suzuki of the face value of ₹ 5 /- fully paid	1,300	115.19	1,300	78.32	-	-
23 Aegis Logistics Ltd. of the face value of ₹ 1/- fully paid.	33,850	87.87	29,600	57.53	-	-
24 SUN TV Network Ltd. the face value of ₹ 5 /- fully paid.	15,750	133.65	4,950	39.58	-	-
25 Bajaj Finance Ltd of the face value of ₹ 10/- fully paid	4,300	76.00	-	-	-	-

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

NOTE 5: NON-CURRENT ASSETS -  
FINANCIAL ASSETS -INVESTMENTS

(₹ in Lacs)

		As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
		Units	Amount	Units	Amount	Units	Amount
26	Indo Count Industries Ltd of the face value of ₹ 10/- fully paid	37,400	31.79	-	-	-	-
27	Balkrishna Industries Ltd. of the face value of ₹ 10/- fully paid	6,150	65.72	-	-	-	-
28	Bajaj Electrical Ltd. of the face value of ₹ 10/- fully paid	15,200	85.74	-	-	-	-
29	Sundram Fasteners Ltd. of the face value of ₹ 10/- fully paid	11,550	63.68	-	-	-	-
30	Bharti Airtel Limited of the face value of ₹ 10/- fully paid	11,550	46.05	-	-	-	-
31	Vedanta Ltd of the face value of ₹ 10/- fully paid	15,700	43.62	-	-	-	-
32	KEC International Ltd. of the face value of ₹ 2/- fully paid	37,856	147.540	37,856	78.70	41,579	50.77
33	Kalpataru Power Transmission Ltd of the face value of ₹ 2/- fully paid	23,730	114.91	25,260	81.362	21,735	44.49
34	Kirloskar Ferroc Ind. Ltd.of the face value of ₹ 5/- fully paid	47,910	40.51	55,950	53.88	80,850	36.38
35	Mahindra Life SPA.. of the face value of ₹ 10/- fully paid	-	-	-	-	6,315	26.55
36	Zensar Techof the face value of ₹ 10/- fully paid	-	-	-	-	3,540	32.92
37	Deepak Nitrite of the face value of ₹ 2/- fully paid	-	-	-	-	42,850	29.03
38	Ramco Cements of the face value of ₹ 1/- fully paid	4,162	30.12	4,162	27.86	5,995	24.01
39	Network 18 of the face value of ₹ 5/- fully paid.	-	-	-	-	11,200	4.92
40	Godrej Properties of the face value of ₹ 5/- fully paid	-	-	-	-	11,220	33.24
41	Coromandel International Ltd of the face value of Re. 1/- fully paid	-	-	-	-	29,752	56.50
42	Bajaj Finserv Ltd of the face value of ₹ 5/- fully paid	-	-	-	-	1,950	33.22
43	Biocon Ltd. of the face value of ₹ 5/- fully paid	-	-	4,875	55.26	4,875	23.50
44	TV18 Broadcast Ltd. of the face value of ₹ 2/- fully paid	42,830	28.73	-	-	48,925	19.72
45	Greeves Cotton Ltd of the face value of ₹ 2/- fully paid	-	-	27,920	48.76	27,325	33.75
46	JMC Projects Shares of the face value of ₹10 /- fully paid	-	-	-	-	12,500	27.15
47	Vardhman Textiles of the face value of ₹10 /- fully paid	-	-	-	-	552	4.27
48	FEDERAL BANK of the face value of ₹ 2/- fully paid	51,676	46.09	51,676	47.21	-	-
49	SIMPLEX INFRASTRUCTURES LTD of the face value of ₹ 2/- fully paid	18,725	99.39	18,725	58.23	-	-
50	Carborundum Universal Ltd. of the face value of ₹ 1 /- fully paid.	20,000	69.48	20,000	58.20	-	-
51	Tech Mahindra of the face value of ₹ 5/- fully paid	23,310	148.88	11,050	50.79	13,568	64.51
52	Mahindra CIE Automotive Limited the face value of ₹10/- fully paid.	18,300	39.30	18,300	38.83	-	-
53	Sun Pharmaceuticals Industries Ltd of the face value of Re. 1/- fully paid	-	-	6,830	46.97	-	-
54	Gujarat GAS Ltd. of the face value of ₹ 10/- fully paid	4,000	33.32	4,000	30.70	-	-
55	Aditya Birla Fashion and Retail Ltd of the face value of ₹ 10/- fully paid	16,587	25.02	16,587	25.51	2,536	3.57
56	Tata Communications Ltd of the face value of ₹ 10/- fully paid	7,130	44.21	7,130	51.50	-	-

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

NOTE 5: NON-CURRENT ASSETS -  
FINANCIAL ASSETS -INVESTMENTS

(₹ in Lacs)

		As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
		Units	Amount	Units	Amount	Units	Amount
57	Thomas Cook India Ltd. of the face value of ₹ 10/- fully paid	18,110	51.20	-	-	-	-
58	CONTAINER CORP of the face value of ₹ 10/- fully paid	1,650	20.54	-	-	-	-
59	Kotak Mahindra Bank of the face value of ₹ 5/- fully paid	5,000	52.39	-	-	-	-
60	Aditya Birla Nuvo Ltd of the face value of ₹ 10/- fully paid	-	-	-	-	488	4.05
61	Alembic Pharma Ltd of the face value of ₹ 2/- fully paid	-	-	-	-	13,247	78.51
62	Asian Paints Ltd of the face value of Re. 1/- fully paid	-	-	-	-	5,19,110	4516.26
63	Bajaj Auto Ltd of the face value of ₹ 10/- fully paid	-	-	-	-	1,448	35.04
64	Bosch Limited of the face value of ₹ 10/- fully paid	-	-	-	-	122	24.26
65	Dabur India Ltd of the face value of ₹ 1/- fully paid	-	-	-	-	32,346	81.03
66	Exide Industries Ltd of the face value of ₹ 1/- fully paid	-	-	-	-	202	0.29
67	Grasim Industries Ltd of the face value of ₹ 2/- fully paid	-	-	-	-	3,811	29.37
68	Hdfc Ltd of the face value of ₹ 2/- fully paid	-	-	-	-	14,903	165.93
69	Heromotocorp Ltd of the face value of ₹ 2/- fully paid	-	-	-	-	758	22.37
70	Indo Count Industries Ltd of the face value of ₹ 2/- fully paid	-	-	-	-	66,109	130.43
71	Kansai Nerolac Paints Ltd of the face value of ₹ 1/- fully paid	-	-	-	-	14,160	39.66
72	Kotak Mahindra Bank of the face value of ₹ 5/- fully paid	-	-	-	-	16,860	114.63
73	Larsen And Toubro of the face value of ₹ 2/- fully paid	-	-	-	-	204	1.68
74	Marico Ltd of the face value of ₹ 1/- fully paid	-	-	-	-	28,826	69.76
75	Marico Kaya Enterprises Limited of the face value of ₹ 10/- fully paid (Kaya Limited)	-	-	-	-	92	0.79
76	Nestle India Limited of the face value of ₹ 10/- fully paid	-	-	-	-	187	10.54
77	Piramal Enterprises Limited of the face value of ₹ 2/- fully paid	-	-	-	-	5,943	61.93
78	Reliance Industries Limited of the face value of ₹ 1/- fully paid	-	-	-	-	3,372	17.44
79	State Bank Of India Limited of the face value of ₹ 1/- fully paid	-	-	-	-	11,340	22.19
80	TCS Ltd of the face value of ₹ 1/- fully paid	-	-	-	-	4,387	107.65
81	Ultratech Cement Limited of the face value of ₹ 10/- fully paid	-	-	-	-	258	8.27
			<b>2992.22</b>		<b>2298.33</b>		<b>7276.62</b>



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

NOTE 5: NON-CURRENT ASSETS -  
FINANCIAL ASSETS -INVESTMENTS

(₹ in Lacs)

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Units	Amount	Units	Amount	Units	Amount
ii) <b>INVESTMENTS IN MUTUAL FUNDS ( at Fair Value Through Profit and Loss )</b>						
1 Birla Sun Life Frontline Equity Fund - Growth	-	-	-	-	94,134	146.33
2 Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	-	-	4,00,000	53.97	4,00,000	49.87
3 DHFL PRAMERICA GILD FUND (formerly known as DWS Gilt Fund - Growth)	<b>4,39,413</b>	<b>83.49</b>	4,39,413	79.66	7,67,460	126.06
4 UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	-	-	-	-	3,70,000	45.92
5 JPMorgan US Value Equity Offshore Fund (G)	-	-	5,75,722	77.30	5,75,722	68.64
6 SBI Bluechip Fund - Regular Plan (GR)	<b>3,77,890</b>	<b>140.66</b>	2,10,697	70.74	4,60,697	128.63
7 HDFC Equity Fund (GR)	-	-	-	-	21,598	90.00
8 Mirae Assets India Opportunities Fund - Regular - Growth Plan	<b>4,83,041</b>	<b>216.47</b>	4,83,041	192.69	4,83,041	150.16
9 Kotak Select Focus Fund-Growth (Regular Plan)	<b>8,45,542</b>	<b>269.03</b>	6,84,033	196.60	6,84,033	151.60
10 SBI Magnum Midcap Mutual Fund	-	-	-	-	50,000	11.30
11 IDFC Corporate Bond Regular Plan (G)	<b>18,46,045</b>	<b>219.34</b>	10,83,711	121.07	-	-
12 ICICI Prudential Income Opp Fund (G)	<b>8,62,150</b>	<b>209.21</b>	5,27,443	121.36	-	-
13 HDFC Corporate Debt Opp. Fund	<b>4,38,754</b>	<b>63.23</b>	4,38,754	59.49	-	-
14 DSP Black Rock Focus 25 Fund - Regular Plan - Growth	<b>4,10,367</b>	<b>89.75</b>	4,10,367	83.69	-	-
15 Kotak Medium Term Fund Regular Plan (GR)	<b>7,61,740</b>	<b>109.88</b>	3,64,436	49.34	-	-
16 Birla AIF - India Small and Mid Cap Gems Fund (GR)	<b>2,00,000</b>	<b>195.42</b>	-	-	-	-
17 Motilal Oswal AIF - Focussed Business Advantage Fund (GR)	<b>15,00,000</b>	<b>157.66</b>	-	-	-	-
18 BOI AXA Corporate Credit Spectrum Fund Reg Plan INF761K01DH6	<b>11,78,236</b>	<b>157.28</b>	-	-	-	-
19 Reliance Liquid Fund Treasury Plan Weekly Div Option	<b>1,417</b>	<b>21.74</b>	4,685	71.71	-	-
20 IDFC ULTRA SHORT TERM PLAN GROWTH	<b>2,65,267</b>	<b>65.32</b>	20,72,712	477.31	11,48,586	243.90
21 ICICI Mutual Fund	-	-	-	-	1,35,703	304.36
		<b>1,998.48</b>		1,654.94		1,516.77
B <b>UNQUOTED INVESTMENTS</b>						
i) <b>INVESTMENTS IN EQUITY INSTRUMENTS ( at Fair Value Through Profit and Loss )</b>						
<u>In Equity Shares of Associate Companies:</u>						
1 Cybele Paradise Pvt Ltd. of ₹10/- fully paid Less: Provision for Diminishing Value of Investment	<b>1,20,000</b>	<b>16.00</b> <b>(16.00)</b>	1,20,000	16.00 (16.00)	1,20,000	16.00 (16.00)
2 Mazda Colours Ltd		-		-		161.79
		-		-		161.79

