

The Dharamsi Morarji Chemical Company Limited

97th
Annual Report
2017-18



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Directors

Shri Laxmikumar Narottam Goculdas	Chairman
Ms Mitika Laxmikumar Goculdas	Vice Chairman
Shri Haridas Tricumdas Kapadia	
Shri Madhu Thakorlal Ankleshwaria	
Shri Arvind Wasudeo Ketkar	
Shri Mukul Manoharlal Taly	(w.e.f. 14.02.2018)
Shri Sanjeev Vishwanath Joshi	(w.e.f. 14.02.2018)

Key Management Personnel

Shri Bimal Lalitsingh Goculdas	Managing Director, & Chief Executive Officer, w.e.f. 01.04.2018. (Chief Executive Officer & Manager upto 31.03.2018)
Shri Dilip Trimbak Gokhale	Sr. Executive Vice President & Company Secretary
Shri Chirag Jaswant Shah	Chief Finance Officer (w.e.f. 06.07.2018)
Shri D. G. Patil	Chief Finance Officer (upto 01.07.2018)
Shri D. K. Sundaram	Chief Finance Officer (upto 31.12.2017)

Auditors

Rahul Gautam Divan & Associates`
Chartered Accountants, Mumbai.

Internal Auditors

Messrs Mahajan & Aibara
Chartered Accountants, Mumbai.

Bankers

Jankalyan Sahakari Bank Ltd.
The Federal Bank Ltd.

Registered Office

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road,
Fort, Mumbai – 400 001.

Factories

Roha (Maharashtra)
Dahej (Gujarat)
Khemli (Rajasthan)
Jhar (Gujarat)

Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.

C101, 247 Park, L B S Marg,
Vikhroli (W) Mumbai-400 083.
Tel. : 022.491.86000 Fax : 022- 49186060
Email : mt.helpdesk@linkintime.co.in



NOTICE

NOTICE IS HEREBY GIVEN THAT THE NINETY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED (CIN : L24110MH1919PLC000564) WILL BE HELD AT THE INDIAN MERCHANTS' CHAMBER, CONFERENCE HALL (WALCHAND HIRACHAND HALL), IMC MARG, CHURCHGATE, MUMBAI 400 020, ON WEDNESDAY, THE 26TH DAY OF SEPTEMBER, 2018 AT 11:30 A.M. TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the audited Consolidated financial statements of the Company for the Financial Year ended 31st March, 2018, together with the Report of the Auditors thereon.
3. To declare dividend on Equity Shares @ ₹ 0.50 per equity share (face value of ₹ 10/- each) for the financial year ended 31st March, 2018.

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

“RESOLVED THAT the Dividend of ₹ 0.50 per equity share (face value of ₹ 10/- each) as recommended by the Board of Directors of the Company at its meeting held on 28th May, 2018, be and is hereby approved and declared for the Financial Year ended 31st March, 2018. ”

4. To appoint a Director in place of Shri Laxmikumar Narottam Goculdas (holding DIN 00459347), who retires by rotation, and being eligible, offers himself for re-appointment.
5. To ratify the appointment of Statutory Auditors of the company, holding office from the conclusion of the 96th Annual General Meeting (AGM) of the company till the conclusion of the 101st AGM of the company to be held in 2022 and to fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to resolution No.3 passed at the 96th Annual General Meeting held on 26th December, 2017, the company hereby ratifies the appointment of Messers Rahul Gautam Divan & Associates, Chartered Accountants, (ICAI Firm Registration No.120294W), holding office from the conclusion of the 96th Annual General Meeting until the conclusion of the 101st Annual General Meeting of the company to be held in the calendar year 2022, as the Statutory Auditors of the company, and approves the payment of remuneration as may be mutually agreed upon between the Board of Directors of the company and the Auditors.”

“RESOLVED FURTHER THAT Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution.”

SPECIAL BUSINESS

6. **Appointment of Shri Mukul Manoharlal Taly as an Independent Director**

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

“RESOLVED THAT Shri Mukul Manoharlal Taly (DIN:01334360), who was appointed as an Additional Director of the company with effect from February 14, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the company under Section 161(1) of the Companies Act, 2013 (“the Act”) and Article 126 of the Articles of Association of the company, but who is eligible for appointment and in respect of whom the company has received a notice in writing under Section 160(1) of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”



RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the appointment of Shri Mukul Manoharlal Taly (DIN:01334360), A Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment as an independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from February 14, 2018 upto February 13, 2023.”

7. Appointment of Shri Sanjeev Vishwanath Joshi as an Independent Director

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

“RESOLVED THAT Shri Sanjeev Vishwanath Joshi (DIN: 00392020), who was appointed as an Additional Director of the company with effect from February 14, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the company under Section 161(1) of the Companies Act, 2013 (“the Act”) and Article 126 of the Articles of Association of the company, but who is eligible for appointment and in respect of whom the company has received a notice in writing under Section 160(1) of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the appointment of Shri Sanjeev Vishwanath Joshi (DIN: 00392020), A Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment as an independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from February 14, 2018 upto February 13, 2023.”

8. Appointment of Shri Bimal Lalitsingh Goculdas as a Director

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

“RESOLVED THAT Shri Bimal Lalitsingh Goculdas (DIN:00367792), who was appointed as an Additional Director of the company with effect from February 14, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the company under Section 161(1) of the Companies Act, 2013 (“the Act”) and Article 126 of the Articles of Association of the company, but who is eligible for appointment and in respect of whom the company has received a notice in writing under Section 160(1) of the Act, from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the appointment of Shri Bimal Lalitsingh Goculdas (DIN: 00367792) as a Director liable to retire by rotation be and is hereby appointed as a Director of the company.”



9. Appointment of Shri Bimal Lalitsingh Goculdas as Managing Director, & CEO

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :-

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded for the appointment and terms of remuneration of Shri Bimal Lalitsingh Goculdas (DIN: 00367792) as the Managing Director, & CEO of the Company for the period of five years from 1st April 2018 to 31st March 2023, (with the same remuneration upto 31st March, 2019 as approved by the Shareholders at the 95th Annual General Meeting held on 27th September, 2016 as under:

Basic Salary ₹5,25,000/- per month (from 01.04.2018 to 31.03.2019) ,

Annual Performance Linked Incentive at the discretion of the Board of Directors within the overall permissible limit in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 upon the terms and conditions set out in the Explanatory Statement (item No. 8 & 9) annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter and vary the remuneration, terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Shri Bimal Lalitsingh Goculdas”.

“RESOLVED FURTHER that the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to fix the remuneration and terms of appointment commencing from 01.04.2019 to 31.03.2023 which will be in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions , if any, of the Companies Act, 2013 as may be approved and recommended by the Nomination and Remuneration committee of the Board of Directors of the Company and to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

10. Commission to Non-Executive Directors

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 197,198 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force), a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, be paid to and distributed amongst the Non-Executive Directors of the Company or some or any of them (other than the Managing Director and/or Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors of the Company and such payments shall be made in respect of the profits of the Company for each year commencing 1st April 2017.”

11. Ratification of Cost Auditor’s Remuneration

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 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force), as amended from time to time, the remuneration payable to CMA Shri S. S. Dongare holding ICWA Registration Number 12521, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial



year ending 31st March, 2019, amounting to ₹ 66,000 (Rupees Sixty Six Thousand Only) as also the payment of taxes as applicable and re-imburement of actual out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified.”

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

12. To consider and, if thought fit, to pass the Special Resolution for the continuation of directorship of Shri Laxmikumar Narottam Goculdass (DIN: 00459347) after his attaining the age of seventy-five years on 16/09/2018.

“RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby accorded for continuation of the directorship of Shri Laxmikumar Narottam Goculdass (DIN: 00459347) in the Company after his attaining the age of seventy five years on 16/09/2018.”

13. To consider and, if thought fit, to pass the Special Resolution for the continuation of directorship of Shri Haridas Tricumdas Kapadia (DIN: 00125090) after he attained the age of seventy-five years.

“RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby accorded for continuation of the directorship of Shri Haridas Tricumdas Kapadia (DIN: 00125090) in the Company, after he attained the age of seventy five years, upto the expiry of his present term as an Independent Director i.e. 17th September, 2019.”

14. To consider and, if thought fit, to pass the Special Resolution for the continuation of directorship of Shri Arvind Wasudeo Ketkar (DIN: 02863429) after he attained the age of seventy-five years.

“RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby accorded for continuation of the directorship of Shri Arvind Wasudeo Ketkar (DIN: 02863429) in the Company, after he attained the age of seventy five years, upto the expiry of his present term as an Independent Director i.e. 17th September, 2019.”

NOTES:

- a. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in item Nos.5 and 14 above is annexed hereto:-
- b. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. Proxies submitted on behalf of Companies, Societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by on behalf of the nominating organization.
- c. Corporate members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the AGM.
- d. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.



- e. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
- Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- f. Members / Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
- g. The Register of Members and the Transfer Books of the Company shall remain closed from Tuesday, the 18th September, 2018 to Wednesday, 26th September, 2018 (both days inclusive).
- h. All documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office during office hours between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and Public Holidays upto the date of the Annual General Meeting.
- i. Members holding shares in electronic form are requested to notify any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical forms are requested to advise any change in their address or bank mandates immediately to the Company/ Registrar and Share Transfer Agents viz. Link Intime India Private Limited. Members holding Shares in Physical form are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease of portfolio management. Members can contact Company/ Registrar and Share Transfer Agents viz. Link Intime India Private Limited for assistance in this regard.
- j. NRI shareholders are requested to immediately inform (a) change in their residential status on return to India for permanent settlement and (b) particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the bank with Pin Code number, if not furnished earlier.
- k. If members have more than one folio with the Company in identical order of names, the fact should be intimated to the Company for consolidation into one folio. If further shares are bought by the members, folio number(s) should be mentioned in the forwarding letters to avoid creation of multiple folios.
- l. To support the "Green Initiative", the Members who have not registered their e-mail addresses are requested to register the same with Registrars/Depositories . All members are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. electronically.
- m. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar and Share Transfer Agents viz. Link Intime India Private Limited.
- n. Pursuant to the provision of Section 72 of the Act, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.SH-13. Members holding shares in physical form may submit the same to the Company/Link Intime India Private Limited. Members holding shares in dematerialized form may submit the same to their respective depository participant.
- o. For Members who have not registered their email address with the Company / Depository, the physical copy of the Annual Report for the financial year 2017-18 and Notice of the 97th Annual General Meeting of the Company, *inter alia*, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent through the permitted mode.
- p. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Companies can serve Annual Report and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the



Depository Participant. Members holding shares in physical form, who have not registered their email address with the Company, are requested to submit their request with their valid email address to Company/ Registrar and Share Transfer Agents viz. Link Intime India Private Limited. Members holding shares in dematerialised form are requested to register/update their email address with their Depository Participant directly. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.

Accordingly, electronic copy of the Annual Report for the financial year 2017-18 and Notice of the 97th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting alongwith Attendance Slip and Proxy Form is being sent to all the Members whose email address are registered with the Company/ Depository for communication purposes unless any Member has requested for a hard copy of the same. Even after registering for e-communication, Members are entitled to receive the same in physical form, upon making a request in this regard, by post at free of cost. For this purpose, the Members may also send requests to the designated email address i.e. dgokhale@dmcc.com.

- q. Voting through electronic means: In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically through the e-voting services provided by the Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, 23rd September, 2018 (9.00 am IST) and ends on Tuesday, 25th September, 2018 (5.00 pm IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 17th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders .
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.



Dividend Bank Details OR 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">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 (v).
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- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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 remote 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant The Dharamsi Morarji Chemical Company Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) 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 and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.



- (xxi) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions on e-voting :

- (i) The e-voting period commences on Sunday, 23rd September, 2018 (9.00 am IST) and ends on Tuesday, 25th September, 2018 (5.00 pm IST). During this period, Members of the Company, holding shares either in physical form or in electronic form, as on Monday, the 17th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he/she shall not be allowed to change it subsequently.
- (ii) The voting rights of the shareholder will be in proportion of their shares as on Monday, 17th September, 2018 to the paid up equity share capital of the Company.
- (iii) Provision of electronic voting will not be extended during the AGM, however, those members who have not casted their vote through e-voting will be allowed to vote on poll. Those members who have exercised their voting through e-voting prior to the meeting may participate in the AGM but will not be entitled to vote on poll during the meeting.
- (iv) Mr. Jatin Popat, Proprietor, JSP Associates, Practicing Company Secretary (Membership No. FCS No. 4047 C.P.NO.6880), has been appointed as the Scrutinizer to conduct the e-voting process (including the Poll/Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (v) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witness not in the employment of the Company and submit a Scrutinizer’s Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- (vi) The results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website www.dmcc.com and on the website of CDSL www.cdslindia.com within two days of the passing of the resolutions at the Ninety-Seventh AGM of the Company on 26th September, 2018 and communicated to BSE Limited, where the shares of the Company are listed.

By Order of the Board of Directors,
D. T. Gokhale
Company Secretary

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road,
Fort, Mumbai 400 001.
CIN: L24110MH1919PLC000564
Website: www.dmcc.com
e-mail : dgokhale@dmcc.com

Date:10th August, 2018.



EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), and Article 89 (2) of the Articles of Association of the Company the following Explanatory Statement sets out all material facts relating to the business mentioned under item No. 5 to 14 of the accompanying Notice dated 10th August, 2018.

Item No. 5

Section 40 of the Companies (Amendment) Act, 2017 has been notified by the Central Government on 7th May, 2018 whereby the first proviso to Section 139(1) of the principal Act relating to ratification of the appointment of the auditors by the members at every annual general meeting during the period of their appointment, has been omitted with effect from that date.