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

NOTE 5: NON-CURRENT ASSETS -  
FINANCIAL ASSETS -INVESTMENTS

(₹ in Lacs)

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Units	Amount	Units	Amount	Units	Amount
ii) <b>INVESTMENTS IN EQUITY INSTRUMENTS ( at Fair Value Through Profit and Loss )</b>						
1 Narmada Clean Tech Limited of ₹ 10/- each fully paid up	2,47,500	24.75	2,47,500	24.75	2,47,500	24.75
2 Bharuch Enviro Infrastructure Limited of ₹10/- each fully paid up	1,751	0.18	1,751	0.18	1,751	0.18
Less: Provision for Diminishing Value of Investment		(24.93)		-		-
		-		24.93		24.93
<b>TOTAL INVESTMENTS</b>		<b>4990.70</b>		<b>3978.19</b>		<b>8980.10</b>
<b>Aggregate amount of quoted investments</b>		<b>4990.70</b>		<b>3953.27</b>		<b>8793.39</b>
<b>Aggregate amount of unquoted investments</b>		<b>-</b>		<b>24.93</b>		<b>186.71</b>

Note:

- Balances as on 31st Mar 2018 include Investments of Saldhar Investment & Trading Co Pvt Ltd on account of its merger Rs 65.32 lacs ( As at 31st Mar 2017, Rs 477.31 lacs , As at 1st April 2016, Rs 6255.68 lacs )
 

- Quoted	65.32	477.31	6093.89
- Unquoted	-	-	161.79
- All Equity Instruments are valued at Fair Value Through Profit and Loss for the year ended 31st March 2018, 31st March 2017 and 1st April 2016

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 6: NON-CURRENT ASSETS- FINANCIAL ASSETS - TRADE RECEIVABLES</b>			
Trade Receivables:			
Overdue for more than six months	396.86	377.90	435.25
Less : Provision for Doubtful Debt	(396.86)	(377.90)	(435.25)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 7 : NON CURRENT ASSETS- DEFERRED TAX (NET)</b>			
<b>Deferred tax liabilities</b>			
Depreciation on Fixed Assets (other than Scientific Research Assets)	609.42	614.60	664.98
Depreciation on Scientific Research Assets	22.85	28.55	31.78
Others	-	-	-
<b>Total deferred tax liabilities</b>	<b>632.27</b>	<b>643.15</b>	<b>696.76</b>
<b>Deferred tax assets</b>			
Brought forward unabsorbed depreciation	-	-	1,079.04
Provision for doubtful debts	137.35	130.78	150.63
Provision for leave encashment & gratuity	112.29	122.95	117.71
Provision for bonus	33.18	32.25	13.48
Expenditure allowed on payment basis	61.35	14.57	8.65
Amalgamation Expenses	107.25	-	-
Unused tax credits (MAT credit entitlement)	-	254.31	-
<b>Total deferred tax assets</b>	<b>451.42</b>	<b>554.86</b>	<b>1,369.51</b>
<b>Net Deferred tax liability/(assets)</b>	<b>180.85</b>	<b>88.29</b>	<b>(672.75)</b>

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 8: NON CURRENT ASSETS- OTHER NON-CURRENT ASSET</b>			
<b>(i) Capital Advances</b>			
Unsecured- Considered Good	-	23.41	97.35
Considered Doubtful	-	-	-
Less: Provision	-	-	-
	-	23.41	97.35
<b>(ii) Advances other than capital advances</b>			
<b>a. Security Deposits</b>			
Unsecured- Considered Good	522.85	500.46	559.12
Considered Doubtful	-	-	-
Less: Provision	-	-	-
	522.85	500.46	559.12
<b>b. Other Advances</b>			
i. Balance with Excise & Service Tax	11.96	350.80	276.45
ii. Excise Duty, Sales Tax etc under protest	35.06	25.06	15.38
iii. Income Tax paid against disputed liability	208.33	208.33	208.33
iv. Advance payments of Income Tax (Net of Provisions)	951.44	1,000.27	111.88
v. VAT Tax Refund Receivable*	361.15	286.14	680.40
<b>Total</b>	<b>2,090.78</b>	<b>2,394.46</b>	<b>1,948.91</b>
<b>Note:</b>			
1) * As the Company is entitled for refund in monetary terms, the refund claimed towards VAT in states of Maharashtra & Gujarat (i.e. excess input tax credit over tax liability) as per extant provisions of MVAT & GVAT Act.			
2) Balances as on 31st Mar 2018 include Advance payment of Income Tax pertaining to Saldhar Investment & Trading Co Pvt Ltd on account of merger its ₹ NIL ( As at 31st Mar 2017, ₹ NIL , As at 1st April 2016, ₹ 4.56 lacs )			

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 9 : CURRENT ASSETS- INVENTORIES</b>			
i. Raw Materials	2,627.58	2,119.71	1,350.82
ii. Packing Materials	80.34	73.36	84.64
iii. Work In Progress	-	18.43	393.02
iv. Stores and Spares	365.52	283.51	267.61
v. Finished Goods	1,856.97	1,955.22	2,237.76
<b>Total</b>	<b>4,930.41</b>	<b>4,450.24</b>	<b>4,333.85</b>
<b>Inventory includes:</b>			
<b>In Transit</b>			
- Raw Materials	1360.58	349.91	215.31
- Finished Goods	424.39	61.48	-

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 10 : CURRENT ASSETS- FINANCIAL ASSETS - TRADE RECEIVABLES (Unsecured unless otherwise stated)</b>			
Unsecured- considered good	9,834.54	7,820.97	8,384.07
Less : Provision for expected credit loss*	(10.19)	(8.20)	(8.82)
<b>Total</b>	<b>9,824.35</b>	<b>7,812.77</b>	<b>8,375.26</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018**

**Note:**

\* The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix, which takes into account historical credit loss experience. The expected credit loss ( ECL ) allowance is based on total receivables that are due and the rate given in provisional matrix. The provisional matrix at the end of the reporting period is as follows:

<b>ECL %</b>	<b>0.10</b>	0.10	0.10
<b>Movement in ECL allowance ( ₹ lacs)</b>			
Balance at beginning of year	<b>8.20</b>	8.82	-
Movement	<b>1.99</b>	(0.62)	8.82
<b>Balance at end of the year</b>	<b>10.19</b>	8.20	8.82

(₹ in Lacs)

	<b>As at 31st March, 2018</b>	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 11 : CURRENT ASSETS- FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS</b>			
A. Cash on hand	<b>8.82</b>	6.08	4.12
B. Balances with Banks:			
i. In current accounts	<b>211.02</b>	462.55	907.06
ii. EEFC	<b>236.99</b>	41.65	97.53
iii. Term Deposits with original maturity of less than three months	<b>95.80</b>	-	-
C. Investment in Liquid Mutual Funds	<b>2,547.07</b>	50.00	5.00
<b>Total</b>	<b>3,099.71</b>	560.27	1,013.71

**Note:**

- The above cash and bank balances have not been pledged
- Balances as on 31st Mar 2018 include Bank balances pertaining to Saldhar Investment & Trading Co Pvt Ltd on account of merger ₹ 2.02 lacs ( As at 31st Mar 2017, ₹ 42.39, As at 1st April 2016, ₹ 131.56 lacs )

	<b>As at 31st March, 2018</b>		As at 31st March, 2017		As at 1st April, 2016	
	<b>Units</b>	<b>Amount</b>	<b>Units</b>	<b>Amount</b>	<b>Units</b>	<b>Amount</b>
<b>3. Details of Investment in Liquid Mutual Funds</b>						
SBI Magnum Multicap Fund	-	-	-	-	50000	5.00
IDFC Mutual Fund	-	-	496465	50.00	-	-
HDFC Cash Managment Fund - Treasury Advantage Plan - Retail - Regular Plan- Weekly Dividend	<b>13968657</b>	<b>1,423.41</b>	-	-	-	-
IDFC Ultra Short Term Fund - Daily Dividend - (Regular Plan)	<b>11150872</b>	<b>1,123.66</b>	-	-	-	-
	<b>25119529</b>	<b>2,547.07</b>	496465	50.00	50000	5.00

	<b>As at 31st March, 2018</b>	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 12 : CURRENT ASSETS- FINANCIAL ASSETS - OTHER BANK BALANCES</b>			
Other Bank Balances			
A. Earmarked balances with banks:			
i) Margin money deposits	<b>92.42</b>	31.55	43.74
ii) Unpaid dividend*	<b>82.23</b>	69.24	55.32
<b>Total</b>	<b>174.65</b>	100.80	99.06

**Note:**

\* No amounts due to Investor Education & Protection Fund

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 13 : CURRENT ASSETS- FINANCIAL ASSETS - LOANS (Unsecured-Considered good)</b>			
Loans to Employees	30.45	30.99	33.63
<b>Total</b>	<b>30.45</b>	<b>30.99</b>	<b>33.63</b>

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 14 : CURRENT ASSETS- FINANCIAL ASSETS - OTHERS (Unsecured-Considered good)</b>			
Interest Receivable	21.61	95.57	5.13
Discount Receivable	328.91	47.76	5.45
Octroi Receivable	0.62	0.62	0.62
Export benefits receivable	19.27	8.10	9.98
Other Advances receivable in cash or kind	-	-	279.31
Receivable towards services provided	66.33	86.93	69.83
Excise Duty Refund(Exports)	1.95	19.46	17.97
Sales Tax Refund Receivable	-	347.62	474.58
Interest on Sales Tax Refund Receivable	-	-	124.21
<b>Total</b>	<b>438.70</b>	<b>606.06</b>	<b>987.08</b>

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 15 : CURRENT ASSETS- OTHER CURRENT ASSETS (Unsecured-Considered good)</b>			
Assets held for disposal	-	-	50.68
Advances to vendors	186.59	377.71	223.86
GST Receivable	353.81	-	-
Advance to employees	5.23	3.66	2.27
Other Receivable	4.53	8.40	18.25
<b>Total</b>	<b>550.16</b>	<b>389.76</b>	<b>295.06</b>

**Note:**

Balances as on 31st Mar 2018 include Other Receivables pertaining to Saldhar Investment & Trading Co Pvt Ltd on account of its merger ₹ 2.95 lacs ( As at 31st Mar 2017, ₹ 2.98 lacs , As at 1st April 2016, ₹ 5.12 lacs )

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 16 : EQUITY- EQUITY SHARE CAPITAL</b>			
<b>Authorised</b>			
6,22,60,000 Equity Shares of 5/- each (2,99,40,000 Equity Shares of 5/-each)	3,113.00	3,113.00	3,113.00
500 Preference Shares of 100/- each(500 Preference Shares of 100/- each)	0.50	0.50	0.50
50,000 Unclassified Shares of 5/- each (50,000 Unclassified Shares of 5/- each)	2.50	2.50	2.50
	<b>3,116.00</b>	<b>3,116.00</b>	<b>3,116.00</b>
<b>Issued, Subscribed and Paid up capital</b>			
2,07,37,984 Equity Shares of 5/- each fully paid (2,07,37,984 Equity Shares of 5/-)	1,040.80	1,040.80	1,040.80
	<b>1,040.80</b>	<b>1,040.80</b>	<b>1,040.80</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018**

**a) Reconciliation of the number of shares**

Equity Shares :	As at 31st March,2018		As at 31st March,2017		As at 1st April,2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	20737984	1040.80	20737984	1040.80	20737984	1040.80
Less : Shares cancelled pursuant to effecting scheme of amalgamation of Saldhar Investments And Trading Company Private Limited with the company	-10724300	-536.22	-	-	-	-
Add : Shares allotted to shareholders of Saldhar Investments And Trading Company Private Limited pursuant to effecting scheme of amalgamation	10724300	536.22	-	-	-	-
<b>Balance as at the end of the year</b>	<b>20737984</b>	<b>1040.80</b>	<b>20737984</b>	<b>1040.80</b>	<b>20737984</b>	<b>1040.80</b>

**b) Shareholders holding more than 5% shares in the company**

Shares held by:	As at 31st March,2018		As at 31st March,2017		As at 1st April,2016	
	Number of Shares	% Holding	Number of Shares	% Holding	Number of Shares	% Holding
(i) Saldhar Investment & Trading Company Pvt Ltd* (Holding Company w.e.f 23rd November 2016)	-	-	10574412	50.99	1133088	5.46
(ii) Trivikram Investment & Trading Company Ltd	-	-	-	-	3953976	19.07
(iii) Dhumraketu Investment & Trading Company Pvt Ltd	-	-	23888	0.12	3337269	16.00
(iv) Atul Choksey (including Atul Choksey HUF)	3110700	15.00	71398	0.34	1376404	5.88
(v) Parul Atul Choksey	2911761	14.04	-	-	-	-
(vi) Abhiraj Choksey (including Abhiraj Choksey HUF)	2710287	13.06	-	-	-	-
(vii) Devanshi Anant Veer Jalan	2281178	11.00	-	-	-	-

**Note:**

\* Pursuant to approval of Scheme of Amalgamation between Saldhar Investments and Trading Company Private Limited (Saldhar) with the Company as approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated 1st February 2018, which was made effective from 13th February 2018, 10724300 equity shares of ₹ 5 each fully paid up held by Saldhar were cancelled and the same no. of shares were allotted to the shareholders of Saldhar in the proportion of their holding in Saldhar in the Board Meeting held on 24th February 2018

**c) Rights, Preference & Restrictions attached to Equity Shares**

The Company has one class of share having a par value of 5 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 17 : EQUITY- OTHER EQUITY</b>			
Capital Reserve	4,366.30	4,959.83	12,618.83
Capital Redemption Reserve	0.32	0.32	0.32
Securities Premium Account	2,599.95	2,599.95	2,599.95
General Reserve	4,822.22	4,732.22	4,332.22
Retained earnings	11,809.10	8,958.73	6,574.39
<b>Total</b>	<b>23,597.89</b>	<b>21,251.04</b>	<b>26,125.70</b>

Note:

Refer Statement of Changes in Equity for detailed breakup.

**Nature and purpose of reserves :**

- (a) **Capital Reserve** : During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.
- (b) **Capital Redemption Reserve** : The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.
- (c) **Securities Premium Account** : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of Equity settled based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.
- (d) **General Reserve** : The General Reserve is used from time to time to record transfer of profit from retained earnings, for appropriation purposes. As general reserve is created by transfer of one component of equity to another and it is not an item of other comprehensive income, included in the General Reserve, it will not be reclassified subsequently to Profit or Loss.
- (e) **Retained Earnings** : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 18 : NON CURRENT LIABILITIES - FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES</b>			
Security Deposits	298.66	313.70	259.71
<b>Total</b>	<b>298.66</b>	<b>313.70</b>	<b>259.71</b>

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 19 : NON CURRENT LIABILITIES- PROVISIONS</b>			
<b>Employee Benefit Obligations</b>			
Leave encashment	219.64	178.76	131.78
<b>Total</b>	<b>219.64</b>	<b>178.76</b>	<b>131.78</b>
<b>Notes:</b>			
<b>Details of provisions for Leave Encashment</b>			
Opening balance - Long Term	178.76	131.78	80.31
Opening balance - Short Term	26.71	59.41	20.48
Provision made during year	60.43	25.28	110.44
Utilisation during the year	11.02	11.00	20.04
Closing Balance - Long Term	219.64	178.76	131.78
Closing Balance - Short Term	35.24	26.71	59.41

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 20 : NON CURRENT LIABILITIES- OTHER NON CURRENT LIABILITIES</b>			
Provision for Income Tax	505.69	90.00	67.03
<b>Total</b>	<b>505.69</b>	<b>90.00</b>	<b>67.03</b>

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 21 : CURRENT LIABILITIES- FINANCIAL LIABILITIES - BORROWINGS</b>			
<b>Secured Loans</b>			
<b>Working Capital Loans</b>			
Cash Credit facilities from Banks*	1,736.77	2,224.40	1,705.08
Current Maturities of Long term debt	-	-	836.56
<b>Total</b>	<b>1,736.77</b>	<b>2,224.40</b>	<b>2,541.64</b>

**Note:**

\* Cash Credit and Working Capital Demand Loans from banks are secured by hypothecation of Inventories, Account Receivables on parri passu basis and exclusive charge on land and building and second parri passu charge on plant and machinery. The credit facilities availed by the Company carry interest in the range of 9.00 % p.a. to 11 % p.a.

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 22 : CURRENT LIABILITIES- FINANCIAL LIABILITIES - TRADE PAYABLES</b>			
Outstanding dues of micro enterprises and small enterprises	117.14	238.27	166.58
Outstanding dues of Creditors other than micro and small enterprises	4,691.76	1,980.14	3,246.91
<b>Total</b>	<b>4,808.90</b>	<b>2,218.41</b>	<b>3,413.49</b>

**Notes:**

**i. Amounts due to Related Parties:**

Apco Enterprises Limited	12.88	9.37	3.54
Trivikram Investment & Trading Co. Ltd	-	-	(0.14)

**ii. Dues to micro enterprises and small enterprises:**

Micro & Small enterprises as defined under the Micro, Small and Medium Enter-prises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to ₹117.14 (Previous Year: ₹ 238.27). The disclosure pursuant to MSMED Act based on the books of account is as under:

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Principal amount due and remaining unpaid	117.14	238.27	166.28
Interest due on above and the unpaid interest	2.55	1.69	0.39
Interest paid in terms of Section 16 of MSMED Act	2.04	-	-
Amount of payments made to supplier beyond the appointed day	167.98	-	-
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act,2006	-	-	-
Amount of Interest accrued and remaining unpaid	0.51	2.08	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the MSMED Act,2006	-	-	-



NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 23 : CURRENT LIABILITIES- FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES</b>			
Interest accrued but not due on borrowings	10.74	10.85	13.63
Unpaid/Unclaimed Dividend*	82.23	69.24	55.32
Unclaimed Fixed Deposits and Interest thereon	0.70	0.70	0.70
Advance received from Customers	68.46	162.54	25.98
<u>Other Liabilities:</u>			
Payable for Expenses	657.50	715.65	525.24
Payable for capital goods	74.98	81.18	69.72
Commission to Non Executive Directors	53.67	20.00	29.01
Outstanding Expenses	662.23	105.92	455.42
<b>Total</b>	<b>1,610.53</b>	<b>1,166.10</b>	<b>1,175.02</b>
<b>Note:</b>	* No amounts are due and payable to Investor Education & Protection Fund		

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 24 : CURRENT LIABILITIES- PROVISIONS</b>			
Employee Benefit Obligations:			
Leave Encashment	35.24	26.71	59.41
<b>Total</b>	<b>35.24</b>	<b>26.71</b>	<b>59.41</b>

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>NOTE 25 : CURRENT LIABILITIES- OTHER CURRENT LIABILITIES</b>			
<u>Statutory Liabilities :</u>			
Central Sales Tax and VAT	-	14.90	2.01
Service Tax	177.10	177.38	180.19
Excise duty on Closing Stock	-	238.89	331.80
TDS under Income Tax	53.57	35.29	45.87
Provident Fund, Profession Tax and ESIC	21.12	19.67	18.74
GST Payable	57.83	-	-
<u>Payable to Employees :</u>			
Salaries and Wages	198.36	249.62	175.46
Bonus	96.13	93.28	111.66
Incentives	122.76	45.96	59.71
Leave Encashment	-	17.11	17.09
Gratuity	69.59	144.16	131.87
Others	75.20	75.20	75.20
<b>Total</b>	<b>871.67</b>	<b>1,111.46</b>	<b>1,149.61</b>

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 26 : REVENUE FROM OPERATIONS</b>		
<b>Sale of Products* (including excise duty)</b>		
Domestic	45,985.39	38,937.49
Exports	7,650.44	4,013.89
<b>Total Sale of Products</b>	<b>53,635.82</b>	<b>42,951.38</b>
<b>Other Operating Revenue :</b>		
Export Incentives	121.78	83.27
Scrap Sales	64.28	57.16
Insurance Claim	-	0.20
Other Income	2.92	8.24
	<b>188.98</b>	<b>148.87</b>
<b>Total Revenue from Operations</b>	<b>53,824.80</b>	<b>43,100.25</b>