At the 96th Annual General Meeting held on 26th December, 2017, a resolution, being Resolution No.3 was passed for appointment of Rahul Gautam Divan & Associates, Chartered Accountants, as Statutory Auditors of the Company for a term of five years, subject to ratification of the appointment and fixation of remuneration for the relevant year at the Annual General Meeting in each of the subsequent years during the aforesaid term of their appointment. As a result of the amendment of section 139(1) of the Companies Act, 2013, it is no longer necessary in law to have the appointment of the statutory auditor ratified at every annual general meeting. In view thereof, consent of the shareholders is sought to partially modify the said Resolution No.3 passed at the 96th Annual General Meeting as provided in the Resolution and authorize the Board of Directors to ratify the appointment and fix the remuneration for the remaining term of the appointment of Rahul Gautam Divan & Associates, Chartered Accountants, as Statutory Auditors of the Company i.e. for the years 2019-20, 2020-21 and 2021-22.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the resolution. The Resolution at item No.5 of the accompanying Notice is set out as an Ordinary Resolution for approval and ratification by the members.

Item No. 6

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

Shri Mukul Manoharlal Taly (DIN:01334360), B.Sc., LL.M. practising over 34 years as Senior Partner/ Advocate in S. Mahomedbhai & Co., Advocate & Solicitors, High Court, Mumbai. He has been a Gold Medalist (1st in the University of Bombay in LLB) in the year 1983. He has LL.M degree from the University of Mumbai in Commercial Law and Constitutional Law during the year 1983-85.

Shri. Mukul Manoharlal Taly taught various subjects such as Commercial Laws, Civil Procedure Code, Bankruptcy etc. at the Government Law College as Fellow and as a Professor from 1983 to 1991. Mr. Mukul Manoharlal Taly has appears in his matters before the Bombay and Gujarat High Courts, various District Courts, Powered Committee(s) and Tribunals and also in the Supreme Court of India.

Shri. Mukul Manoharlal Taly, who was appointed as an Additional Director of the company with effect from February 14, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the company under Section 161(1) of the Companies Act, 2013 ("the Act") and Article 126 of the Articles of Association of the company, but who is eligible for appointment and in respect of whom the company has received a notice in writing under Section 160(1) of the Act, from a member proposing his candidature for appointment as a Director of the Company.

Shri. Mukul Manoharlal Taly, pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the appointment of Shri Mukul Manoharlal Taly (DIN:01334360), A Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment as an independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from February 14, 2018 upto February 13, 2023.



The Board recommends the Resolution at Item No. 6 of the accompanying Notice for approval of the members of the company.

Other than Shri. Mukul Manoharlal Taly and his relatives, none of the Directors or Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested (financially or otherwise) in the Resolution at item No.6 of the accompanying Notice.

Shri. Mukul Manoharlal Taly is not related to any other Director or KMP of the Company.

Item No. 7

Shri Sanjeev Vishwanath Joshi (DIN: 00392020), B.Com., Practising Chartered Accountant for over 29 years. He has in-depth knowledge in finance and accounting and taxation.

Shri Sanjeev Vishwanath Joshi (DIN: 00392020), who was appointed as an Additional Director of the company with effect from February 14, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the company under Section 161(1) of the Companies Act, 2013 ("the Act") and Article 126 of the Articles of Association of the company, but who is eligible for appointment and in respect of whom the company has received a notice in writing under Section 160(1) of the Act, from a member proposing his candidature for appointment as a Director of the Company.

Shri Sanjeev Vishwanath Joshi, pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the appointment of Shri Sanjeev Vishwanath Joshi (DIN: 00392020), A Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment as an independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from February 14, 2018 upto February 13, 2023.

The Board recommends the Resolution at Item No. 7 of the accompanying Notice for approval of the members of the company.

Other than Shri Sanjeev Vishwanath Joshi and his relatives, none of the Directors or Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested (financially or otherwise) in the Resolution at item No.7 of the accompanying Notice.

Shri Sanjeev Vishwanath Joshi is not related to any other Director or KMP of the Company.

Item No. 8 & 9

Shri Bimal Lalitsingh Goculdas (DIN: 00367792), who was appointed as an Additional Director of the company with effect from February 14, 2018 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the company under Section 161(1) of the Companies Act, 2013 ("the Act") and Article 126 of the Articles of Association of the company, but who is eligible for appointment and in respect of whom the company has received a notice in writing under Section 160(1) of the Act, from a member proposing his candidature for appointment as a Director of the Company.

Shri Bimal Lalitsingh Goculdas (DIN: 00367792), pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the appointment of Shri Bimal Lalitsingh Goculdas (DIN: 00367792) as an Executive Director of the Company, and who is eligible for appointment as Director of the Company, liable to retire by rotation.

The Board also appointed Shri Bimal Lalitsingh Goculdas (DIN: 00367792) as Managing Director, and Chief Executive Officer of the Company with effect from 1st April, 2018 for a period of five years upto 31st March, 2023.



The Nomination and Remuneration committee at its meeting held on 12th February, 2018 had approved and recommended to the Board the appointment of Shri Bimal Lalitsingh Goculdas as the Managing Director, and CEO of the Company, after his appointment as an additional director of the Company.

It may be recalled that M/s. Borax Morarji Limited (BML) has since merged with The Dharamsi Morarji Chemical Company Limited (DMCC). The main rationale for the merger was to achieve operational rationalisation, organisational efficiency and optimum utilisation of various available resources by pooling of the Management, Administration and Technical skills of both the Companies with focussed attention for sustainable growth and business development.

Consequent upon the merger, a supportive organisation structure for generating greater effectiveness of the Senior Management has been created.

With the said rationale in mind Shri. Bimal Lalitsingh Goculdas, Chief Executive officer and Manager of the Company, now proposed to be appointed as the Managing Director, and CEO of the Company (who has been appointed as an Additional Director of the Company) for a period of five years with effect from 01.04.2018.

Shri Bimal Lalitsingh Goculdas (DIN 00367792) is a Chemical Engineer from University Institute of Chemical Technology, Mumbai and has done M.S. in Chemical Engineering from University of Wyoming, U.S.A. Shri Bimal Lalitsingh Goculdas is a leading professional with wide experience in business, commercial, technical, Corporate Finance both in India and Abroad.

His present term of appointment as CEO and Manager of the Company would have normally come to an end on 31.03.2019. His appointment as the Managing Director, and CEO of the Company for five years w.e.f 01.04.2018 upto 01.04.2023 on the following terms of remuneration:

From 01.04.2018 to 31.03.2019 existing terms of remuneration will continue as he was drawing as Chief Executive Officer and Manager of the Company as approved by the Board and the Shareholders at 95th Annual General Meeting of the Company held on Tuesday, the 27th day of September, 2016 viz. :

Salary : ₹ 5,25,000/- per month (from 01.04.18. to 31.03.19)

Annual Performance

Linked Incentive: At the descretion of the Board of Directors within the overall permissible limit in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

Perquisites:

CATEGORY "A"

- (i) (a) House Rent Allowance of ₹ 30,000/- per month.
(b) Expenditure on electricity, water, gas, and furnishings at the residence to be borne by the Company.
- (ii) Medical Benefits for self and family: Reimbursement of medical expenses actually incurred and reimbursement of premium paid on Mediclaim Policy, the total cost of which to the Company shall not exceed one month's salary in a year or three months' salary in a block of three years.
- (iii) A personal accident insurance policy for his own benefit at the cost of the Company, the premium of which shall not exceed ₹15,000/- per annum.
- (iv) Leave Travel Concession: Actual fares, rail or air, for self and family once a year to and from any place in India.
- (v) Fees of clubs, subject to a maximum of two clubs, provided that no life membership fee or admission fee is paid.



CATEGORY “B”

- (i) Membership of Company’s Provident Fund Scheme.
- (ii) Gratuity as per rules of the Company
- (iii) Benefit of Company’s Superannuation Scheme, subject to the condition that the Company’s contribution thereto together with the Contribution to Provident Fund are not taxable under the Income-Tax Act.

Such contributions shall not be included in computation of ceiling on perquisites.

CATEGORY “C”

- (i) A car with driver for use for the business of the Company and for his personal use. For personal use of the car, the Company will bill the Managing Director, and Chief Executive Officer of the Company
- (ii) Telephone at residence: All charges including rental and call charges for the telephone at the residence being paid by the Company in full. For personal long distance calls, the Company will bill the Managing Director, and Chief Executive Officer of the Company,

Car with driver for use of Company’s business and telephone at residence shall not be considered as a perquisite.

The Managing Director, and Chief Executive Officer of the Company shall further be entitled to Leave with salary, allowances and other benefits as per Leave Rules of the Company and the leave accumulated but not availed may be encashed as per rules of the Company. The monetary value of perquisites will be evaluated as per the Income-Tax Rules and be subject to such ceiling as may be prescribed by the Central Government.

Commencing from 01.04.2019 to 31.03.2023 will be as approved by the Board of Directors of the Company which will be in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions , if any, of the Companies Act, 2013 and reviewed, fixed by the Board of Directors of the Company as may be approved and recommended by the Nomination and Remuneration committee of the Board of Directors of the Company.”

During the tenure of Shri. Bimal Lalitsingh Goculdas as the Managing Director, and Chief Executive Officer of the Company, he shall be a Key Managerial Personnel (KMP) of the Company in terms of Section 203(1) (i) of the Companies Act, 2013.

Shri. Bimal Lalitsingh Goculdas in the capacity of Managing Director, & Chief Executive Officer will be entrusted with the powers, authorities, functions, duties, responsibilities etc. by Board of Directors of the company, from time to time.

Upon such appointment Mr. Bimal Lalitsingh Goculdas would cease to be the Manager of the Company under the Companies Act, 2013.

The Board recommends the Resolutions at Item No. 8 & 9 of the accompanying Notice for approval of the members of the company.

Shri Bimal Lalitsingh Goculdas, a Key Managerial Personnel and his relatives shall be deemed to be concerned or interested financially or otherwise in the resolution.

None of the Directors of the Company (except Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas who are relatives of Shri Bimal Lalitsingh Goculdas) Key Managerial Personnel (except Shri Bimal Lalitsingh Goculdas, himself a Key Managerial Personnel) or their relatives are in any way, concerned or interested (financially or otherwise) in the aforesaid appointment and payment of remuneration to Shri Bimal Lalitsingh Goculdas.

Item No. 10

Section 197 of the Act permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorises such payment by way of a resolution of members, Regulation 17(6)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 authorises the Board of Directors to



recommend all fees and compensation, if any, to Non-Executive Directors, including Independent Directors and shall require approval of members in general meeting.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that remuneration not exceeding one percent per annum of the net profits of the Company calculated in accordance with provisions of the Act, be paid and distributed amongst the Non-Executive Directors of the Company in accordance with the recommendations of the Nomination and Remuneration Committee and approval by the Board of Directors of the Company. Such payment will be in addition to the sitting fees for attending Board/Committee meetings.

The Board of Directors recommends the Resolution at Item No.10 of the accompanying Notice for approval by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives, except all of the Non-Executive Directors of the Company to the extent to whom the resolution relates, are concerned or interested (financially or otherwise) in the Resolution at Item No.10 of the accompanying Notice.

Item No. 11

Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors has approved the re-appointment of CMA Shri. S. S. Dongare holding ICWA Registration No. 12521, as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2018-19, at a remuneration of ₹ 66,000/- (Rupees Sixty Six thousands only) plus taxes and actual out-of-pocket expenses.

CMA Shri. S. S. Dongare has furnished a certificate regarding his eligibility for appointment as Cost Auditors of the Company. He has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the previous year under the provisions of the Act.

The Board recommends the Resolution at Item No. 11 of the accompanying Notice for ratification of the Cost Auditors remuneration by the Members of the Company.

None of the Directors, Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested (financially or otherwise) in the Resolution at Item No. 11 the accompanying Notice.

Item No. 12, 13 and 14

Based on the Report of the Committee on Corporate Governance chaired by Mr. Uday Kotak, the Securities and Exchange Board of India (SEBI) amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"). According to the new provisions, a listed entity is required to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of any Directors who have attained the age of seventy-five years. The said provision comes into effect from 1st April, 2019.

Shri Laxmikumar Narottam Goculdas would attain the age of seventy-five years on 16th September, 2018, the approval of the Shareholders is being sought for the continuation of directorship. Shri Haridas Tricumdas Kapadia and Shri Arvind Wasudeo Ketkar both Non-Executive Independent Directors whose appointment for a period of five years commencing from 18th September, 2014 and ending on 17th September, 2019, was approved by the Shareholders at the 93rd Annual General Meeting of the company held on 18th September, 2014.

The Board recommends the Resolutions at Item No. 12, 13 and 14 of the accompanying Notice.