* Sale of Products is after providing discounts & commissions directly related to sales:		
<b>Sale of Products* (including excise duty)</b>		
Domestic	46,110.04	39,149.53
Exports	7,650.44	4,013.89
<b>Total</b>	<b>53,760.48</b>	<b>43,163.42</b>
Less : Sales Discount & Rebates	(95.55)	(142.83)
Commission	(29.11)	(69.21)
Domestic	45,985.39	38,937.49
Exports	7,650.44	4,013.89
<b>Total Sale of Products</b>	<b>53,635.82</b>	<b>42,951.38</b>

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 27 : OTHER INCOME</b>		
Interest Income on:		
Bank Deposits	30.14	101.38
Dividend Income from Non Current Investments	66.01	69.22
Income from Rent	55.07	53.31
Other Income	6.59	14.10
Foreign Exchange Fluctuation difference	65.17	38.36
Net gain/(loss) on sale of investments	(81.37)	2,517.88
Net gain/(loss) on financial assets measured at fair value through Profit and Loss	571.79	195.01
<b>Total</b>	<b>713.41</b>	<b>2,989.25</b>
<b>Note:</b>		

- Balances as on 31st Mar 2018 includes Net gain on financial assets measured at fair value pertaining to Saldhar Investment & Trading Co Pvt Ltd on account of its merger ₹ 25.23 lacs ( for the year ended 31st Mar 2017, ₹ 2.07 lacs )
- Balances as on 31st Mar 2018 includes Net gain on sale of Investments pertaining to Saldhar Investment & Trading Co Pvt Ltd on account of its merger ₹ 10.76 lacs ( for year ended 31st Mar 2017, ₹ 1967.29 lacs )

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 28A : COST OF MATERIALS CONSUMED</b>		
<b>Raw Materials Consumed :</b>		
Opening Stock	2,119.71	1,350.82
Add : Purchases	35,193.54	26,268.30
	37,313.25	27,619.12
Less : Sale of Raw Materials	-	(188.89)
	37,313.25	27,430.24
Less : Closing Stock Raw Materials	(2,627.59)	(2,119.71)
	34,685.66	25,310.52
<b>Packing Materials Consumed</b>		
Opening Stock	73.36	84.64
Add : Purchases	1,262.82	943.13
	1,336.19	1,027.77
Less : Closing Stock Packing Materials	(80.34)	(73.36)
	1,255.85	954.40
<b>Total</b>	<b>35,941.51</b>	<b>26,264.93</b>

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 28B : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE, WORK IN PROGRESS :</b>		
<b>Opening Inventories</b>		
Finished Goods	1,955.22	2,195.43
Work In Progress	18.43	435.35
<b>Total (A)</b>	<b>1,973.66</b>	<b>2,630.78</b>
<b>Closing Inventories</b>		
Finished Goods	1,856.97	1,955.22
Work In Progress	-	18.43
<b>Total (B)</b>	<b>1,856.97</b>	<b>1,973.66</b>
<b>Total (A-B)</b>	<b>116.68</b>	<b>657.12</b>

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 29 : EMPLOYEE BENEFIT EXPENSES :</b>		
Salaries,Wages,Allowances and Bonus	2,513.50	2,230.17
Wages and allowances to Contract Labour	482.71	361.69
Contribution to Provident Funds and Other funds	156.14	143.84
Workmen and staff welfare expenses	231.07	180.68
<b>Total</b>	<b>3,383.42</b>	<b>2,916.38</b>

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 30 : FINANCE COST :</b>		
Interest Expense on bank overdraft and others	134.99	267.06
Other Finance Cost	21.99	20.54
<b>Total</b>	<b>156.98</b>	<b>287.61</b>

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 31 : DEPRECIATION AND AMORTISATION EXPENSE :</b>		
Depreciation on Property, Plant and Equipments	1,182.60	1,174.51
Depreciation on Investment Property	0.37	0.37
Amortisation on intangible assets	31.28	35.15
<b>Total</b>	<b>1,214.24</b>	<b>1,210.03</b>

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 32 : OTHER EXPENSES :</b>		
Stores and Spares consumed	316.93	278.68
Power and fuel	2,348.12	2,111.85
Repairs and Maintenance:		
i. Buildings	363.17	184.94
ii. Machinery	123.26	97.35
iii. Other Assets	181.02	266.95
Rent	54.95	25.11
Rates and Taxes	192.30	255.86
Insurance	60.88	90.21
Excise Duty	1,206.86	4,296.57
Freight and transport charges	1,071.43	776.01
Advertisement	24.19	31.19
Printing, Stationary, & Communication charges	86.06	89.86
Travelling Expenses:		
i. Directors Travelling Expenses	112.12	89.33
ii. Others Travelling Expenses	298.68	282.43
Commission on sales	191.99	96.00
Loss on sale of Fixed Assets	39.78	2.83
Fixed Assets Written off	47.37	-
Bad Debts Written off	-	56.55
Provision for Bad & Doubtful Debts	20.96	(75.58)
Donation	30.34	0.06
Bank Charges	117.58	90.47
Miscellaneous expenses (Refer Note 32.2)	849.59	1,009.33
Provision for Diminishing Value of Investments	24.93	-
Commission to Non Executive Directors	53.67	20.00
Directors' meeting fees	10.00	13.00
Auditors Remuneration (Refer Note 32.1)	13.31	12.17
Professional Fees	197.86	308.19
Excess Provision written back	(32.90)	(53.57)
<b>Total</b>	<b>8,004.43</b>	<b>10,355.80</b>

**Notes:**

- Balances as on 31st Mar 2018 includes Donations pertaining to Saldhar Investment & Trading Co Pvt Ltd on account of its merger ₹ 30 lacs ( for year ended 31st Mar 2017, NIL)
- Balances as on 31st Mar 2018 includes Misc Expenses pertaining to Saldhar Investment & Trading Co Pvt Ltd on account of its merger ₹ 1.71 lacs ( for year ended 31st Mar 2017, ₹ 5.13 lacs)

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 32.1: Breakup of Auditors Remuneration :</b>		
<b>Auditor's remuneration and expenses:</b>		
Statutory audit fees:	11.50	11.50
<b>Fees for other audit related services:</b>		
Fees for certification and other services	1.43	0.32
Reimbursement of out of pocket expenses	0.37	0.35
<b>Total</b>	<b>13.31</b>	<b>12.17</b>

**NOTE 32.2:** The Company was required to spend an amount of ₹ 60.33 Lacs (Previous Year ₹ 56.63 lacs) being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The Company has during the year spent ₹ 63.87 Lacs.

The Concerned Expenditure has been debited to the following Heads as below :

Head where the concerned Expenditure is debited	(i) Construction / Acquisition of any Asset	(ii) On purposes other than (i)	Total
Donation	-	63.87 (24.63)	63.87 (24.63)
Miscellaneous Expenses	-	-	-
Total Expenditure	-	63.87 (24.63)	63.87 (24.63)
Yet to be spent	-	- (32.00)	- (32.00)
<b>Total Eligible Amount</b>	-	<b>63.87</b> (56.63)	<b>63.87</b> (56.63)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 33 : EXCEPTIONAL ITEMS :</b>		
Merger expenses	143.40	54.89
<b>Total</b>	<b>143.40</b>	<b>54.89</b>

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 34: Income Tax Expenses</b>		
<b>a) Income Tax expense</b>		
Current Tax		
Current Tax on profits for the year	1,860.00	1,043.59
Income tax for earlier years	-	(966.11)
MAT credit entitlement	-	(254.31)
<b>Total current tax expense</b>	<b>1,860.00</b>	<b>(176.83)</b>
Deferred Tax		
(Decrease)/Increase in deferred tax liabilities	(146.09)	1,021.06
<b>Total deferred tax expense/(benefit)</b>	<b>(146.09)</b>	<b>1,021.06</b>
<b>Income Tax expense</b>	<b>1,713.91</b>	<b>844.23</b>

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>b) Reconciliation of tax expense and accounting profit</b>		
Profit before Income tax expense	5,577.55	4,342.75
India Income Tax rate	34.608%	34.608%
Tax at the Indian tax rate	1,930.28	1,502.94
<b>Tax effects of amounts which are not deductible/(allowable) in calculating taxable income</b>		
Exempt Income-Dividends	(22.85)	(23.90)
Long Term Capital Gains	(24.84)	(249.43)
Corporate social responsibility expenses	21.47	8.52
Expenses not deductible for tax purpose	51.17	58.79
Other items	147.19	100.10
Deductions under various Sections of Income Tax Act, 1961	(242.41)	(353.43)
Others	-	-
<b>Income Tax expense</b>	<b>1,860.00</b>	<b>1,043.59</b>

(₹ in Lacs)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>NOTE 35: Earnings per Share</b>		
<b>Basic earnings per share :</b>		
Profit computation for both basic & diluted earnings per equity share of ₹ 5/- each. Net Profit as per statement of Profit & Loss available for equity shareholders (₹ in Lacs)	3,834.05	3,488.13
Weighted average number of equity shares used as the denominator in calculating Basic and Diluted earnings per share	20737984	20737984
Basic & Diluted earnings per share attributable to equity shareholders of the company	18.63	16.87

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017
<b>NOTE 36 : Contingent Liabilities :</b>		
Disputed tax demands / claims		
Income tax	588.76	921.97
Service tax	109.20	119.24
Excise duty	1.96	1.72
Customs duty	142.09	142.09
Profession Tax	3.19	2.29
Open letters of Credit	1,484.58	64.75
Bank guarantee	1,005.00	565.86

**Notes:**

- It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings, as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.
- Income tax liability of ₹ 656.10 lacs (FY 15-16 ₹ 656.10 lacs) is in respect of certain disallowances/transfer pricing adjustments by Income tax authorities and ₹ 230.37 lacs ( FY 15-16 ₹ 230.37 lacs ) is in respect of certain disallowances for R & D by Income tax authorities, both disputed by the Company.
- Customs authorities have raised vide notice dated 22-07-2005 a demand and penalty of ₹ 142.09 lacs each for a dispute regarding high seas sale. The Company has paid the demand of ₹ 142.09 lacs in the FY 2011-12 and has claimed as deduction in the FY 2011-12. Balance penalty of ₹ 142.09 has been disclosed as contingent.

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018**

**NOTE 37:** Total revenue expenditure on Research and Development ( R & D ) eligible for weighted deduction under section 35(2AB) of the Income Tax Act, 1961 aggregated to ₹ 298.79 lacs ( FY 2016-17 ₹ 189.35 lacs). The details are as below:

(₹ in Lacs)		
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>Revenue expenditure eligible u/s 35(2AB):</b>		
Salaries & Wages	245.46	161.54
Materials, consumables and spares	6.36	11.84
Utilities	1.80	0.65
Other expenditure directly related to R & D	45.17	15.32
<b>Total</b>	<b>298.79</b>	<b>189.35</b>

(₹ in Lacs)		
	As at 31st March, 2018	As at 31st March, 2017
<b>NOTE 38 : Commitments</b>		
<b>a) Capital commitments</b>		
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	279.96	19.18
<b>b) Non-cancellable operating leases</b>		
The Company's leasing arrangements are in respect of office premises taken on lease. The arrangements range between 11 months to 5 years and are generally renewable on mutual consent or mutually agreeable terms. Under these arrangements refundable interest-free deposits have been given.		
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Lease rental payments recognised in statement of Profit and Loss	55.91	31.33
Future lease commitments:		
Within one year	83.15	18.67
Later than one year and not later than five years	123.13	18.39

**NOTE 39: Research and Development Expenditure**

(₹ in Lacs)		
Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Capital Expenditure	50.99	8.58
Revenue Expenditure	298.79	189.35
<b>Total</b>	<b>349.78</b>	<b>197.93</b>

**NOTE 40: Value of Imports on CIF basis**

(₹ in Lacs)		
Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Raw materials	9,722.30	8,871.32
Stores and spares	9.14	83.42

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018**

**NOTE 41: Details of imported and indigenous raw materials, components and spare parts consumed during the financial year**

(₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	% to Total	For the Year Ended 31 <sup>st</sup> March 2017	% to Total
<b>Raw Materials:</b>				
Imported	10,974.50	31.64	10,053.82	39.72
Indigenous	23,711.16	68.36	15,256.70	60.28
<b>Total</b>	<b>34,685.66</b>	<b>100.00</b>	<b>25,310.52</b>	<b>100.00</b>
<b>Stores and Spares:</b>				
Imported	8.08	2.55	32.07	11.51
Indigenous	308.86	97.45	246.61	88.49
<b>Total</b>	<b>316.93</b>	<b>100.00</b>	<b>278.68</b>	<b>100.00</b>

**NOTE 42: Value of Raw Material Consumed**

(₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Monomers	29,776.86	21,701.41
Others	4,908.86	3,609.11
<b>Total</b>	<b>34,685.66</b>	<b>25,310.52</b>

**NOTE 43: Capitalisation of Exchange Rate differences on Foreign Currency Loan**

(₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Premium on swap on Foreign Currency Loan	NIL	47.03
<b>Total</b>	<b>NIL</b>	<b>47.03</b>

**NOTE 44: Earning in foreign currency**

(₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Export of Goods on F.O.B. basis	7,521.69	3,997.26

**NOTE 45: Expenditure in Foreign Currency**

(₹ in Lacs)

Particulars	For the Year Ended 31 <sup>st</sup> March 2018	For the Year Ended 31 <sup>st</sup> March 2017
Professional Fees (including reimbursement)	53.30	50.32
Interest	-	27.25
Foreign Travel	143.07	124.79
Sales Commission	61.75	34.39
Others	12.50	52.46

**NOTE 46: Details on Derivatives Instruments and Un-hedged foreign currency exposures**

(i) Derivative instruments outstanding:

(A) Forward Exchange Contracts

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding	5	-	2	-
USD	2327352	-	507126	-
INR Equivalent (₹ in Lac)	1,522.52	-	341.62	-



## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### (B) Interest Rate Swap Contracts (ECB Loan)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Total Number of Contracts	NIL	NIL
Principal Notional Amount US \$	NIL	NIL
Maturity Period	NIL	NIL

(ii) The foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

Particulars	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017	
	USD/ EURO/ GBP	₹ in Lacs	USD/ EURO/ GBP	₹ in Lacs
Trade and Other Payables (USD)	642555.65	418.38	528375	339.99
Trade and Other Payables (EURO)	41184.00	33.20	-	-
Trade and Other Payables (GBP)	33152.00	30.59	-	-
Receivables : Trade Receivables (USD)	1304086.66	848.23	147458	95.95

### NOTE 47: Segment Information

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Managing Director of the Company. The CODM examines the company's performance from a geographical perspective and has identified two of its following business as identifiable segments:

- India
- Outside India.

The amount of the Company's revenue and Trade Receivable is shown in the table below:

Particulars	(₹ in Lacs)			
	Revenue for the year ended 31 <sup>st</sup> March, 2018	Trade Receivable as at 31 <sup>st</sup> March, 2018	Revenue for the year ended 31 <sup>st</sup> March, 2017	Trade Receivable as at 31 <sup>st</sup> March, 2017
India	46,110.04	9,024.49	39,149.53	7,847.44
Outside India	7,650.44	799.86	4,013.89	(34.67)
<b>Total</b>	<b>53,760.48</b>	<b>9,824.35</b>	<b>43,163.43</b>	<b>7,812.77</b>

### NOTE 48: Related Party Transaction Disclosures

#### (I) Disclosures under IND AS 24 on Related Party Transactions:

##### A. Names of Related Parties and nature of relationship

(Related Parties and the transactions with Related Parties are identified by the management and relied upon by Auditors)

##### (i) Person(s) having controlling interest

- Shri Atul C. Choksey – Chairman & Non-Executive Director

##### (ii) Enterprises over which the Company's Directors Exercise significant influence

- Abhiraj Trading & Investments Pvt. Limited
- Aeonian Investments Company Limited
- Amisha Buildcon Private Limited
- Apco Enterprises Limited
- Aquamarine Trading & Investments Pvt. Limited
- Aquamarine Investment Managers LLP
- Balasesh Leafin Limited
- Bhuvantray Investments & Trading Co. Pvt. Limited

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018**

- i) Choksey Chemical Pvt. Limited
- j) Cons Holdings Limited
- k) Cybele Paradise Pvt Ltd
- l) Forest Hills Trading & Investments Pvt. Limited
- m) Gauriputra Investments & Trading Co. Pvt. Limited
- n) Haridwar Trading & Investments Pvt. Limited
- o) HMP Mineral Pvt. Limited
- p) Joshimath Trading & Investments Pvt. Limited
- q) Mazda Colours Limited
- r) Colortek India Ltd
- s) Sammelan Investments & Trading Limited
- t) Shyamal Finvest (India) Limited
- u) Hindustan Mineral Products Co. Limited

(iii) **Key Management Personnel and their relatives :**

- a) Shri. Abhiraj A. Choksey - Managing Director - Key Management Personnel

**B. Related Party Disclosure :**

(₹ in Lacs)				
Sr. No.	Nature of Transaction	Person(s) having controlling interest	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel*
<b>Income</b>				
<b>a.</b>	<b>Sale of Goods</b>			
	Choksey Chemicals Pvt. Ltd		<b>116.94</b> <i>(84.16)</i>	
<b>b.</b>	<b>Rent Income</b>			
	Aquamarine Investment Manager LLP		<b>0.35</b> <i>(0.84)</i>	
<b>Expenses</b>				
<b>a.</b>	<b>Rent and Other expenses (Reimbursement)</b>			
	Apco Enterprises Limited		<b>9.97</b> <i>(11.56)</i>	
<b>b.</b>	<b>Remuneration</b>			
	Shri. Abhiraj A. Choksey			<b>107.52</b> <i>(99.27)</i>
<b>c.</b>	<b>Reimbursement of Medical Expenses</b>			
	Shri. Atul C. Choksey	<b>2.68</b> <i>(2.12)</i>		
<b>d.</b>	<b>Commission to Non-Executive Directors</b>			
	Shri. Atul C. Choksey	<b>12.62</b> <i>(23.01)</i>		

*(Previous year's figures have shown in brackets and italics)*

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

C. Closing Balances :

(₹ in Lacs)

Sr No.	Name of the related Party	Persons having controlling Interest	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
<b>Outstanding Payable Balance</b>				
a.	Apco Enterprises Limited		<b>12.88</b> <i>(9.37)</i>	
b.	Shri. Abhiraj A. Choksey – Salary Payable			<b>2.11</b> <i>(3.42)</i>
c.	Shri. Atul C. Choksey – Commission Payable	<b>12.62</b> <i>(23.01)</i>		
<b>Outstanding Receivable Balance</b>				
a.	Choksey Chemicals Pvt Ltd			<b>39.59</b> <i>(27.68)</i>

(Previous year's figures have shown in brackets and italics)

**NOTE 49: Employee Benefit**

**a) Contribution to Defined Contribution Plan**

i) Payment for Employers Contribution to Provident Fund, recognized as Expenses is ₹68.55 Lakhs

**ii) Leave Encashment**

The Company provides for encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment.

The liability is provided based on the number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation.

**iii) Superannuation**

The Company makes contribution to Superannuation Scheme, a defined contribution scheme administered by Insurance Companies. The Company has no obligation to the scheme beyond its annual contribution.

**b) Contribution to Defined Benefit Plans:**

**i Gratuity:**

The Company provides for gratuity as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Amount of gratuity payable on retirement /termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service. The Company accounts for the liability for gratuity benefits payable in future based on an actuarial valuation.

These plans typically expose the Company to actuarial risks such as Investment risk, Interest rate risk, longevity risk, salary rate increase risk.

**a) Investment risk:**

The present value of defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

**b) Interest rate risk:**

A decrease in the bond interest rate will increase the plan liability. However this will be partially offset by an increase in the return on plans debt investments.

**c) Longevity risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment.

An increase in the life expectancy of the plan participants will increase the plan's liability.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### d) Salary rate increase risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As an increase in the salary of plan participants will increase the plans liability.

The following table sets out the status of the Gratuity Plan as required under IND AS 19.