Details of the Directors and Manager seeking appointment/re-appointment at the forthcoming Annual General Meeting:

(Pursuant to Clause 49 of the Listing Agreement and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Shri Laxmikumar Narottam Goculdas	Shri Bimal Lalitsingh Goculdas	Shri Mukul Manoharlal Taly	Shri Sanjeev Vishwanath Joshi	Shri Haridas Tricumdas Kapadia	Shri Arvind Wasudeo Ketkar
Director Identification Number (DIN)	00459347	00367792	01334360	00392020	00125090	02863429
Date of Birth	17.09.1943	08.11.1968	26.11.1960	08.11.1959	17.02.1935	14.05.1940
Date of Appointment on the Board	06.03.1992	14.02.2018	14.02.2018	14.02.2018	06.10.1978	22.01.2010
Qualifications/ Expertise in specific functional areas	Industrialist with rich business experience in general	B. chem. Engg. M.S. Chemical Engg., U.S.A. Leading Professional with wide experience in Corporate Finance in India and Abroad	B. Sc., LL.M practicing over 34 years as Senior in S. Mahomedbhai & Co., Advocate & Solicitors, High Court, Mumbai.	B. Com., Practising Chartered Accountant for over 34 years. He has in-depth knowledge in finance and accounting and taxation	B.Sc., Diploma in Chemical Engineering Wide business experience in Fertiliser and Chemical industries	B.Com. (Hons), A.C.A. Practising Chartered Accountant for over Forty four years.
Directorships held in other companies (excluding foreign companies)	Kosan Industries Pvt. Ltd. L.P. Gas Equipment Pvt. Ltd. L.P. Gas Transport & Bottling Co. Pvt. Ltd. Bombay Foods Pvt. Ltd. Phoenix Distributors Pvt. Ltd. The Natural Gas Co. Pvt. Ltd. Autogas Conversion (India) Pvt. Ltd. B.S. and Service Pvt. Ltd. Jasraj Trading Co. Pvt. Ltd. Gocul Gas Private Limited. Phoenix Distributors Gas Agencies Bhopal Pvt. Ltd. B S and Services Gas Agencies Bhopal Pvt. Ltd. Conservation Corporation of India Pvt. Ltd. Santanalaxmi Investments Pvt. Ltd.	Kosan Industries Pvt. Ltd. L.P. Gas Equipment Pvt. Ltd. L.P. Gas Transport & Bottling Co. Pvt. Ltd. Bombay Foods Pvt. Ltd. Phoenix Distributors Pvt. Ltd. The Natural Gas Co. Pvt. Ltd. Autogas Conversion (India) Pvt. Ltd. B.S. and Service Pvt. Ltd. Jasraj Trading Co. Pvt. Ltd. Gocul Gas Private Limited. Phoenix Distributors Gas Agencies Bhopal Pvt. Ltd. B S and Services Gas Agencies Bhopal Pvt. Ltd.	Nil	B.K. Khare Consultancy Services Pvt. Ltd. (formerly known as Gajanan Consultancy Services Pvt. Ltd.) Kema Services International Pvt. Ltd.	L.P. Gas Equipments Pvt. Ltd.	Nil



Name of the Director	Shri Laxmikumar Narottam Goculdas	Shri Bimal Lalitsingh Goculdas	Shri Mukul Manoharlal Taly	Shri Sanjeev Vishwanath Joshi	Shri Haridas Tricumdas Kapadia	Shri Arvind Wasudeo Ketkar
Committee position held in other committees	Member of the Audit Committee	Nil	Nil	Nil	Nil	Nil
Shareholding	8,862,093	97,200	Nil	4,435	11,107	324
Relationship between Directors interse	Yes	Yes	No	No	No	No

By Order of the Board of Directors,
D. T. Gokhale
Company Secretary

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road,
Fort, Mumbai 400 001.
CIN: L24110MH1919PLC000564
Website: www.dmcc.com
e-mail : dgokhale@dmcc.com

Date: 10th August, 2018.



DIRECTORS' REPORT

(Including Management Discussion and Analysis Report)

The Directors' are pleased to present their Ninety Seventh Annual Report together with the audited financial statements of the Company for the financial year ended 31st March, 2018.

FINANCIAL

RESULTS

	Financial Year ended 31 st March, 2018	Financial Year ended 31 st March, 2017
	₹ in lakhs	₹ in lakhs
Sales Turnover	17,688.82	18,733.83
Gross Profit / (Loss)	1,976.61	2,515.45
Less : Depreciation	418.63	371.64
Profit / (Loss) before taxation	1,557.98	2,143.81
Less : Provision for Taxation (MAT)	348.92	443.94
Add: Tax impact due to OCI	(16.78)	(2.30)
Profit (Loss) after Taxation	1,225.82	1,702.17
Add : Other Comprehensive income	61.71	7.42
Total Comprehensive Income	1,287.53	1,709.59
The following is the Sales Turnover		
Commodity Chemicals	8,182.08	8,957.01
Speciality Chemicals	9,033.70	9,182.60
Others	473.04	594.22
Total	17,688.82	18,733.83

The Financial results for the year ended 31st March, 2018 are in compliance with the Indian Accounting Standards (Ind-AS) and accordingly the results for the year ended 31st March, 2017 have been re-stated.

Consequent to the introduction of Goods and Services Tax (GST) with effect from 1st July 2017, Central Excise, Value Added Tax (VAT) etc. have been replaced by GST. In accordance with Indian Accounting Standard – 18 on Revenue and Schedule III of the Companies Act, 2013, GST, GST Compensation Cess, VAT etc. are excluded from Gross Revenue from sale of products and services for applicable periods. In view of the aforesaid restructuring of indirect taxes, Gross Revenue from sale of products and services and Excise duty for the year ended 31st March, 2017 and year ended 31st March, 2018 are not comparable with the previous periods. The following additional information is being provided to facilitate such comparison:

Particulars	For the year ended 31/03/2018 ₹ In Lakhs	For the year ended 31/03/2017 ₹ In Lakhs
• Sales Turnover (Including Excise)	17,688.82	18,733.83
(-) Taxes – Excise duty	259.19	1427.82
Sales Turnover	17,429.63	17,306.01

There has been no material change which have occurred between end of the Financial year 2017-18 and the date of this report.

Dividend

In view of reasonable improvement in the financial performance of the Company, your Directors have recommended a dividend of ₹0.50 per Equity share of ₹10/- each (i.e. 5%) for the Financial Year ended 31st March, 2018, subject to the approval of the members at the 97th Annual General Meeting of the Company scheduled to be held on 26th September, 2018. The dividend will absorb ₹124.70 Lakhs and the Dividend Distribution Tax to be borne by the



Company would amount to ₹25.40 Lakhs. The amount towards payment of dividend will be distributed from profits of the company for the current year in compliance with the provisions of the Companies Act, 2013.

Your company has also paid the Cumulative arrears of the Dividend aggregating to ₹71.74 Lakhs upto 31.03.2018 on 2,80,000 2.5% cumulative non-convertible redeemable preference shares of ₹100/- each aggregating to ₹2.80 Crores. The company has also paid Dividend Distribution Tax payable on the amount of dividend paid to Preferential shareholders.

OVERVIEW OF OPERATIONS AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT INCLUDING PROSPECTS IN THE INDUSTRY

Global & Indian Chemical industry perspective

The chemical industry in India is an important contributor to the Indian economy, providing raw materials to a variety of downstream industries. With a market size of approximately US\$150 billion, the Indian chemical industry is the seventh largest producer of chemicals worldwide and the third largest producer in Asia after China and Japan.

The global chemical industry has been defined by mega-mergers (like Dow-DuPont, Bayer-Monsanto, LyondellBasel-Braskem) etc. and many more other smaller alliances that are altering the landscape of the chemical industry. The crackdown on polluting industries in China is also an opportunity for India's pharmaceutical, agrochemical, and dyes manufacturers to expand in a sustainable manner and entrench themselves with multinational customers. It is expected that Indian suppliers will offer products of the desired quality at a reasonable cost, as the focus of global sourcing is to find business partners in countries such as India that share similar values of environmental responsibility, health and safety.

Mergers and Acquisitions (M & A) activities in India are also driven by several strategic reasons such as gaining market access, increase in market share, enhancing product portfolio etc.,. Different forms of joint ventures like contract joint ventures in addition to equity participation JV, are being explored for expanding geographical coverage, market presence and product portfolio.

The chemical industry consists of various segments, including but not limited to, petrochemicals, agrochemicals, pigment and dye intermediates, pharmaceutical intermediates, and polymer additives. Opportunities for growth exist in all these areas, as the 'Make in India' initiative further facilitates growth and investment. The industry is expected to register an annual growth of 8-9% in the next decade and double its share in global chemical industry to 5-6% by 2021. The share of chemical industry in manufacturing share of GDP is about 16% and the Government had target to increase it by atleast 25% in 2025. Government of India has recognized that Chemical industry as a key growth element of Indian Economy. Manufacture of most of chemical products is delicensed and 100% FDI has been permitted.

The real challenge before Indian Chemical Industry is to develop chemical processes that reduce hazards, minimize environmental impact, and reduce dependence on non-renewable resources consistent with improvement in productivity, efficient utilization of utilities, quality and reliability as well.

Current operations and Prospects for your Company

The merger of Borax Morarji Limited (BML) with your company has resulted in the creation of combined entity and synergy in the business operations. Your Company is in the process of achieving desired economical scale, operational rationalization, cost reduction and organizational efficiency. This merger has opened up expansion possibilities at Dahej in Gujarat, one of the prime industrial zones for chemicals in India. The Management of your company, as contemplated has set up new multipurpose plants at Dahej for the manufacture of various Speciality chemicals, mainly intermediates consistent with our core capabilities. The production of these products is getting stabilised.

Your company has set up a new Research and Development centre at Roha to give further impetus to the ongoing inhouse Research and Development initiatives at both the locations i.e. at Roha & Dahej. The company is awaiting approval of Department of Scientific and Industrial Research, New Delhi for this newly setup Research & Development centre at Roha.



Our focus continues to be the manufacture of intermediates based on sulphur and ethanol, at Roha with boron chemistry added along with the merger at Dahej. Our products are industry-agnostic, catering to a wide range of end uses. The geographical spread is diverse, with sales to about 25 countries.

The Export turnover of the Company during the current financial year ending 31st March, 2018 is ₹ 5034.99 Lakhs. The turnover of the Specialty Chemical during the current financial year ending 31st March, 2018 is ₹9033.70 Lakhs, which constitutes 51 % of the total turn over of the Company. The Specialty Chemicals of Your Company are driven by In-house Products and Processes of R & D i.e. development of end-use driven Specialty Chemicals and Application driven Specialty Chemicals. The growth of Specialty chemicals is driven both by Domestic Sales and Exports.

Your Company continues to invest in people and physical assets, both of which are essential for growth. While the financial year 2017-18 was satisfactory, it showed lower profitability compared to the previous year owing to a planned maintenance shutdown at Roha that was not required in the previous year.

The events in China have not impacted your Company directly in the financial year 2017-18. Some opportunities have opened for our customers, particularly in the dyes sector, and we expect to gain from that. The marketing and R&D teams of your Company are scanning the horizon for products where our core capability could add long-term value. Sulphones and thio compounds have been commercialized recently, and growth in these products is expected in the near future.

The introduction of Goods and Service Tax is viewed positively by your Company. Simplification of inter-state sales, reduction in number of levies, and tax credit on all inputs have reduced administrative work and cost. Your Company welcomes the expansion of the tax base under GST, being, consciously aware that the expansion of tax base under GST will eventually result and enable increased investment in infrastructure projects, which are absolutely essential for the development of our country.

Your Company continues its focus on Environment health and safety. Your Company has been audited under Responsible Care® (RC) and “Together For Sustainability” (TFS). We are one of only about 50 Chemical manufacturing companies in India, permitted to use of the RC Logo.

The TFS audit, carried out under stipulations made by a group of major EU – based chemical and pharmaceutical companies, enables expedited approval for products sold to any company within that group. Safety training and drills are regularly carried out. A new fire hydrant system is being installed at Roha. While the Management is conscious that accidents can happen at any time, we are pleased to report that the Roha plant has completed 1000 + days without any lost time accidents.

Under Corporate Social Responsibility, your company supports the Corbett Foundation in their work on wildlife conservation and reduction of man-animal conflict, as well as supporting the training of teachers at the Gregorian School in Roha on ‘Smart Classroom’ techniques.

Cautionary Statement

Statements in this “Management Discussion and Analysis Report” describing the Company’s objectives, projections, estimates, expectations or predictions may be considered as “forward looking statements” within the meaning of applicable security laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

ADEQUACY OF INTERNAL CONTROLS

Your Company has well laid down policies, guidelines and procedures which form part of its internal control system. The Audit Committee of the Board periodically reviews reports of Internal Auditors, *inter alia*, on adherence by the operating Management of such policies and procedures and suggests changes/modifications and improvements on a continuous basis. The Company has an independent and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposal and the transactions are authorised, recorded and reported correctly. The internal control systems are supplemented by a programme of internal audit.



HUMAN RESOURCE DEVELOPMENT

As part of ongoing exercise of the restructuring and re-organisation of the Company's business, the Company undertakes periodic comprehensive reviews of its HR policies and amends the same suitably from time to time, to meet the emerging business requirements. Special emphasis is being led continually on recruitment of multi-disciplinary and experienced staff to carry forward the growth objectives of the Company. Regular training programmes are being held for the benefit of the staff and the workmen. Your Company believes in a collaborative approach and works closely with the unions, and Industrial relations have been cordial all along.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 (the Act) and the corporate governance requirements as prescribed by Securities and Exchange Board of India (" SEBI ") under Clause 49 of the Listing Agreement.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the "Chief Executive Officer" and "Manager" of the Company under the Companies Act, 2013.

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

NOMINATION AND REMUNERATION POLICY

The Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees have evolved and have been formulated in terms of the provisions of the Companies Act, 2013 and the listing agreement with a view to pay equitable and commensurate remuneration to the Directors, Key Managerial Personnel and other Employees of the Company, based on the Qualification, experience and industry standard.

In view of the inadequacy of profits, the Directors of the Company were not being paid any remuneration/commission etc. except the normal sitting fees.

The Managing Director, & Chief Executive Officer (CEO) of the Company is being paid in accordance with the provisions of the Companies Act, 2013 and Schedule V of the Companies Act, 2013 which prescribes the ceiling on the maximum permissible remuneration in respect of Companies having inadequate profits.

The Management of the Company has taken into consideration the various applicable factors such as qualification, experience, industry standards etc. and evolved an appropriate Remuneration policy.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

The Company has not provided any loan to any person or body corporate or given any guarantee or provided security in connection with such loan or made any investment in the securities of anybody corporate pursuant to Section 186 of the Companies Act, 2013. The Company has given advance against salary to some employees in terms of the applicable policies of the Company.