The principal assumption used for the purposes of the actuarial valuation are as follows:

Particulars	As at	As at
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Discount Rate	7.85 %	7.29 %
Expected rate of salary increase	7.25 %	6.40 %

The amount included in the balance sheet arising from the company's obligation in respect of its defined benefit plans is as under:

(₹ in lacs)

Particulars	As at	As at
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Present value of defined benefit obligation	555.1	460.56
Fair value of plan assets	460.85	319.61
Net defined liability recognized in balance sheet	94.25	140.95

Amount recognized in profit and loss account in respect of these defined benefit plans are as follows:

(₹ in lacs)

Particulars	As at	As at
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Current Service Cost	33.76	17.89
Past Service Cost	24.33	-
Interest on net defined benefit liability/ (asset)	8.45	0.53
<b>Components of defined benefit costs recognized in profit and loss account</b>	<b>66.54</b>	<b>18.42</b>

Amount recognized in other comprehensive income in respect of these defined benefit plans are as follows:

(₹ in lacs)

Particulars	As at	As at
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
<b>Remeasurement on the net defined benefit liability comprising:</b>		
Actuarial (gain) / loss arising from changes in financial assumptions	11.80	(7.17)
Actuarial (gain) / loss on demographic assumption	-	(0.47)
Actuarial (gain) / loss arising from experience adjustments	13.24	29.23
Actuarial (gain) / loss on plan assets	8.60	(8.81)
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>33.64</b>	<b>12.78</b>

The movements of net liability / asset from the beginning to the end of the accounting period as recognized in the balance sheet of the Company are as follows:

(₹ in lacs)

Particulars	As at	As at
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Opening net defined benefit liability/ (asset)	140.95	21.52
Expenses charged to profit and loss account	66.54	18.42
Amounts recognized outside profit and loss account	33.64	12.78
Employer contributions	(146.87)	(22.12)
Impact of liability assumed or settled	-	110.34
<b>Closing net defined liability</b>	<b>94.25</b>	<b>140.95</b>

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

Movements in the present value of the defined benefit obligation in the current year are as follows:

(₹ in lacs)

Particulars	As at	As at
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Opening of defined benefit obligation	460.56	221.40
Current Service cost	33.75	17.89
Past Service Cost	24.33	-
Interest on defined benefit obligation	32.07	16.74
Actuarial (gain) / loss arising from changes in financial assumptions	11.80	(7.17)
Actuarial (gain) / loss arising from changes in demographic assumptions	-	(0.47)
Actuarial (gain) / loss arising from experience adjustments	13.24	29.23
Benefits paid	(20.65)	(59.97)
Liabilities assumed / (settled)	-	242.91
<b>Closing defined benefit obligation</b>	<b>555.10</b>	<b>460.56</b>

Movement in fair value of the plan assets in the current year are as follows:

(₹ in lacs)

Particulars	As at	As at
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Opening fair value of plan assets	319.61	199.88
Employer Contributions	146.87	22.12
Interest on plan assets	23.61	16.20
Remeasurements due to Actual return on plan assets less interest on plan assets	(8.59)	8.81
Benefits paid	(20.65)	(59.97)
Assets Acquired / (settled)	-	132.56
<b>Closing fair value of plan assets</b>	<b>460.85</b>	<b>319.61</b>

A split of plans asset between various asset classes as well as segregation between quoted and unquoted values is presented below:

(₹ in lacs)

Particulars	As at 31 <sup>st</sup> March 2018		Total
	Quoted Value	Non Quoted Value	
Insurer managed funds	-	460.85	460.85

The plan does not invest directly in any property occupied by the Company or in any financial securities issued by the Company.

The estimates of future salary increases, considered in actuarial valuations taking into account inflation, seniority, promotions and other relevant factors such as supply demand in the employment market.

The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in market scenario.

(₹ in Lacs)

Experience Adjustments	Year ended 31 <sup>st</sup> March 2014	Year ended 31 <sup>st</sup> March 2015	Year ended 31 <sup>st</sup> March 2016	Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2018
Defined Benefit Obligations	(171.03)	(192.30)	(222.01)	(460.56)	(555.1)
Plan Assets	152.65	164.45	199.89	319.61	460.85
Surplus/(Deficit)	(18.38)	(27.85)	(22.12)	(140.95)	(94.25)

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### NOTE 50: Acquisition and amalgamation of holding company

The Board of Directors of Apcotex Industries Limited, at their meeting held on 31st March 2017, approved the scheme of Amalgamation of Saldhar Investments and Trading Company Private Limited with Apcotex Industries Limited. The Scheme was subject to approval / Sanction by National Company Law Tribunal, Mumbai Bench and such other authorities as may be necessary.

On 01<sup>st</sup> February 2018, The Honorable National Company Law Tribunal, Mumbai Bench has approved a scheme of amalgamation of Saldhar Investments and Trading Company Private Limited (Saldhar), the holding company, with the Company with effect from 01<sup>st</sup> April 2017, which had been filed with Ministry of Corporate Affairs on 13<sup>th</sup> February 2018 and same has been effective from that date. As per the scheme of Amalgamation the Company shall account for amalgamation of Saldhar in its books of accounts with effect from the appointed date (i.e. 01<sup>st</sup> April, 2017) as per the "Pooling of Interest Method", as prescribed in Indian Accounting Standard-103 "Business Combination" specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act') as applicable. As per IND AS 103 "Saldhar" & Apcotex Industries Limited are commonly controlled entities, hence the financial statements of Apcotex Industries Limited are restated as if the business combination had occurred from the beginning of the preceding period i.e. from 1<sup>st</sup> April 2016 for the purpose of disclosure.

All assets and liabilities of Saldhar were transferred to Apcotex Industries in the same form as appearing in Saldhar. Reserves of Saldhar are taken over at same value and nomenclature. Difference between Assets and Liabilities of Saldhar transferred and recorded by Apcotex shall be adjusted against Capital Reserve.

The details of Assets and liabilities are given below:

#### Balance Sheet as at 31<sup>s</sup> March, 2017

(₹ In Lacs)

	As at 31 <sup>st</sup> March,2017	As at 31 <sup>st</sup> March,2016
<b>ASSETS</b>		
<b>Non-current assets:</b>		
Financial Assets:		
(i) Investments	25,267.29	23,316.12
(ii) Other Financial Assets	0.54	0.54
Other Non-Current Assets	490.8	490.8
	<b>25,758.63</b>	23,807.46
<b>Current assets:</b>		
Financial Assets:		
(i) Investments	477.30	548.27
(ii) Cash and cash equivalents	42.44	131.69
(iii) Other Financial Assets	-	0.36
Other current assets	5.86	9.32
	<b>525.60</b>	689.64
<b>TOTAL ASSETS</b>	<b>26,284.23</b>	24,497.1
<b>EQUITY AND LIABILITIES</b>		
<b>Equity:</b>		
Equity Share Capital	5.02	5.02
Other Equity	26,271.55	24,468.40
	<b>26,276.57</b>	24,473.42
Financial Liabilities		
(i) Trade payables	-	0.9
(ii) Other Financial liabilities	0.26	22.77
Provisions	7.40	-
	<b>7.66</b>	23.67
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>26,284.23</b>	24497.1

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### NOTE 51: Financial Risk Management

The Company's business activities are exposed to a variety of financial risks i.e. Liquidity risk, market risks and credit risk. The Company's senior management has 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 Board of the Company.

#### a) Liquidity Risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from its bankers.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet its daily operational needs. Any short-term surplus cash generated, over and above the normal requirement for working capital is invested in Bank Fixed deposits and Mutual funds, which carry minimal mark to market risks.

The below table summarizes the maturity profile at the balance sheet date for its non-derivative financial liabilities based on undiscounted cash flows:

(₹ In Lacs)

	Carrying Amount	Undiscounted Amount		
		Payable within 1 year	More than 1 years	Total
<b>As at 31<sup>st</sup> March 2018</b>				
Trade Payables	4808.91	4808.91	-	<b>4808.91</b>
Security Deposits	298.66	-	298.66	<b>298.66</b>
Unpaid dividend	82.23	82.23	-	<b>82.23</b>
Other Financial Liabilities	79.91	79.91	-	<b>79.91</b>
Borrowings	1736.77	1736.77	-	<b>1736.77</b>
<b>As at 31<sup>st</sup> March 2017</b>				
Trade Payables	2218.41	2218.41	-	<b>2218.41</b>
Security Deposits	313.70	-	313.70	<b>313.70</b>
Unpaid dividend	69.24	69.24	-	<b>69.24</b>
Other Financial Liabilities	174.10	174.10	-	<b>174.10</b>
Borrowings	2224.40	2224.40	-	<b>2224.40</b>
<b>As at 1<sup>st</sup> April 2016</b>				
Trade Payables	3413.49	3413.49	-	<b>3413.49</b>
Security Deposits	259.71	-	259.71	<b>259.71</b>
Unpaid dividend	55.32	55.32	-	<b>55.32</b>
Other Financial Liabilities	40.31	40.31	-	<b>40.31</b>
Borrowings	2541.64	2541.64	-	<b>2541.64</b>

#### b) Market Risks:

Market risk is the risk of changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Company. The Company's activities expose it to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

#### c) Foreign currency risk:

##### i) Potential impact of risk:

The Company undertakes transactions denominated in foreign currency and is thus exposed to foreign currency risk from transactions and translation.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

The Company's exposure to foreign currency risk at the end of reporting period expressed in INR as on 31<sup>st</sup> March 2018:

(₹ In Lacs)

Particulars	USD	EUR	GBP
<b>Financial Assets:</b>			
Foreign currency debtors for exports of goods	848.23	-	-
Bank balances	236.8	0.19	-
<b>Net exposure to foreign currency risk - assets</b>	<b>1085.03</b>	<b>0.19</b>	<b>-</b>
<b>Financial Liabilities:</b>			
Foreign currency creditors for import of goods & services	418.38	33.20	30.59
<b>Derivative Liabilities:</b>			
Foreign exchange forward contract buy foreign currency	1522.52	-	-
<b>Net exposure to foreign currency risk - liabilities</b>	<b>(1104.14)</b>	<b>33.2</b>	<b>30.59</b>

The Company's exposure to foreign currency risk at the end of reporting period expressed in INR as on 31<sup>st</sup> March 2017:

(₹ In Lacs)

Particulars	USD	EUR
<b>Financial Assets:</b>		
Foreign currency debtors for exports of goods	97.95	-
Bank balances	41.48	0.17
<b>Net exposure to foreign currency risk - assets</b>	<b>139.43</b>	<b>0.17</b>
<b>Financial Liabilities:</b>		
Foreign currency creditors for import of goods & services	339.99	-
<b>Derivative Liabilities:</b>		
Foreign exchange forward contract buy foreign currency	341.62	-
<b>Net exposure to foreign currency risk - liabilities</b>	<b>(1.63)</b>	<b>-</b>

The Company's exposure to foreign currency risk at the end of reporting period expressed in INR as on 1<sup>st</sup> April 2016:

(₹ In Lacs)

Particulars	USD	EUR
<b>Financial Assets:</b>		
Foreign currency debtors for exports of goods	610.56	-
Bank balances	97.35	0.18
<b>Net exposure to foreign currency risk - assets</b>	<b>707.93</b>	<b>0.18</b>
<b>Financial Liabilities:</b>		
Foreign currency creditors for import of goods & services	320.58	-
<b>Derivative Liabilities:</b>		
Foreign exchange forward contract buy foreign currency	964.91	-
<b>Net exposure to foreign currency risk - liabilities</b>	<b>(644.33)</b>	<b>-</b>

### A. Management policy

The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. The use of derivative instruments is subject to limits and regular monitoring by Management.

### B. Sensitivity to risk

The sensitivity of profit and loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 5% which represents Managements assessment of the reasonably possible change in foreign exchange rates.



## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

The company's exposure to foreign currency risk at the end of the reporting period as on 31<sup>st</sup> March 2018 are as follows:

(₹ in Lacs)

Currency	Trade Receivables	Trade Payables	Net Exposure	Exchange Rate	5% strengthening in exchange rate	Difference in Exchange Rate	Net Gain/Loss(INR)
USD	1304086.66	642555.65	661531.01	65.04	61.79	3.25	(21.50)
EURO	-	41184	(41184)	80.61	76.58	4.03	16.60
GBP	-	33152	(33152)	92.27	87.66	4.61	1.53
<b>Net gain/(loss)</b>							<b>(3.37)</b>

The company's exposure to foreign currency risk at the end of the reporting period as on 31<sup>st</sup> March 2017 are as follows:

(₹ in Lacs)

Currency	Trade Receivables	Trade Payables	Net Exposure	Exchange Rate	5% strengthening in exchange rate	Difference in Exchange Rate	Net Gain/Loss(INR)
USD	147458	528375	(380917)	65.07	61.82	3.25	12.38
<b>Net gain/(loss)</b>							<b>12.38</b>

A 5% weakening of the INR against these currencies would have led to an equal but opposite effect

### d) Price risk:

#### i) Potential impact of risk:

The Company is mainly exposed to the price risk due to its investments in equities & mutual funds. The price risk arises due to uncertainties about the future market value of these investments.

As at 31<sup>st</sup> March 2018, the investments in equities & mutual funds amounts to ₹ 4,990.70 lacs (as at 31<sup>st</sup> March 2017, ₹ 3,978.19 lacs, 1<sup>st</sup> April 2016, ₹ 8,980.10 lacs) which are exposed to price risk.

#### ii) Management policy:

The Company has laid policies and guidelines which it adheres to in order to minimize price risk arising from Investments in Equities & Mutual funds.

#### iii) Sensitivity to risk:

A 5% increase in prices would have led to approximately an additional ₹ 249.54 lacs gain in the statement of Profit and Loss for the year ended 31<sup>st</sup> March 2018 (For the year ended 31<sup>st</sup> March 2017, ₹ 198.91 lacs). A 5% decrease in prices would have led to an equal but opposite effect.

### e) Interest rate risk:

#### i) Potential impact of risk:

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because of changes in fixed interest rate.

As at 31<sup>st</sup> March 2018, the Company has variable rate borrowings to the extent of ₹ 1,891.92 lacs (As at 31<sup>st</sup> March 2017, ₹ 3,612.67 lacs, As at 1<sup>st</sup> April 2016, ₹ 3,294.67). These are exposed to Interest rate risk.

#### ii) Management policy:

The risk is managed by maintaining an appropriate mix between fixed and floating rate borrowings. The Company has laid policies and guidelines which it adheres to in order to minimize the interest rate risk.

#### iii) Sensitivity to risk:

The sensitivity analysis has been determined based on exposure to interest rates at the end of reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of liability as on the end of reporting period was outstanding for the entire year. A 25 basis point increase or decrease is used when reporting interest rate risk internally and represents Management's assessment of the reasonable possible change in interest rates.

If Interest rates had been 25 basis point higher, the Company's profit would decrease by approximate ₹ 3.30 lacs for the year ended 31<sup>st</sup> March, 2018 (For the year ended 31<sup>st</sup> March 2017, profit would decrease by ₹ 7.39 lacs). A 25 basis point decrease in Interest rates would have led to an equal but opposite effect.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### f) Credit Risk:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, wherever appropriate, as a means of mitigating the risk of financial loss from defaults. Trade receivables consist of a large number of customers, across geographies, hence is not exposed to concentration risk. Ongoing credit evaluation is performed on the financial condition of its customers.

The Company makes an allowance for doubtful debts using Expected Credit Loss (ECL) model.

Movement in expected credit loss allowance:

(₹ in Lacs)

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
Trade Receivables	9824.35	7812.77	8375.26
Allowance for doubtful debt at beginning of the year	8.20	8.82	-
Incremental expected credit loss allowance	1.99	(0.62)	8.82
Allowance for doubtful debt at end of the year	10.19	8.20	8.82

### NOTE 52: Fair Value Measurement

The Management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying values largely due to the short-term maturities of these instruments.

The carrying amounts and fair values of financial instruments by class are as follows:

(₹ in Lacs)

	Notes	As at 31 <sup>st</sup> March 2018		As at 31 <sup>st</sup> March 2017		As at 1 <sup>st</sup> April 2016	
		FVTPL	Amortized cost	FVTPL	Amortized cost	FVTPL	Amortized cost
<b>Financial assets</b>							
Investments							
- Equity instruments	5	2,992.22		2,323.26		7,463.34	
- Mutual Funds	5	1,998.48		1,654.94		1,516.77	
Trade receivables	10		9,824.35		7,812.77		8,375.26
Loans to employees	13		30.45		30.99		33.63
Cash and cash equivalents	11		3,099.71		560.27		1,013.71
Bank balances	12		174.65		100.8		99.06
Security deposits	8		538.14		500.46		559.12
Employee Advances	15		5.23		3.66		2.27
Other receivables (unsecured)	14		438.70		606.06		987.08
<b>Total Financial Assets</b>		<b>4,990.7</b>	<b>14,111.23</b>	<b>3,978.19</b>	<b>9,615.01</b>	<b>8,980.10</b>	<b>11,070.13</b>
<b>Financial Liabilities</b>							
Trade/Security deposits	18		298.66		313.70		259.71
Unclaimed dividend	23		82.23		69.24		55.32
Borrowings	21		1,736.77		2,224.40		2,541.64
Trade payables	22		4,808.91		2,218.41		3,413.49
Capital Advances	23		74.98		81.18		69.72
Other financial liabilities	23		79.91		174.1		40.31
<b>Total Financial Liabilities</b>			<b>7,081.46</b>		<b>5,081.03</b>		<b>6,380.19</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018**

**(i) Fair Value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial statements that are (a) recognised and measured at fair value and (b) measured at amortised cost. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into three levels prescribed under accounting standard. An explanation of each level follows the underneath table:

**Financial Assets & Liabilities measured at fair value:**

(₹ in Lacs)

As at 31 <sup>st</sup> March 2018	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTPL					
- Equity	5	2,992.22	-	-	2,992.22
- Mutual Funds	5	1,998.48	-	-	1,998.48
<b>Total Financial Assets</b>		<b>4,990.70</b>	-	-	<b>4,990.70</b>
Financial Liabilities					
<b>Total Financial Liabilities</b>		-	-	-	-

**Assets and Liabilities which are measured at amortised cost:**

(₹ in Lacs)

As at 31 <sup>st</sup> March 2018	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans to employees	13	-	-	30.45	30.45
Security deposits	8	-	-	538.14	538.14
Employee Advances	15	-	-	5.23	5.23
<b>Total Financial Assets</b>		-	-	<b>573.82</b>	<b>573.82</b>
Financial Liabilities					
<b>Total Financial Liabilities</b>		-	-	-	-

**Financial Assets & Liabilities measured at fair value:**

(₹ in Lacs)

As at 31 <sup>st</sup> March 2017	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTPL					
- Equity	5	2,323.26	-	-	2,323.26
- Mutual Funds	5	1,654.94	-	-	1,654.94
<b>Total Financial Assets</b>		<b>3,978.19</b>	-	-	<b>3,978.19</b>
Financial Liabilities					
<b>Total Financial Liabilities</b>		-	-	-	-

**Assets and Liabilities which are measured at amortised cost :**

(₹ in Lacs)

As at 31 <sup>st</sup> March 2017	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans to employees	13	-	-	30.99	30.99
Security deposits	8	-	-	500.46	500.46
Employee Advances	15	-	-	3.66	3.66
<b>Total Financial Assets</b>		-	-	<b>535.11</b>	<b>535.11</b>
Financial Liabilities					
<b>Total Financial Liabilities</b>		-	-	-	-

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### Financial Assets & Liabilities measured at fair value:

(₹ in Lacs)

As at 1 <sup>st</sup> April 2016	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Instruments at FVTPL					
- Equity	5	7,463.34	-	-	7,463.34
- Mutual Funds	5	1,516.77	-	-	1,516.77
<b>Total Financial Assets</b>		<b>8,980.10</b>	-	-	<b>8,980.10</b>
Financial Liabilities					
<b>Total Financial Liabilities</b>		-	-	-	-

### Assets and Liabilities which are measured at amortised cost:

(₹ in Lacs)

As at 1 <sup>st</sup> April 2016	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Loans to employees	13	-	-	33.63	33.63
Security deposits	8	-	-	559.12	559.12
Employee Advances	15	-	-	2.27	2.27
<b>Total Financial Assets</b>		-	-	<b>595.02</b>	<b>595.02</b>
Financial Liabilities					
<b>Total Financial Liabilities</b>		-	-	-	-

**Level 1:** Level 1 hierarchy included financial instruments measured using quoted prices. This included listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2

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

### NOTE 53: Standard Issued but not effective

#### Ind AS 115 Revenue from Contracts with Customers:

On 28th March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The Standard is applicable to the Company with effect from 1st April, 2018.

Revenue from Contracts with Customers IND AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IND AS 115 will supersede the current revenue recognition standard IND AS 18 Revenue, IND AS 11 Construction Contracts when it becomes effective.

The core principle of IND AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. The Company has completed its evaluation of the possible impact of Ind AS 115 and will adopt the standard from 1st April, 2018.

## NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

### NOTE 54: Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the returns to stakeholders through optimization of debt and equity ratios.