SEXUAL HARASSMENT

During the year under review, there was not a single incident under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013.

MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors.

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



AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

DIRECTORS/KEY MANAGEMENT PERSONNEL

Shri Laxmikumar Narottam Goculdas

Shri Laxmikumar Narottam Goculdas (holding 00459347), Director, is retiring by rotation in accordance with the requirements of the Act and under the Article 135 of the Articles of Association of the Company, and being eligible, offers himself for re-appointment.

Shri Laxmikumar Narottam Goculdas, Chairman of the Company has wide knowledge and experience in industry, trade, finance, commerce, corporate affairs and international trade.

Based on the Report of the Committee on Corporate Governance chaired by Mr. Uday Kotak, the Securities and Exchange Board of India (SEBI) amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"). According to the new provisions, a listed entity is required to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of any Directors who have attained the age of seventy-five years. The said provision comes into effect from 1st April, 2019. Shri Laxmikumar Narottam Goculdas would attain the age of seventy-five years on 16th September, 2018, the approval of the Shareholders is being sought for the continuation of directorship.

Shri Haridas Tricumdas Kapadia

Shri Haridas Tricumdas Kapadia, Director of the company has wide knowledge and experience in industry, trade, commerce, corporate affairs and International Trade. He is B.Sc. and Diploma in Chemical Engineering.

Shri Haridas Tricumdas Kapadia, Non-Executive Independent Directors whose appointment for a period of five years commencing from 18th September, 2014 and ending on 17th September, 2019, was approved by the Shareholders at the 93rd Annual General Meeting of the company held on 18th September, 2014.

According to the new provisions, a listed entity is required to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of any Directors who have attained the age of seventy-five years. Accordingly the approval of the Shareholders is being sought for the continuation of directorship of Shri Haridas Tricumdas Kapadia.

Shri Arvind Wasudeo Ketkar

Shri Arvind Wasudeo Ketkar, is B.Com (Hons), A.C.A., Practising Chartered Accountant for over 44 Years and has in-depth knowledge in finance and accounting. Shri Arvind Wasudeo Ketkar, Non-Executive Independent Directors whose appointment for a period of five years commencing from 18th September, 2014 and ending on 17th September, 2019, was approved by the Shareholders at the 93rd Annual General Meeting of the company held on 18th September, 2014.

According to the new provisions, a listed entity is required to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of any Directors who have attained the age of seventy-five years. Accordingly the approval of the Shareholders is being sought for the continuation of directorship of Shri Arvind Wasudeo Ketkar.

Shri Mukul Manoharlal Taly

Shri Mukul Manoharlal Taly is B.Sc., LL.M practicing over 34 years as Senior in S. Mahomedbhai & Co., Advocate & Solicitors, High Court, Mumbai. He has been a Gold Medallist (1st in the University of Mumbai in LLB) in the year 1983. He has LL.M. degree from the University of Mumbai in Commercial Law and Constitutional Law during the year 1983-85.

Shri Mukul Manoharlal Taly taught various subjects such as Commercial Laws, Civil Procedure Code, Bankruptcy etc., at the Government Law College as Fellow and as a Professor from 1983 to 1991.

Shri Mukul Manoharlal Taly has appeared in his matters before the Mumbai and Gujarat High Courts, various District Courts, Powered Committee and Tribunals and also in the Supreme Court of India.



Shri Sanjeev Vishwanath Joshi

Shri Sanjeev Vishwanath Joshi is B.Com, Practising Chartered Accountant for over 34 years.

Shri Sanjeev Vishwanath Joshi has in-depth knowledge in finance and accounting and taxation.

Shri Bimal Lalitsingh Goculdas

Shri Bimal Lalitsingh Goculdas (DIN 00367792) is a Chemical Engineer from The Institute of Chemical Technology (ICT), Mumbai and has done M.S. in Chemical Engineering from University of Wyoming, U.S.A. Shri Bimal Lalitsingh Goculdas is a leading professional with wide experience in business , commercial, technical, corporate finance both in India and Abroad.

Shri Bimal Lalitsingh Goculdas has been associated with the Company holding various senior Management positions for over last 20 years and has handled production, technology, supply chain management, marketing both domestic & export and finance.

Shri Bimal Lalitsingh Goculdas, Chief Executive Officer and Manager of the Company is related to Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas.

His existing term of appointment as CEO and Manager of the Company would have normally come to an end on 31.03.2019. His appointment as the Managing Director, and CEO of the Company is for five years w.e.f. 01.04.2018 upto 31.03.2023.

The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

During the year, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company.

Shri D.K. Sundaram, Chief Finance Officer of the company left the company w.e.f. 31/12/2017 and Shri D.G. Patil was appointed as Chief Finance Officer of the company. On his relieving w.e.f. 1st July, 2018 Shri Chirag Jaswant Shah, Chartered Accountant joined as Chief Finance Officer of the company w.e.f. 6th July, 2018. The Company continues its operations under the leadership of the Senior Corporate Management Team comprising of Shri Bimal Lalitsingh Goculdas, Managing Director, & Chief Executive Officer, Shri D. T. Gokhale, Sr. Executive Vice President and Company Secretary and Shri Chirag Jaswant, Chief Finance Officer, who are the Key Managerial Personnel.

WHISTLE BLOWER POLICY

The Company has a whistle blower policy to report genuine concerns or grievances. The Whistle Blower policy has been posted on the website of the Company (www.dmcc.com).

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year under review were at arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The Audit Committee and the Board of Directors at their meetings have reviewed and approved all the related party transactions undertaken by the Company during the Financial Year. The related party transactions entered into by the Company are disclosed in Note no. 43 of the Notes to Accounts. All Related Party Transactions are placed/routed through the Audit Committee and the Board of Directors. None of the Directors has any pecuniary relationships or transactions with the Company.

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

RISK MANAGEMENT POLICY

The Company has formulated a Risk Management Policy which reflects the overall risk management philosophy,



the Company's overall approach to risk management, risk assessment, risk mitigation mechanism and the roll and responsibilities for risk management. Risk management forms an integral part of the business planning and review cycle. The Company's Risk Management Policy is designed to provide reasonable assurance that objectives are met by integrating management control into the daily operations, by ensuring compliance with legal requirements and by safe guarding the integrity of the Company's financial reporting and its related disclosures.

The identification and analysis of and putting in place the process for mitigation of these risks is an ongoing process. The Company has also laid down procedure to inform the Audit Committee and the Board about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks by means of a properly defined frame work. The monthly review meetings of all the functional/ departmental heads *inter alia* discuss the relative risk management issues.

INSIDER TRADING

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulation 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a code of conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') and code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information ('Code of Fair Disclosure').

The Insider Trading Code is intended to prevent misuse of unpublished price sensitive information by insiders and connected persons and ensure that the Directors and specified persons of the Company and their dependents shall not derive any benefit or assist others to derive any benefit from access to and possession of price sensitive information about the Company which is not in the public domain, that is to say, insider information.

The code of Fair Disclosure ensures that the affairs of the Company are managed in a fair, transparent and ethical manner keeping in view the need and interest of all the Stakeholders.

ENVIRONMENT HEALTH AND SAFETY (EHS)

The prime endeavor of our Management is to achieve Environment Health and Safety (EHS). Your Company has various EHS management processes and methodologies being deployed and implemented under the EHS to ensure that our employees become more safety conscious . The Company has a system of in- house EHS training for employees and workmen at the factory as also the practice of sending the employees/workmen to various external EHS programmes.

RESPONSIBLE CARE®

Responsible care® is a global voluntary initiative of the Chemical Industry, the objective of which is continuous improvement in the areas of environmental protection, health, safety and security. It is the endeavor of your Company that our products - both raw material and finished goods pose no risk to employees, society and environment as well. This is sought to be achieved by minimizing the negative influence of our products along the entire supply chain, right from procurement, storage and manufacturing right upto sale. Your Company is one of the few in India authorized to use the Responsible care® logo. This has been achieved after extensive site and systems improvement, third party mentoring, and a series of audits. Logo usage validity is upto November 2018, renewable thereafter.

REACH

REACH regulation is adopted by the European Union to improve protection of human health and environment from the risks of that can be posed by the Chemicals. REACH stand for Registration, Evaluation, and Authorisation of all Chemical Substances. Borax Morarji (Europe) GmbH has registered several products under the REACH Regulations and with merger of BML with DMCC, your company will be able to take advantage of this registration.

AUDITORS

In the 96th Annual General Meeting (AGM) held on 26th day of December, 2017 Messrs Rahul Gautam Divan & Associates (RGD & Associates), Chartered Accountants (ICAI Firm Registration No.120294W), was appointed as Statutory Auditors of the Company for a tenure of five years subject to ratification of their appointment at every subsequent AGM. The Ministry of Corporate Affairs has vide notification dated May 7, 2018 obliterated the requirement of seeking Member's ratification at every AGM on appointment of Statutory Auditor during their tenure of five years.



Messrs Rahul Gautam Divan & Associates (RGD & Associates), Chartered Accountants (ICAI Firm Registration No.120294W), have under Section 139(1) of the Act and the Rules framed thereunder furnished a certificate of their eligibility.

The report of the Statutory Auditor forming part of the Annual Report, does not contain any qualification, reservation, adverse remark or disclaimer. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments.

Rahul Gautam Divan & Associates is a member of Kreston International, a worldwide network of accounting firms, offering high quality accounting, auditing, legal and consultancy services. The combined experience of the partners in the chartered accountancy profession within the associated firms is over 50 years. RGD & Associates have associated offices in Bangalore and Ahmedabad, with residential partners at both associated offices. RGD & Associates have been involved in the Statutory Audits and also Internal Audits of various companies, and have the necessary experience to conduct the statutory audit of the Company. RGD & Associates have consented to the said appointment and confirmed that their appointment, if made, would be in accordance with Section 139 read with Section 141 of the Act.

As you are aware that Messrs. K.S. Aiyar & Co., Chartered Accountants, holding ICAI Firm Registration Number 100186W, who were the Statutory Auditors of your Company for last so many years till the year ended 31st March, 2017. The Company would like to express our deep appreciation for the cooperation, guidance and support extended by them during their tenure as the statutory auditors of the Company.

COST AUDITOR AND COST AUDIT REPORT

The Board of Directors, on the recommendation of Audit Committee has appointed Shri S.S. Dongare, Cost Accountant, as Cost Auditor of your Company to audit the cost accounts of the Company for Financial Year 2018-19 at remuneration of ₹ 66,000/- (Rupees Sixty Six Thousand Only) as also the payment of taxes as applicable and re-imburement of actual out-of-pocket expenses incurred in connection with the aforesaid audit. As required under the Companies act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting. In accordance with the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company carries out an audit of cost records (Sulphuric Acid) maintained by the Company every year.

The Cost Audit Report and the Compliance Report of your Company for the Financial Year ended 31st March, 2017, by Shri S.S. Dongare, Cost Accountant, which was due for filing with the Ministry of Corporate Affairs, was duly filed on 03rd November, 2017, accepted by the Government as filed in time.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure I".

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

A Corporate Social Responsibility Committee of the Directors was constituted earlier consisting of Ms. Mitika Laxmikumar Goculdas as Chairman, Shri H. T. Kapadia, Shri M. T. Ankleshwaria and Shri A. W. Ketkar as members of the Committee.

The Committee met once during the year and due to the average net profit of last three years being negative, your Company is not required to spend any amount towards Corporate Social Responsibility activities during the year under review, the report is annexed herewith as "Annexure II".

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed Shri A. D. Gupte, FCS No.300, and C.P. No. 1210 to undertake the Secretarial Audit of the Company. The



Secretarial Audit Report is included as “Annexure III” and forms integral part of this Report.

There is no qualification in the report of Secretarial Auditor, for the year under review.

PARTICULARS OF EMPLOYEES

The particulars of employees as required under section 197 and rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have not been furnished as there are no employees falling within the purview of the provisions of said section and the said rule during the period under review.

Information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in “Annexure IV” to this Report.

SUBSIDIARY COMPANY

Borax Morarji (Europe) GmbH is a 100% wholly owned subsidiary Company in Germany. Primarily it takes care of complying with the German Regulations for exports of Specialty Boron products to Germany and Europe.

In terms of exemption granted by the Ministry of Corporate Affairs vide its order No. 2/2011 dated 8th February, 2011 Balance Sheet of Borax Morarji (Europe) GmbH, Germany is not attached to the accounts of the Company. However, the annual accounts of the subsidiary are available for inspection at the office of the Company and the related detailed information will be made available to the Shareholders when asked for.

CONSOLIDATION OF ACCOUNTS

In pursuance of the mandatory compliance of the Accounting Standard 21, as issued by the Institute of Chartered Accountants of India, the Company has presented Consolidated Financial Statements for the year under report, consolidating its accounts with the accounts of its Wholly Owned Subsidiary Company, viz. Borax Morarji (Europe) GmbH, Germany (Change of name under process). A separate report of the Statutory Auditor on the consolidated Financial Statements also forms part of the same.

PUBLIC DEPOSITS

During the year 2017-18, your Company has not accepted/renewed any fixed deposit. Post Merger the unclaimed matured deposits as on 31.03.2017 were ₹31.69 Lakhs . As on 31.03.2018 the unclaimed matured deposits is ₹28.68 Lakhs.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost, external agencies and Secretarial Auditor, including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year ended 31st March, 2018. Accordingly, to the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013:

- (i) that in the preparation of the Annual Accounts for the year ended March 31, 2018, the applicable Accounting Standards have been followed and that there are no material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis;
- (v) that the Directors 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 the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



CORPORATE GOVERNANCE

Your Company has been practicing the principles of good Corporate Governance over the years and the Board of Directors lay strong emphasis on transparency, accountability and integrity. Your Company has adopted a Code of Conduct which is approved by the Board of Directors as required under the Listing Agreement with the BSE Limited, Mumbai. The Directors and the Management Staff have confirmed their adherence to the provisions of the said code. A separate report on Corporate Governance is annexed as a part of the Annual Report, along with the Auditors' Certificate on its compliance.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as Annexure-V and forms an integral part of this Report.

ACKNOWLEDGEMENTS

The Directors are thankful to your Company's shareholders, customers, suppliers, and contractors, various departments of Central and State Governments and Banks for their continued valuable support. The relations between the employees and the management continue to be cordial. Your Directors place on record their appreciation of the sincere and devoted efforts of the employees at all levels and their continued co-operation and commitment.

For and on behalf of the Board
LAXMIKUMAR NAROTTAM GOCULDAS
Chairman

Registered Office

Prospect Chambers, 317/321,
Dr. Dadabhoy Naoroji Road, Fort,
Mumbai 400 001.

Date : 10th August, 2018



ANNEXURE I TO THE DIRECTORS' REPORT

DISCLOSURES

A. CONSERVATION OF ENERGY FORM A POWER AND FUEL CONSUMPTION

		April, 2017 to March, 2018	April, 2016 to March, 2017
1	Electricity Purchased		
	Unit (Lac KWH)	71.17	69.75
	Total Amount (₹ Lakhs)	593.26	562.01
	Rate/Unit (₹/KWH)	8.34	8.06
2	Furnace Oil		
	Quantity (K. Litre)	72.77	15.959
	Total Amount (₹ Lakhs)	18.83	4.41
	Average Rate (₹/KL)	25871	27645
	Consumption per Tonne of Major Products		
	Electricity (Unit – KWH)		
1	Single Superphosphate	-	-
2	Sulphuric Acid 100%	51	51

FORM B

B. TECHNOLOGY ABSORPTION RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R & D is carried out by the Company :

The Company has an R & D Centre which is approved by the Department of Scientific & Industrial Research, Govt. of India, New Delhi.

Areas in which R & D activity was carried out includes:

- Process and cost optimization of existing Speciality Chemicals so as to be competitive in the domestic and international market.
- Development of the processes for making value added products to cater to the need of local and export market.
- Technical support to Marketing efforts for launching new products and for trouble shooting of existing products.

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

- Quality and yield improvement of the existing products
- Manufacture and supply of some of the products as per the customers specifications.

3. Future plan of action:

- Studies on the preparation of new Speciality Chemicals and formulations with special emphasis on value addition.
- Focus on ethylation & sulphonation Chemistry to develop new products.

4. Expenditure on R & D

		April, 2017 to March, 2018	April, 2015 to March, 2016
(i)	Capital	-	35.25
(ii)	Recurring	135.77	103.40
(iii)	Total	135.77	138.65
(iv)	Total R & D expenditure as a percentage of sales turnover	0.77%	0.74%



TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. **Efforts, in brief, made towards technology absorption, adaptation and innovation**

Technology upgradation and innovation are matters of a continuous process in the Company.

2. **Benefits**

Increased capacity, cost reduction, improvement in quantity and flexibility to meet market demands.

3. **Technology imported during the last five years.**

No technology was imported during the last five years.

C. **FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars of foreign exchange earned/utilized are as under.

	April, 2017 to March, 2018	April, 2016 to March, 2017
EARNINGS IN FOREIGN EXCHANGE:		
Export of goods calculated on FOB basis	4898.47	4599.68
Total Foreign Exchange earned	4898.47	4599.68
OUTGO IN FOREIGN EXCHANGE:		
(1) VALUE OF IMPORTS CALCULATED ON CIF BASIS		
Raw Materials and bought outs	1429.58	1224.47
(2) EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF FOREIGN TOURS, SUBSCRIPTION, ETC.	183.16	172.20
Total Foreign Exchange outgo	1612.74	1396.67

For and on behalf of the Board
LAXMIKUMAR NAROTTAM GOCULDAS
Chairman

Registered Office:

Prospect Chambers,
317/321, Dr. Dadabhoy Naoroji Road,
Fort, Mumbai 400 001
10th August, 2018.



ANNEXURE II TO THE DIRECTORS' REPORT

The composition and the functions of the Company's Corporate Social Responsibility (CSR) Committee as contemplated as per Section 135 of the Companies Act, 2013 is as under:

The Company has formed CSR Committee comprising of the following Directors:

Ms Mitika Laxmikumar Goculdas, Chairman

Shri Haridas Tricumdas Kapadia, Member

Shri Madhu Thakorlal Ankleshwaria, Member

Shri Arvind Wasudeo Ketkar, Member

The Committee recognizes that its operations impact a wide community of stakeholders, including investors, employees, customers, business associates and local communities and that appropriate attention to the fulfillment of its corporate social responsibilities can enhance overall performance. In structuring its approach to the various aspects of Corporate Social Responsibility, the Company takes into account guidelines and statements issued by stakeholder representatives and other regulatory bodies.

The functions of the said CSR Committee are as under:

- 1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- 2) Recommend the amount of expenditure to be incurred on the activities referred to in point no (1) above; and
- 3) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Board of the Company shall approve the CSR and disclose the contents of such policy in its report and place the CSR Policy in the Company's website, if any. The Board shall also ensure that the activities included in CSR policy are undertaken by the Company.

The Board shall ensure that Company spends, in every financial year on CSR, 2% of the average net profits of the Company during the three immediately preceding financial years.

Due to the average net profits of last three years being negative, your Company is not required to spend any amount towards Corporate Social Responsibility activities during the year under review.



ANNEXURE III TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST 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,
The Dharamsi Morarji Chemical Co. Ltd.
Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Dharamsi Morarji Chemical Co. Ltd. (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 Dharamsi Morarji Chemical Co. Ltd.'s books, papers, minute books, forms and returns filed and other records maintained by the company by means of test checks and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management on various matters including systems and mechanism formed by the Company for compliance under all applicable Acts and Regulations to the Company on which I have relied, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 generally 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 Dharamsi Morarji Chemical Company Ltd. ("the Company") for the financial year ended on 31st March, 2018 according to the provisions of the following to the extent applicable to the Company :

- (i) The Companies Act, 1956 and the Companies Act, 2013 ('the Act') and the rules made thereunder, as applicable;
- (ii) The Securities Contract (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 Foreign Direct Investment, Overseas Direct Investment and 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, 1992 and 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 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – (applicable to the Company with effect from 01.12.2015).
 - (vi) The following laws specifically applicable to the Company as intimated to me :
 1. The Electricity Act, 2003
 2. Essential Commodities Act, 1955
 3. Factories Act, 1948
 4. Gratuity Act, 1972
 5. Provision for Bonus Act, 1965
 6. Employees Provident Fund Act, 1952 and Rules
 7. Professional Tax Act, 1975 and Rules
 8. The Environment (Protection) Act, 1986
 9. The Air (Prevention and Control of Pollution) Act, 1981

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 BSE Limited;

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

I further report that :

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

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

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.

I further report that during the Audit period :

The Company had filed the Scheme of Arrangement / Amalgamation between The Dharamsi Morarji Chemical Company Limited (DMCC) and Borax Morarji Limited (BML) with regulatory authorities, pursuant to the Resolution passed by the Board of Directors at their meeting held on 2nd March 2017. The approvals of the Regulatory authorities were received vide NCLT Order dated 18/10/2017 and necessary compliances have been made. Accordingly Borax Morarji Ltd. stands amalgamated with the Company i.e. The Dharamsi Morarji Chemical Co. Ltd.

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Place : Mumbai

Date : 27th July, 2018

Signature:

A.D. GUPTE

FCS No. : 300

C.P. No. : 1210



Annexure A

To,

The Members,
The Dharamsi Morarji Chemical Co. Ltd.,
Prospect Chambers,
317/21 Dr. D.N. Road,
Fort, Mumbai 400 001

My report of even date is to be read along with this letter.

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

Place : Mumbai

Date : 27/07/2018

Signature;

A.D. GUPTE

C.P. No. : 1210

FCS No. : 300



ANNEXURE IV TO THE DIRECTORS' REPORT

REMUNERATION DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. Remuneration paid to the Directors:

- a) The Board of Directors of the Company consists of Two Promoter (Non Executive) Directors, five Independent (Non-Executive) Directors and one executive Director.

All the Directors (except the Executive Director who receive remuneration from the company) do not receive any remuneration from the Company other than the sitting fees for their attendance in the meeting.

Remuneration to Directors

Details of remuneration (SITTING FEES FOR MEETINGS) paid to non-executive directors during the financial year ended 31st March, 2018 are as below:

Sr No	Name of Directors	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Independent Directors Committee Meeting	Corporate Social responsibility Committee Meeting	Equity Share Allotment Committee	Total	Ratio of remuneration of Director to the median remuneration
1	Shri Laxmikumar Narottam Goculdas	125000	100000	Nil	Nil	Nil	Nil	225000	(0.73)
2	Shri H. T. Kapadia	125000	100000	50000	25000	25000	25000	350000	1.14
3	Shri M. T. Ankleshwaria	125000	100000	50000	25000	25000	25000	350000	1.14
4	Shri A. W. Ketkar	125000	Nil	50000	25000	25000	25000	250000	(0.81)
5	Ms Mitika L. Goculdas	100000	Nil	Nil	Nil	25000	Nil	125000	(0.41)
6	Shri Mukul Manoharlal Taly	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
7	Shri Sanjeev Vishwanath Joshi	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
	Total	600000	300000	150000	75000	100000	75000	1300000	
			Salary	Contribution to PF & Superannuation Fund		Perquisites		Total	
8	Shri Bimal Lalitsingh Goculdas		6300000	702000		761731		7763731	25.26
	Total		6300000	702000		761731		7763731	

Median remuneration for the financial year 2017-18 is Rs.307345 (Rs. Three lakhs seven thousand three hundred and forty five only).

The aforesaid details are calculated on the basis of remuneration for the financial year 2017-18.

The remuneration of directors (Sr.No.1 to 7) includes only sitting fees since no other payment was made to them during the financial year 2017-18.

Shri Bimal Lalitsingh Goculdas became a Director w.e.f. 14/02/2018, prior to that he was the Chief Executive Officer and Manager to the Company. His remuneration considered for the whole year.

2. Percentage increase in remuneration of Chief Executive Officer, Company Secretary and Chief Finance Officer of the Company during the financial year ended 31st March, 2018 are as below:

The percentage increase in the remuneration of the Chief Executive Officer of the company during the financial year ended 31st March, 2018 is 34.97%, Company Secretary of the Company during the financial year ended



31st March, 2018 is 23.78% and the ratio of remuneration and percentage increase of the Chief Finance Officer of the Company during the financial year ended 31st March, 2018 is not reported as they were holding positions for part of the current Financial Year.

3. **Percentage increase in the median remuneration of employees of the Company during the financial year ended 31st March, 2018 is -0.72%.**

4. The number of permanent employees on the rolls of the Company as on 31st March, 2018 are 274.

5. The explanation on the relationship between average increase in remuneration and Company performance:

The percentage increase in salary is in line with the market situation, business performance, financial position of the Company.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Company's ideology, business performance, financial position, merit increases and annual bonus pay outs of its employees including Key Managerial Personnel are directly linked to individual performance as well as the Company.

7. Variations in the market capitalisation of the Company, price earnings ratio as at the Closing date of the year ended 31st March, 2018 and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of Listed Companies:

	As on 31.03.2018 (Rs. In Lacs)	As on 31.03.2017 (Rs. In Lacs)
Market Capitalisation	23655.526	20863.647

Price Earnings ratio of the Company was 19.24 as at 31st March, 2018 and was 13.58 as at 31st March, 2018. The company has not come out with public offer of equity shares. Hence the details of the same are not applicable.

8. 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.

The average percentage increase made in the salaries of employees other than the Managerial Personnel in the period was not ascertained since Borax Morarji Limited got amalgamated with the Company based on the National Company Law Tribunal (NCLT) order dated 18/10/2017.

9. The Key parameters for any variable component of remuneration availed by the Directors:

Not applicable as there is no variable component of remuneration availed by the Directors during the financial year ended 31st March, 2018.

10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but received remuneration in excess of the highest paid director of the Company during the financial year ended 31st March, 2018. Not Applicable

11. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.