The Company determines the amount of capital required on the basis of annual budgets and three years corporate plan for working capital, capital outlay and long-term strategies. The funding requirements are met through internal accruals and a combination of long-term and short-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

(₹ in Lacs)

	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
Debt (long-term and short-term borrowings including current maturities)	<b>2,035.43</b>	2,538.10	2,801.34
Equity	<b>24,638.69</b>	22,291.84	27,166.50
<b>Debt equity ratio</b>	<b>0.08</b>	<b>0.11</b>	<b>0.10</b>

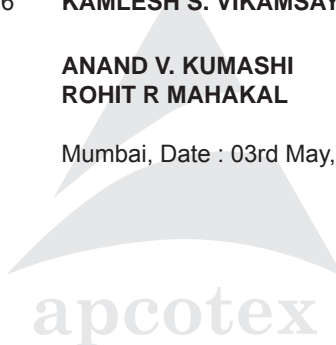
**NOTE 55:** Previous year's figures have been have been regrouped / restated wherever necessary to confirm to current year's presentation.

As per our Report of even date  
**For KALYANIWALLA & MISTRY LLP**  
Chartered Accountants  
Firm Registration Number: 104607W / W100166

**SAI VENKATA RAMANA DAMARLA**  
Partner  
Membership Number: 107017  
Mumbai, Date : 03rd May, 2018

For and on behalf of Board of Directors  
**ATUL C. CHOKSEY** Chairman (DIN00002102)  
**ABHIRAJ A. CHOKSEY** Managing Director (DIN00002120)  
**KAMLESH S. VIKAMSAY** Director (00059620)

**ANAND V. KUMASHI** Company Secretary  
**ROHIT R MAHAKAL** Chief Financial Officer  
Mumbai, Date : 03rd May, 2018



**PERFORMANCE SUMMARY**

(₹ in Lacs)

	2017-18	2016-17 #	2015-16 #**	2014-15	2013-14*	2012-13	2011-12	2010-11	2009-10	2008-09
<b>Revenues</b>										
Gross Sales	53,635.82	42,951.38	29,772.37	39,114.46	33,035.43	30,262.47	27,789.76	21,941.10	15,681.96	11,410.11
Net Sales	52,428.96	38,654.81	26,700.26	35,336.86	29,537.81	27,212.63	25,384.72	19,967.31	14,307.57	9,972.90
Other Income	902.39	3,138.12	870.10	728.77	408.87	48.06	262.46	358.79	96.80	65.12
<b>Cost</b>										
Material Consumed	36,058.19	26,922.05	17,552.65	25,020.39	22,663.67	20,628.13	19,327.65	15,069.78	10,229.49	6,921.79
Employee's Remuneration and Benefits	3,383.42	2,916.38	1,521.63	1,410.26	1,158.82	1,078.11	1,008.51	777.48	636.60	529.73
Other Expenses (Incl Finance Cost)	7,097.95	6,401.72	3,911.68	5,254.42	3,782.25	3,439.00	3,401.16	2,707.26	2,082.07	1,652.85
Gross Profit	6,791.79	5,552.78	4,584.40	4,380.57	2,341.94	2,115.45	1,909.86	1,771.58	1,456.21	933.65
Depreciation	1,214.24	1,210.03	894.43	897.71	676.81	311.30	278.64	264.76	198.95	219.91
<b>Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA)</b>	<b>6,948.77</b>	<b>5,840.39</b>	<b>4,826.41</b>	<b>4,704.83</b>	<b>2,756.43</b>	<b>2,350.26</b>	<b>2,275.91</b>	<b>1,980.55</b>	<b>1,504.68</b>	<b>948.49</b>
Profit before tax	5577.55	4342.75	3,689.96	3,482.85	1,665.12	1,804.16	1,631.20	1,506.82	1,257.26	713.74
Profit after tax	3863.64	3498.52	2,814.31	2,468.06	1,314.32	1,280.53	1,146.38	1,072.36	832.79	448.39
<b>Earning Per Shares</b>	<b>18.63</b>	<b>16.87</b>	<b>13.57</b>	<b>23.80</b>	<b>12.68</b>	<b>24.70</b>	<b>22.11</b>	<b>20.68</b>	<b>15.26</b>	<b>8.11</b>
<b>Capital Accounts</b>										
Share Capital	1,040.80	1,040.80	1,040.80	522.35	522.35	522.35	522.35	522.35	522.35	556.64
Reserves and Surplus	23597.89	21251.04	26,125.70	9,452.95	8,005.18	7,297.44	6,455.32	5,897.07	5,247.88	4,988.88
Net Worth	24,638.69	22,291.84	27,166.50	9,975.30	8,527.53	7,819.79	6,977.67	6,419.42	5,770.23	5,545.52
Net Block of Fixed Assets	7852.96	8778.68	8,985.27	6,325.26	6,779.16	6,498.91	3,178.36	2,887.37	2,837.64	1,967.59

# The financials for FY 2015-16 and FY 16-17 have been restated as per IND-AS.

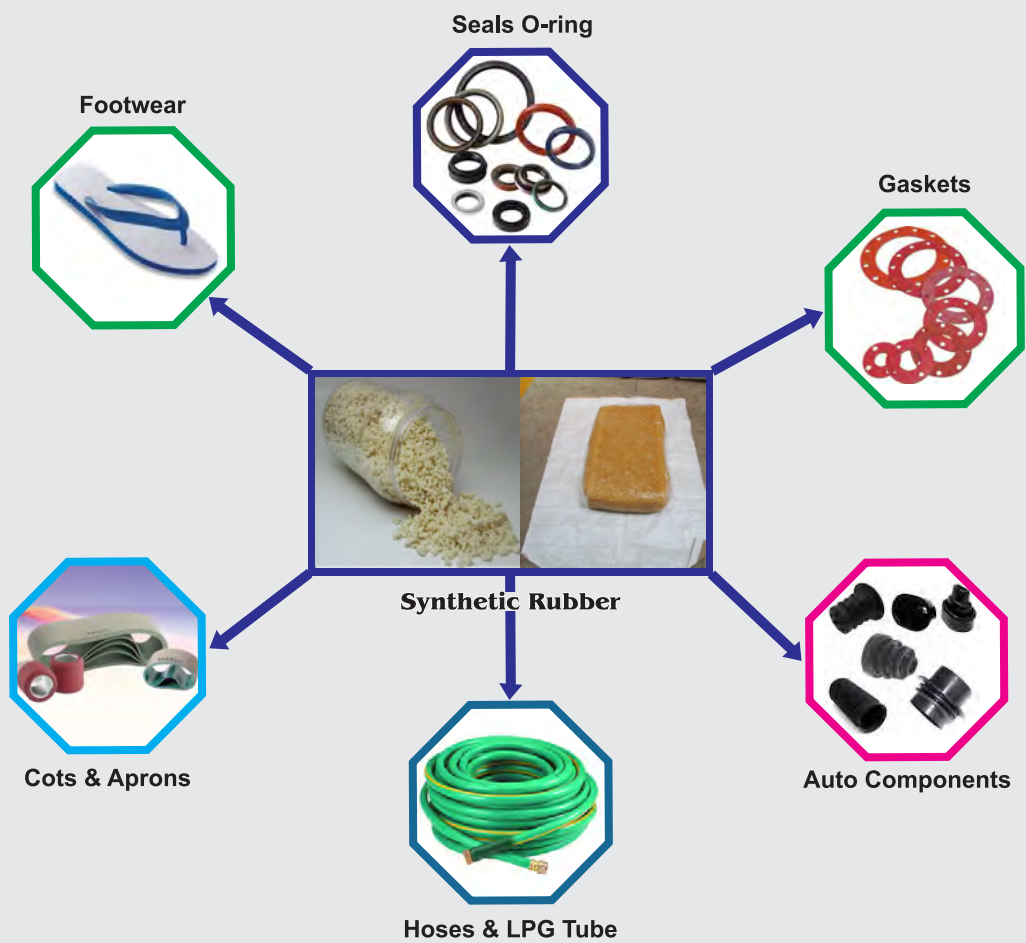
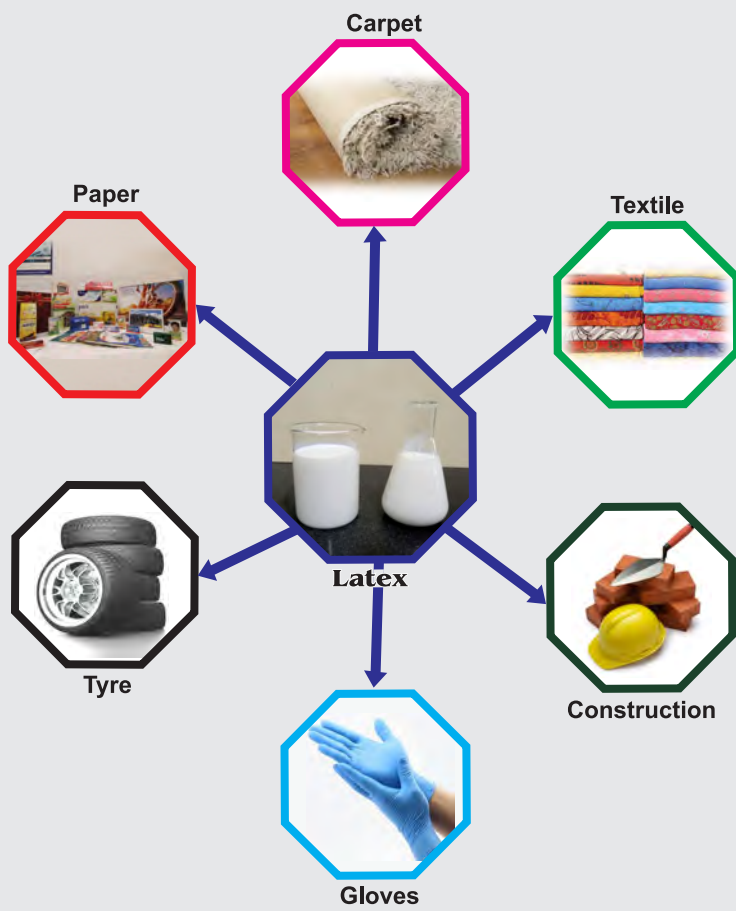
\* Equity Shares of ₹ 10 each subdivided into 2 equity shares of ₹ 5 each on 17<sup>th</sup> August 2013 (Record date)

\*\* Bonus Share Capital allotted in the ratio of 1:1 on 25<sup>th</sup> September 2015.

These financials are prepared after considering merger of Saldhar Investment and Trading Company Private Limited (Saldhar), the holding company, with the Company

## NOTES









# apcotex industries limited

Plot No. 3/1, MIDC Industrial Area, Taloja, Dist. Raigad - 410208, Maharashtra, India