FORM NO. MGT-9

Extract of annual return as on the financial year ended on 31.03.2018

[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 : L24110MH1919PLC000564
- (ii) Registration date : 25/09/1919
- (iii) Name of the company : The Dharamsi Morarji Chemical Co. Ltd.
- (iv) Category/sub-category of the company : Company Limited by Shares / Indian Non-Government Company
- (v) Address of the registered office and contact details : Prospect Chambers, 317/321,
Dr. D.N. Road, Fort, Mumbai 400001
Maharashtra
Tel. 022-22048881-2-3
Fax : 022-22852232
www.dmcc.com
dgokhale@dmcc.com
- (vi) Whether listed company : Yes – on BSE Limited
- (vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Pvt. Ltd.
C-101, 247 Park,
LBS Marg, Vikhroli (W)
Mumbai 400 083
Maharashtra
Tel. : +91 22-49186270
Fax : +91 22-49186060
E-mail: rnt.helpdesk@linkintime.co.in
Website: linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are :

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Speciality Chemicals	202	51.07
2.	Commodity Chemicals	201	46.26

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (post merger)

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ associate	% of shares held	Applicable Section
1.	Borax Morarji (Europe) GmbH	Nil	Subsidiary	100 %	



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

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

Category of shareholders	No. of shares held at the Beginning of the year				No of Shares held at the End of the year				% Change During The year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	78911	73350	152261	0.70	183751	51225	234976	0.94	0.24
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	2789206	3000	2792206	12.78	3769298	3000	3772298	15.13	2.35
(e) Banks/FI									
(f) Any Other									
Sub-total(A)(1)	2868117	76350	2944467	13.48	3953049	54225	4007274	16.07	2.59
(2) Foreign									
(a) NRIs - Individuals	8107109	600	8107709	37.11	9293513	22725	9316238	37.35	0.24
(b) Other - Individuals									
(c) Bodies Corp.									
(d) Banks/FI									
(e) Any Other									
Sub-total(A)(2)	8107109	600	8107709	37.11	9293513	22725	9316238	37.35	0.24
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	10975226	76950	11052176	50.59	13246562	76950	13323512	53.42	2.83
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds/UTI	309859	2100	311959	1.43	0	4909	4909	0.02	(1.41)
(b) Banks/FI	303546	1003	304549	1.39	1232	303749	304981	1.22	(0.17)
(c) Central Govt.									
(d) State Govt(s)									
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	4232	200	4432	0.02	0.02
(g) Alternate Investment Funds	0	0	0	0.00	230340	0	230340	0.92	0.92
(h) Foreign Portfolio Investor	0	0	0	0.00	57810	0	57810	0.23	0.23
(i) Others (specify)									
Sub-total(B)(1)	613405	3103	616508	2.82	293614	308858	602472	2.41	(0.41)
2. Non-Institutions									
(a) Bodies Corp.	790493	19602	810095	3.71	1048667	19934	1068601	4.29	(0.87)
i. Indian									
ii. Overseas									
(b) Individuals									
i. Individual shareholders holding nominal share capital upto ₹2 Lakh	3786930	761100	4548030	20.82	4339842	874293	5214135	20.91	0.61



Category of shareholders	No. of shares held at the Beginning of the year				No of Shares held at the End of the year				% Change During The year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
ii. Individual shareholders holding nominal share capital in excess of ₹2 Lakh	3163199	99509	3262708	14.93	3427551	28182	3455733	13.86	(1.41)
(c) Others (HUF specify)	584589	0	584589	2.68	789979	150	790129	3.17	(0.55)
i. Clearing Members	414043	0	414043	1.90	108475	0	108475	0.43	1.28
ii. Non Resident Indians (NRI)	170477	79336	249813	1.14	69725	79336	149061	0.60	(0.04)
iii. Non Resident Indians (NRN)	173096	24914	198010	0.91	80188	24946	105134	0.42	(0.18)
iv. Trusts	110696	0	110696	0.50	122598	0	122598	0.49	0.00
v. Others Foreign Nationals	83	0	83	0.00	83	0	83	0.00	0.00
Sub-total (B)(2)	9193606	984461	10178067	46.59	9987108	1026841	11013949	44.17	(2.42)
Total Public Shareholding (B) = (B)(1) + (B)(2)	9502064	1292511	10794575	49.41	10280722	1335699	11616421	46.58	(2.83)
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	0.00	Nil	Nil	Nil	0.00	0.00
Grand Total (A+B+C)	20477290	1369461	21846751	100	23527284	1412649	24939933	100	0.00

- Issue of 3093182 Equity shares as per NCLT Order dated 18/10/2017 w.r.t. amalgamation of Borax Morarji Ltd. with the company.

(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 share-holding during the year shares
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered total	No. of shares	% of total shares of the company	% of shares pledged/ encumbered total shares	
1.	Bimal Lalitsingh Goculdas	36476	0.16	Nil	97200	0.39	Nil	0.23
2.	Sonali B. Goculdas	33808	0.16	Nil	43988	0.18	Nil	0.02
3.	Harisingh Narottamdas Goculdas	2828	0.01	Nil	2838	0.01	Nil	0.00
4.	Kosan Industries Pvt. Ltd.	3000	0.01	Nil	3000	0.01	Nil	0.00
5.	Lalit N. Goculdas	2121	0.01	Nil	3127	0.01	Nil	0.00
6.	Mulraj Dwarkadas Goculdas	33813	0.16	Nil	33813	0.14	Nil	(0.02)
7.	Radha Lalit Goculdas	3678	0.02	Nil	3728	0.02	Nil	0.00
8.	Ranchoddas Mathradas Goculdas	39537	0.18	Nil	50282	0.20	Nil	0.02
9.	Bharati Laxmikumar Goculdas	286620	1.32	Nil	454145	1.82	Nil	0.50
10.	The Natural Gas Co. Pvt. Ltd.	1080122	4.94	Nil	1080222	4.33	Nil	(0.61)
11.	Phoenix Distributors Pvt. Ltd.	1024760	4.69	Nil	1182270	4.74	Nil	0.05
12.	Jasraj Trading Company	124849	0.57	Nil	1050806	4.21	Nil	3.64
13.	L.P. Gas Equipment Private Ltd.	456000	2.09	Nil	456000	1.83	Nil	(0.26)
14.	Laxmikumar Narottam Goculdas	7821089	35.80	Nil	8862093	35.53	Nil	(0.27)
15.	Santanalaxmi Investments Pvt. Ltd.	103475	0.47	Nil	0	0.00	Nil	(0.47)
	Total	11052176	50.59	Nil	13323512	53.42	Nil	2.83

@ Shareholding increased on 23/11/2017 based on the Amalgamation of Borax Morarji Limited with the company.



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

Sr. No.				Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year as on 01/04/2017			11052176	50.59		
	Additions						
1.	Bimal Lalitsingh Goculdas						
	As on 1/4/2017	Increased On 23/11/17@	As on 31/3/2018				
	36476	60724	97200			97200	0.39%
	0.17%	0.22%	0.39%				
2.	Sonali B. Goculdas					43988	0.18%
	33808	10180	43988				
	0.16%	0.02%	0.18%				
3.	Harisingh Narottamdas Goculdas						
	2828	10	2838			2838	0.01%
	0.01%	0.00%	0.01%				
4.	Kosan Industries Pvt. Ltd.						
	3000	0	3000			3000	0.01%
	0.01%	0.00%	0.01%				
5.	Lalit N. Goculdas						
	2121	1006	3127			3127	0.01%
	0.01%	0.00%	0.01%				
6.	Mulraj Dwarkadas Goculdas						
	33813	0	33813			33813	0.14%
	0.16%	(0.02%)	0.14%				
7.	Radha Lalit Goculdas						
	3678	100	3728			3728	0.02%
	0.02%	0.00%	0.02%				
8.	Ranchoddas Mathradas Goculdas						
	39537	10745	50282			50282	0.20%
	0.18%	0.02%	0.20%				
9.	Bharati Laxmikumar Goculdas						
	286620	167525	454145			454145	1.82%
	1.32%	0.50%	1.82%				
10.	The Natural Gas Co. Pvt. Ltd.						
	1080122	100	1080222			1080222	4.33%
	4.94%	0.61%	4.33%				
11.	Phoenix Distributors Pvt.Ltd.						
	1024760	157510	1182270				
	4.69%	0.05%	4.74%			1182270	4.74%
12.	Jasraj Trading Company						
	124849	925957	1050806				
	0.57%	3.64%	4.21%			1050806	4.21%
13.	L.P. Gas Equipment Pvt. Ltd.						
	456000	0	456000				
	2.09%	0.26%	1.83%			456000	1.83%
14.	Laxmikumar Narottam Goculdas						
	7821089	1041004	8862093				
	35.80%	0.27%	35.53%			8862093	35.53%
15.	Santanlaxmi Investments Pvt.Ltd.						
	103475	-103475	0				
	0.47%	0.47%	0				
	Subtotal of the % change						
	Change in Shareholding only due to the issue of Equity Shares based on Amalgamation of Borax Morarji Limited with the Company.						2.83%
	Changes effected to Promoter Group holding						2.83%
	At the End of the year – As on 31-03.2018					13323512	53.42% [@]

[@] Shareholding increased on 23/11/2017 based on the Amalgamation of Borax Morarji Limited with the company.



(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :**

Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year 01/04/2016		Shareholding at the end of the year 31/03/2017		
				No. of shares	% of total shares of the company	No. of shares	No. of shares held	% of total shares of the company
1	Sanjay Katkar			77388	0.3103			0.3103
		25/08/2017	Decrease/Transfer			95582	172970	
		24/11/2017	Decrease/Transfer			168973	341943	1.3711
2	Girish Gulati (HUF)			66300	0.2658			0.2658
		05/05/2017	Decrease/Transfer			6424	72724	
		19/05/2017	Decrease/Transfer			-500	72224	
		23/06/2017	Decrease/Transfer			143431	215655	
		30/06/2017	Decrease/Transfer			3000	218655	
		28/07/2017	Decrease/Transfer			-3000	215655	
		01/12/2017	Decrease/Transfer			14880	230535	
		16/02/2018	Decrease/Transfer			3000	233535	
		23/02/2018	Decrease/Transfer			15250	248785	
		09/03/2018	Decrease/Transfer			7139	255924	
		16/03/2018	Decrease/Transfer			700	256624	
		23/03/2018	Decrease/Transfer			5000	261624	1.049
3	Chetan Jayantilal Shah			0	0.00			0.00
		28/04/2017	Decrease/Transfer			65955	65955	
		12/05/2017	Decrease/Transfer			33173	99128	
		19/05/2017	Decrease/Transfer			46210	145338	
		02/06/2017	Decrease/Transfer			24662	170000	
		09/06/2017	Decrease/Transfer			30000	200000	
		10/11/2017	Decrease/Transfer			25000	225000	
		12/01/2018	Decrease/Transfer			15000	240000	0.9623
4	Jayantilal Premji Shah			0	0.00			0.00
		14/07/2017	Decrease/Transfer			25318	25318	
		21/07/2017	Decrease/Transfer			44682	70000	
		15/09/2017	Decrease/Transfer			30000	100000	
		06/10/2017	Decrease/Transfer			7405	107405	
		13/10/2017	Decrease/Transfer			21184	128589	
		20/10/2017	Decrease/Transfer			38631	167220	
		27/10/2017	Decrease/Transfer			32780	200000	
		02/02/2018	Decrease/Transfer			20000	220000	
		16/02/2018	Decrease/Transfer			16298	236298	
		23/02/2018	Decrease/Transfer			3652	239950	
		02/03/2018	Decrease/Transfer			1	239951	
		09/03/2018	Decrease/Transfer			49	240000	0.9623
5	Bhadra Jayantilal Shah			0	0.00			0.00
		16/06/2017	Increase/Transfer			100000	100000	
		23/06/2017	Decrease/Transfer			25182	125182	
		30/06/2017	Increase/Transfer			62779	187961	



Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year 01/04/2016		Shareholding at the end of the year 31/03/2017		
				No. of shares	% of total shares of the company	No. of shares	No. of shares held	% of total shares of the company
		14/07/2017	Decrease/Transfer			12039	200000	
		29/12/2017	Decrease/Transfer			20195	220195	
		05/01/2018	Increase/Transfer			19805	240000	0.9623
6	SBI Pipe Fund - 1			307655	1.2336			1.2336
		16/06/2017	Decrease/Transfer			-25301	282354	
		23/06/2017	Decrease/Transfer			-25100	257254	
		08/09/2017	Decrease/Transfer			-26914	230340	0.9236
7	Urvashi D. Morarji			236026	0.9464			0.9464
		03/11/2017	Increase/Transfer			-100000	136026	
		29/12/2017	Increase/Transfer			91000	227026	0.9103
8	Ajay Upadhyaya			113000	0.53			0.53
		27/10/2017	Increase/Transfer			32376	32376	
		03/11/2017	Increase/Transfer			27624	60000	
		17/11/2017	Increase/Transfer			90000	150000	
		12/01/2018	Increase/Transfer			61000	211000	
		26/01/2018	Increase/Transfer			9000	220000	0.8821
9	Edelweiss Broking Ltd.			4043	0.0162			0.0162
		07/04/2017	Increase/Transfer			3000	7043	
		14/04/2017	Increase/Transfer			1000	8043	
		21/04/2017	Increase/Transfer			300	8343	
		28/04/2017	Increase/Transfer			11050	19393	
		05/05/2017	Increase/Transfer			-12650	6743	
		12/05/2017	Increase/Transfer			800	7543	
		26/05/2017	Increase/Transfer			465	8008	
		02/06/2017	Increase/Transfer			-7608	400	
		09/06/2017	Increase/Transfer			752	1152	
		16/06/2017	Increase/Transfer			788	1940	
		23/06/2017	Increase/Transfer			160	2100	
		30/06/2017	Increase/Transfer			-350	1750	
		07/07/2017	Increase/Transfer			3859	5609	
		14/07/2017	Increase/Transfer			6975	12584	
		21/07/2017	Increase/Transfer			4179	16763	
		04/08/2017	Increase/Transfer			12187	28950	
		11/08/2017	Increase/Transfer			64449	93399	
		18/08/2017	Increase/Transfer			20017	113416	
		25/08/2017	Increase/Transfer			-82065	31351	
		01/09/2017	Increase/Transfer			120793	152144	
		08/09/2017	Increase/Transfer			-734	151410	
		15/09/2017	Increase/Transfer			-2507	148903	
		22/09/2017	Increase/Transfer			-202	148701	
		29/09/2017	Increase/Transfer			2385	151086	
		06/10/2017	Increase/Transfer			-200	150886	



Sr. No.	For Each of the Top 10 Shareholders (*)	Date	Increase or Decrease / Reasons	Shareholding at the beginning of the year 01/04/2016		Shareholding at the end of the year 31/03/2017		
				No. of shares	% of total shares of the company	No. of shares	No. of shares held	% of total shares of the company
		13/10/2017	Increase/Transfer			7626	158512	
		20/10/2017	Increase/Transfer			29364	187876	
		27/10/2017	Increase/Transfer			1683	189559	
		03/11/2017	Increase/Transfer			12600	202159	
		10/11/2017	Increase/Transfer			100	202259	
		17/11/2017	Increase/Transfer			2000	204259	
		24/11/2017	Increase/Transfer			-172311	31948	
		01/12/2017	Increase/Transfer			1863	33811	
		08/12/2017	Increase/Transfer			-2200	31611	
		15/12/2017	Increase/Transfer			-4000	27611	
		29/12/2017	Increase/Transfer			-900	26711	
		05/01/2018	Increase/Transfer			1300	28011	
		12/01/2018	Increase/Transfer			14434	42445	
		19/01/2018	Increase/Transfer			-3125	39320	
		26/01/2018	Increase/Transfer			293	39613	
		02/02/2018	Increase/Transfer			-8043	31570	
		09/02/2018	Increase/Transfer			-604	30966	
		16/02/2018	Increase/Transfer			554	31520	
		23/02/2018	Increase/Transfer			46046	77566	
		02/03/2018	Increase/Transfer			41194	118760	
		09/03/2018	Increase/Transfer			24829	143589	
		16/03/2018	Increase/Transfer			14613	158202	
		23/03/2018	Increase/Transfer			32857	191059	
		31/03/2018	Increase/Transfer			-264	190795	0.765
10	Jagdish N. Master			0	0.00			0.00
		03/11/2017	Decrease/Transfer			53020	53020	
		10/11/2017	Decrease/Transfer			3480	56500	
		17/11/2017	Decrease/Transfer			1000	57500	
		24/11/2017	Decrease/Transfer			3400	60900	
		01/12/2017	Decrease/Transfer			5557	66457	
		08/12/2017	Decrease/Transfer			7687	74144	
		15/12/2017	Decrease/Transfer			856	75000	
		22/12/2017	Decrease/Transfer			25000	100000	
		29/12/2017	Decrease/Transfer			58000	158000	
		05/01/2018	Decrease/Transfer			4000	162000	
		12/01/2018	Decrease/Transfer			3000	165000	
		19/01/2018	Decrease/Transfer			1000	166000	
		26/01/2018	Decrease/Transfer			3500	169500	
		02/02/2018	Decrease/Transfer			2000	171500	
		09/02/2018	Decrease/Transfer			16500	188000	0.7538

(*) The Shares of the Company are traded on a daily basis and hence the date wise increase/ decrease in shareholding is not indicated.



Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Name of Director / KMP	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Laxmikumar Narottam Goculdas Add: Shares issued on amalgamation	1/4/2017		7821089	35.80		
		23/11/2017		1041004	@ 0.27		
		31/3/2018		8862093	35.53	8862093	35.53
2	Shri Haridas Tricumdas Kapadia Add: Shares issued on amalgamation	1/4/2017		6348	0.03		
		23/11/2017		4759	0.01		
		31/3/2018		11107	0.04	11107	0.04
3	Shri Arvind Wasudeo Ketkar	1/4/2017		324	0.01		
		31/3/2018		324	0.01	324	0.01
4	Shri Madhu Thakorlal Ankleshwaria Add: Shares issued on amalgamation	1/4/2017		0	0.00		
		23/11/2017		225	0.00		
		31/03/2018		225	0.00	225	0.00
5	Shri Sanjeev Vishwanath Joshi Add: Shares issued on amalgamation	1/4/2017		4272	0.02		
		23/11/2017		163	0.00		
		31/03/2018		4435	0.02	4435	0.02
6	Shri Bimal Lalitsingh Goculdas Add: Shares issued on amalgamation	1/4/2017		36476	0.17		
		23/11/2017		60724	0.22		
		31/3/2018		97200	0.39	97200	0.39
7	Shri Dilip Trimbak Gokhale	1/4/2017		150	0.00		
		31/3/2018		150	0.00	150	0.00

@ Shareholding increased on 23/11/2017 based on the Amalgamation of Borax Morarji Limited with the company.

(vi) INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principal Amount	1260.60	1318.48	134.00	2713.08
II. Interest due but not paid	-	-	-	-
III. Interest accrued but not due	-	-	-	-
Total (I + II + III)	1260.60	1318.48	134.00	2713.08
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	42.48	(487.34)	(74.00)	(518.86)
Net Change	42.48	(487.34)	(74.00)	(518.86)
Indebtedness at the end of the financial year				
i. Principal Amount	1303.08	831.14	60.00	2194.22
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (I + ii + iii)	1303.08	831.14	60.00	2194.22



(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount In ₹
		Shri Bimal Lalitsingh Goculdas Managing Director, & CEO	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(l) of the Income-tax Act, 1961.	6300000	6300000
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961.	761731	761731
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock option	-	-
3.	Sweat equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify....	-	-
5.	Others (Please specify)- Retirals	702000	702000
	Total (A)	7763731	7763731

B. Remuneration to other directors (Refer Corporate Governance Report for details):

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Directors	Mr.Haridas Tricumdas Kapadia	Mr.Madhu Thakorlal Ankleshwaria	Mr. Arvind Wasudeo Ketkar	Mr.Mukul Manoharlal Taly	Mr.Sanjeev Vishwanath Joshi	
	• Fee for attending Board/ Committee meetings	350000	350000	250000	00	00	950000
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (B) (1)	350000	350000	250000	00	00	950000
2.	Other Non-Executive Directors	Mr. Laxmikumar Narottam Goculdas		Ms. Mitika Laxmikumar Goculdas			Total
	• Fee for attending Board/ Committee meetings	225000		125000			350000
	• Commission	-		-			-
	• Others, please specify	-		-			-
	Total (B) (2)	225000		125000			350000
	Total (B) = (1 + 2) Total Managerial Remuneration						1300000



C. Remuneration to key managerial personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr.D.T. Gokhale Sr.Executive Vice President & Company Secretary	Mr.D.K. Sundaram Chief Finance Officer Upto 31.12.2017	Mr.D.G. Patil Chief Finance Officer	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	2760000	1440000	958200	5158200
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961.	381347	333000	40000	754347
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-		-
2.	Stock Option	-	-		-
3.	Sweat Equity	-	-		-
4.	Commission				
	- as % of profit	-	-		-
	- others, specify	-	-		-
5.	Others, please specify	-	-		-
	Total	3141347	1773000	998200	5912547

(viii) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.



REPORT ON CORPORATE GOVERNANCE 2017-2018

1. Company's philosophy on Code of Governance

Your Company strongly believes that its system of Corporate Governance protects the interests of all the stakeholders by inculcating transparent business operations and accountability from management. The Core Values viz. Customer Focus, Team Work, Leadership, Innovation, Respect for People, Integrity and Performance, guide the Company towards fulfilling the consistently high standard of Corporate Governance in all facets of the Company's operations. Accordingly, your Company has been practicing the broad principles of Corporate Governance over the years by placing strong emphasis on transparency, empowerment, accountability and integrity so as to continuously enhance values for stake holders - the shareholders, the customers, the employees and the creditors.

2. Governance Structure

The Corporate Governance structure of the Company is as follows:

- i. Board of Directors: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
- ii. Committees of the Boards (hereinafter called "Committees"). The Board has constituted the following Committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Independent Directors' Committee, Stakeholder/Investor and Grievance Committee. Each of the said Committee has been mandated to operate within a given framework.

3. Board of Directors

Composition & Size of the Board

Your Board comprises of an optimal complement of independent professionals having in-depth knowledge of the business and the industry. The size and composition of the Board conforms with the requirements of the Corporate Governance code under the Listing Agreement with the BSE Limited viz. Stock Exchange, Mumbai. The Board is headed by the Non Executive Chairman, Shri Laxmikumar Narottam Goculdas. As on 31st March, 2018 the Board comprised of 8 Directors (including 1 woman Director). Out of the 8 Directors 7 Directors were Non-Executive Directors. The Non-Executive Directors are eminent industrialists and professionals with vast experience in over-all management and finance, who bring a wide range of skills and experience to the Board. Out of these 8 Directors, 5 were Independent Directors, 2 Promoter Non-Executive Directors and 1 Executive Director, thereby complying with the requirements of the Companies Act, 2013 and the Clause 49 of the Listing agreement.

Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board meeting.

The notice of each Board Meeting is given in writing to each Director. The Agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.



Intimation given to the Board

The Company provides the information as set out in Clause 49 of the Listing Agreement to the Board and the Board committees to the extent it is applicable and relevant. Such information is submitted either as part of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions.

Board Support

The Company Secretary attends the Board/Committee meetings and advises on Compliances with applicable laws and governance.

The information as required under Annexure 1A to Clause 49 is being made available to the Board

None of the Directors was a member of more than 10 Board- level committees nor a Chairman of more than 5 such committees, across all Companies in which he was a Director.

Number of Board Meetings held during the year along with the dates of the Meetings.

Five Board Meetings were held during the financial year ended 31st March, 2018. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Agreement. The dates on which the said meetings were held are as follows:

26th May, 2017, 29th August, 2017, 10th November, 2017, 26th December, 2017 and 14th February, 2018.

Attendance of each Director at the Board Meetings held during the financial year ended 31st March, 2018 and last Annual General Meeting and No. of other Directorships / Memberships of the Committee:

Sr. No.	Name of Directors	Category of Directorship (designation as on 31.03.2018)	No. of Board Meetings attended (out of 5 Meetings held)	Attendance at last AGM	No. of other directorships as on 31.03.18@	No. of Board Committees of other companies in which Chairman, as on 31.03.2018	No. of Board Committees of other companies in which Member, as on 31.03.2018
1	Shri Laxmikumar Narottam Goculdas DIN 00459347	Chairman, Promoter, Non-Executive	5	Yes	Nil	Nil	Nil
2	Ms Mitika L. Goculdas DIN 02879174	Vice Chairman, Promoter, Non-Executive	4	Yes	Nil	Nil	Nil
3	Shri H. T. Kapadia DIN 00125090	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
4	Shri M. T. Ankleshwaria DIN 02753794	Non-Executive, Independent	5	Yes	1	1	2
5	Shri A. W. Ketkar DIN 02863429	Non-Executive, Independent	5	Yes	Nil	Nil	Nil
6	Shri Mukul Manoharlal Taly DIN 01334360	Non-Executive Independent Director, (w.e.f. 14.02.2018)	Nil	No	Nil	Nil	Nil
7	Shri S. V. Joshi DIN 00392020	Non-Executive Independent Director, (w.e.f. 14.02.2018)	Nil	Nil	Nil	Nil	Nil
8	Shri Bimal Lalitsingh Goulidas DIN 00367792	Executive Director, (w.e.f. 14.02.2018), M.D., and C.E.O (w.e.f. 01.04.2018)	1	Yes	Nil	Nil	Nil

@ Excludes Foreign Companies, Private Companies Alternate Directorships.



Details of Directors being appointed and re-appointed at the ensuing Annual General Meeting to be held on 26th September, 2018.

As per the Companies Act, 2013, not less than two-third of the Directors should be retiring Directors. One-third of these retiring Directors are required to retire every year and if eligible, these Directors qualify for re-appointment.

Accordingly, Shri Laxmikumar Narottam Goculdas retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

A brief resume of the Directors being appointed/eligible for re-appointment are as follows:

Shri Laxmikumar Narottam Goculdas

Shri Laxmikumar Narottam Goculdas, Chairman of the Company has wide knowledge and experience in industry, trade, finance, commerce, corporate affairs and international trade.

Based on the Report of the Committee on Corporate Governance chaired by Mr. Uday Kotak, the Securities and Exchange Board of India (SEBI) amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"). According to the new provisions, a listed entity is required to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of any Directors who have attained the age of seventy-five years. The said provision comes into effect from 1st April, 2019. Shri Laxmikumar Narottam Goculdas would attain the age of seventy-five years on 16th September, 2018, the approval of the Shareholders is being sought for the continuation of directorship.

Shri Haridas Tricumdas Kapadia

Shri Haridas Tricumdas Kapadia, Director of the company has wide knowledge and experience in industry, trade, commerce, corporate affairs and International Trade,. He is B.Sc. and Diploma in Chemical Engineering.

Shri Haridas Tricumdas Kapadia, Non-Executive Independent Directors whose appointment for a period of five years commencing from 18th September, 2014 and ending on 17th September, 2019, was approved by the Shareholders at the 93rd Annual General Meeting of the company held on 18th September, 2014.

According to the new provisions, a listed entity is required to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of any Directors who have attained the age of seventy-five years. Accordingly the approval of the Shareholders is being sought for the continuation of directorship of Shri Haridas Tricumdas Kapadia,.

Shri Arvind Wasudeo Ketkar

Shri Arvind Wasudeo Ketkar, is B.Com (Hons), A.C.A., Practising Chartered Accountant for over 44 Years and has indepth knowledge in finance and accounting. Shri Arvind Wasudeo Ketkar, Non-Executive Independent Directors whose appointment for a period of five years commencing from 18th September, 2014 and ending on 17th September, 2019, was approved by the Shareholders at the 93rd Annual General Meeting of the company held on 18th September, 2014.

According to the new provisions, a listed entity is required to avail approval of shareholders by way of Special Resolution to appoint or continue the directorship of any Directors who have attained the age of seventy-five years. Accordingly the approval of the Shareholders is being sought for the continuation of directorship of Shri Arvind Wasudeo Ketkar,.

Shri Mukul Manoharlal Taly

Shri Mukul Manoharlal Taly is B.Sc., LL.M practicing over 34 years as Senior in S. Mahomedbhai & Co., Advocate & Solicitors, High Court, Mumbai. He has been a Gold Medallist (1st in the University of Mumbai in LLB) in the year 1983. He has LL.M. degree from the University of Mumbai in Commercial Law and Constitutional Law during the year 1983-85.

Shri Mukul Manoharlal Taly taught various subjects such as Commercial Laws, Civil Procedure Code, Bankruptcy etc., at the Government Law College as Fellow and as a Professor from 1983 to 1991.



Shri Mukul Manoharlal Taly has appeared in his matters before the Mumbai and Gujarat High Courts, various District Courts, Powered Committee and Tribunals and also in the Supreme Court of India.

Shri Sanjeev Vishwanath Joshi

Shri Sanjeev Vishwanath Joshi is B.Com, Practising Chartered Accountant for over 34 years.

Shri Sanjeev Vishwanath Joshi has in-depth knowledge in finance and accounting and taxation.

Shri Bimal Lalitsingh Goculdas

Shri Bimal Lalitsingh Goculdas (DIN 00367792) is a Chemical Engineer from The Institute of Chemical Technology (ICT), Mumbai and has done M.S. in Chemical Engineering from University of Wyoming, U.S.A. Shri Bimal Lalitsingh Goculdas is a leading professional with wide experience in business , commercial, technical, corporate finance both in India and Abroad.

Shri Bimal Lalitsingh Goculdas has been associated with the Company holding various senior Management positions for over last 20 years and has handled production, technology, supply chain management, marketing both domestic & export and finance.

Shri Bimal Lalitsingh Goculdas, Chief Executive Officer and Manager of the Company is related to Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas.

His existing term of appointment as CEO and Manager of the Company would have normally come to an end on 31.03.2019. His appointment as the Managing Director, and CEO of the Company is for five years w.e.f 01.04.2018 upto 31.03.2023.

Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and meet with requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchange, viz. BSE Limited, Mumbai. A Formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Agreement has been issued and disclosed on the website of the Company viz. www.dmcc.com.

Separate Meeting of Independent Directors

In compliance with Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14th February, 2018, the three Independent Directors of the Company existing as on the date and time of meeting attended the meeting, inter alia to discuss the following:

- a. Evaluation of the performance on Non-Independent Directors and the Board as a whole;
- b. Evaluation of the performance of Chairperson of the Company, taking into account the views of Non-Executive Directors; and
- c. Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The details of the familiarization programme of the Independent Directors are available on the website of the Company viz. www.dmcc.com

4. Familiarisation Programme for Directors

At the time of appointing a Director, a formal letter or appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken with respect to the same. The Chairman and Manager also has one to one discussion with the newly appointed Director to familiarise him with the Company's operations. Further the Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.



5. Audit Committee

Composition, Terms and Reference

The Audit Committee comprises of three Non-Executive Directors of which two are Independent Directors viz. Shri H. T. Kapadia as the Chairman (Independent Director) and Shri M. T. Ankleshwaria (Independent Director) as member. Shri Laxmikumar Narottam Goculdas, Chairman, Non-Executive Promoter Director is also a member of the Audit Committee. Shri D. T. Gokhale, Company Secretary, acts as the Secretary to the Committee.

The role, terms of reference, authority and power of Audit Committee are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Rules 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchange, viz. BSE Limited, Mumbai.

Meeting and the attendance during the financial year ended 31st March, 2018.

Four Meetings of the Audit Committee were held during the financial year ended 31st March, 2018 as given below. The attendance of each Committee member at the Audit Committee Meetings are given below:

Dates on which Audit Committee Meeting were held	Shri H. T. Kapadia	Shri Laxmikumar Narottam Goculdas	Shri M. T. Ankleshwaria
26.05.2017	Present	Present	Present
29.08.2017	Present	Present	Present
10.11.2017	Present	Present	Present
14.02.2018	Present	Present	Present

All the meetings were attended by the Chief Finance Officer, Company Secretary, Internal Auditor and Statutory Auditors.

All the members of the Audit Committee are financially literate and also possess the requisite accounting & related financial management expertise.

6. Nomination and Remuneration Committee

Composition

The Nomination and Remuneration Committee comprises of three Non-Executive, Independent Directors. Shri Haridas Tricumdas Kapadia, Non-Executive, Independent Director, is the Chairman of the Committee. The other members of the Nomination and Remuneration Committee include Shri Arvind Wasudeo Ketkar and Shri Madhu Thakorlal Ankleshwaria. The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Sections 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, disclosed at the website of the Company viz. www.dmcc.com

Meeting and Attendance

The Nomination and Remuneration Committee members held their meetings on 26th May, 2017 & 12th February, 2018. The necessary quorum was present, since all the members attended the meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Nomination and Remuneration Committee members:

Dates on which Nomination and Remuneration Committee Meeting were held	Shri H T Kapadia	Shri A W Ketkar	Shri M T Ankleshwaria
26.05.2017	Yes	Yes	Yes
12.02.2018	Yes	Yes	Yes

**7. Remuneration to Directors**

Details of remuneration paid to non-executive directors during the financial year ended 31st March, 2018 are as below:

Sr. No.	Name of Directors	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Independent Directors Committee Meeting	Corporate Social responsibility Committee Meeting	Equity Share Allotment Committee	Total	No. of equity shares held as on 31.03.18
1	Shri Laxmikumar Narottam Goculdas	125000	100000	Nil	Nil	Nil	Nil	225000	8862093
2	Ms Mitika L. Goculdas	100000	Nil	Nil	Nil	25000	Nil	125000	Nil
3	Shri H. T. Kapadia	125000	100000	50000	25000	25000	25000	350000	11107
4	Shri M. T. Ankleshwaria	125000	100000	50000	25000	25000	25000	350000	225
5	Shri A. W. Ketkar	125000	Nil	50000	25000	25000	25000	250000	324
6	Shri Mukul Manoharlal Taly	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7	Shri S. V. Joshi	Nil	Nil	Nil	Nil	Nil	Nil	Nil	4435
	Total	600000	300000	150000	75000	100000	75000	1300000	8878184

Relation between the Directors

None of the Directors of the Company except Shri Laxmikumar Narottam Goculdas (father of Ms. Mitika Laxmikumar Goculdas), Ms. Mitika Laxmikumar Goculdas (Daughter of Shri Laxmikumar Narottam Goculdas) and Shri Bimal Lalitsingh Goculdas the Nephew of Shri Laxmikumar Narottam Goculdas and cousin brother of Ms. Mitika Laxmikumar Goculdas are related to each other.

Remuneration to “Chief Executive Officer” and “Manager”

Details of remuneration paid/payable to Chief Executive Officer and “Manager” during the financial year 31st March, 2018 are as below:

(excludes contribution to Gratuity Fund & Leave Encashment on retirement, since same is provided on actuarial basis for the Company as a whole).

(Amount in ₹)

Name & Designation	Salary	Contribution to PF & Superannuation Fund	Perquisites	Total
Shri Bimal Lalitsingh Goculdas, Chief Executive Officer upto 31.03.2018 Managing Director, and Chief Executive Officer (w.e.f. 01.04.2018)	6300000	702000	761731	7763731

Managing Director, and Chief Executive officer of the Company

At the Board meeting dated 14th February, 2018 Shri Bimal Lalitsingh Goculdas, Chief Executive Officer and Manager of the Company, as per Companies Act, 2013 was appointed first as an Additional Director of the Board of Directors of the Company and then with effect from 01.04.2018 he was appointed, subject to the approval of Shareholders at the ensuing Annual General Meeting as the Managing Director, and Chief Executive officer of the Company for a period of five years commencing from 01.04.2018 to 31.03. 2023.

The term of contract of Shri Bimal Lalitsingh Goculdas, Managing Director, and Chief Executive Officer of the Company, is from 01-04-2018 to 31-03-2023. No severance fees or stock option are available to him.



Relation of the Managing Director, and Chief Executive Officer with Directors

Shri Bimal Lalitsingh Goculdas, Chief Executive Officer and Manager of the Company is related to Shri Laxmikumar Narottam Goculdas and Ms. Mitika Laxmikumar Goculdas.

Remuneration Policy

Subject to the approval of the Board and of the Company in General Meeting and such other approvals as may be necessary, the Chief Executive Officer is paid remuneration as per the Agreements entered into between him and the Company. The remuneration structure of the Chief Executive Officer comprises of Salary, H.R.A., Commission, Perquisites, Contribution to Provident Fund & Superannuation and Gratuity.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman, Manager and the Non-Independent Director were carried out by the independent Directors. The Directors express their satisfaction with the evaluation process.

8. Shareholder /Investor Grievance Committee

Details of the Directors and Compliance Officer

The Shareholder/Investor Grievance Committee comprises of Shri Laxmikumar Narottam Goculdas, (Non-Executive Chairman) as Chairman of the Committee with Shri. H. T. Kapadia, Director as other member. The Committee is vested with the requisite powers and authorities. In addition to the Share Transfer related matters, the committee specifically looks into the redressing of shareholders' and investors' complaints, if any, like delayed transfer of shares, non-receipt of annual reports, non-receipt of declared dividends etc. Shri D. T. Gokhale, Company Secretary has been appointed as the Compliance Officer.

Composition and attendance

This Committee comprises of Two Directors. Shri Laxmikumar Narottam Goculdas, (Non-Executive Chairman) is the Chairman of the Committee. The table below highlights the composition and attendance of the Members of the Committee. The necessary quorum was present for all Meetings.

Sr. No.	Name of the Directors	Role	Category	No. of Meetings attended
1	Shri Laxmikumar Narottam Goculdas,	Chairman	Non-Executive Promoter	4 of 4
2	Shri Haridas Tricumdas Kapadia	Member	Non-Executive Independent	4 of 4

Details of Shareholders' Complaints Received, solved and pending Share Transfer

The total number of complaints received and replied to the shareholders during the year ended March 31, 2018 were Nil as per details given below. There were no complaints outstanding as on 31st March, 2018. The number of pending share transfers and pending requests for dematerialization as on 31st March, 2018 were Nil. Shareholders/Investors complaints and other correspondence are normally attended to within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended/pending for more than thirty days as on 31st March, 2018.

Sr. No.	Nature of Complaints	Complaint Received	Complaint Redressed
1	Letter for transmission of Shares	Nil	Nil

Corporate Social Responsibility Committee

Composition

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted, which comprises of four Directors, Ms Mitika Laxmikumar Goculdas is the Chairman of the Committee. The other members of the CSR Committee include Shri Haridas Tricumdas Kapadia, Shri Madhu Thakorlal Ankleshwaria and Shri Arvind Wasudeo Ketkar. The Composition of CSR Committee is pursuant to



the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as per Section 135 of the Companies Act, 2013.

The Company has formulated a CSR Policy and the same has been uploaded on the website of the Company (www.dmcc.com)

The terms of reference of the Corporate Social Responsibility Committee broadly comprises:

To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

To provide guidance on various CSR initiatives to be undertaken by the Company and to monitor process.

Meeting and Attendance:

The CSR Committee meeting held on 14th February, 2018. The necessary quorum was present for the Meeting. The Composition of the CSR Committee as at 14th February, 2018 and the details of meetings of the Committee are as under:

Sr. No.	Name	Position	Category	No. of Meeting attended
1	Ms. Mitika Laxmikumar Goculdas	Chairman	Non-Executive Promoter	1 of 1
2	Shri H. T. Kapadia	Member	Non-Executive Independent	1 of 1
3	Shri M. T. Ankleshwaria	Member	Non-Executive Independent	1 of 1
4	Shri A. W. Ketkar	Member	Non-Executive Independent	1 of 1

9. General Meetings and Postal Ballots

The details of last three Annual General Meetings of the Company and the Special Resolutions passed there at are as follows:

- a) 96th Annual General Meeting was held on 26.12.2017 at 11.00 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020 No Special Resolution was passed at the meeting.
- b) 95th Annual General Meeting was held on 27.09.2016 at 11.00 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020 one Special Resolution was passed at the meeting for :
Re- appointment of Shri Bimal Lalitsingh Goculdas as the "Chief Executive Officer" and "Manager" of the Company for a period of three years commencing from 1st April, 2016 to 31st March, 2019.
- c) 94th Annual General Meeting was held on 23.09.2015 at 11.00 a.m. at Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400 020 - No Special Resolution was passed at the meeting.

During the year 2017-2018, no Resolution was put through Postal Ballot.

During the year 2016-2017, one Resolution was put through Postal Ballot, the particulars which are given below:

Pursuant to Section 108 and 110 of the Companies Act, 2013, read with the Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 as amended, Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Special Resolution for seeking approval of the shareholders, (issue of equity shares to the Promoters on a preferential Basis) through postal ballot (which include voting through electronic mode i.e. e-voting) as proposed vide Postal Ballot Notice dated October 27, 2016 has been passed with requisite majority by the shareholders of the company.

The result as per report dated November 29, 2016 of Ms Shailashri Bhaskar, Practicing Company Secretary, (Membership No. FCS:5778; CP:5092 an Independent Person to act as a Scrutinizer, appointed for conducting postal ballot process is as under:



Item	Number of Votes Cast in				Percentage
	Particulars	E-vote	Postal Ballot Forms	Total	
Issue of Equity Shares on Preferential basis to Promoter Group Companies viz. The Natural Gas Company Private Limited and Phoenix Distributors Private Limited.	Assent	311011	10513708	10824719	99.982%
	Dissent	400	1515	1915	0.018%
	Abstain	0	0	0	0.00%
	Total	311411	10515223	10826634	100.00%

During the year 2015-2016, no Resolution was put through Postal Ballot.

10. Disclosures

a) Code of Conduct

The Board of Directors has adopted the Code of Business Conduct and Ethics for the Directors and the members of the Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company's website www.dmcc.com.

b) At every Board Meeting and Audit Committee Meeting, the Register of Contracts maintained Under Section 189 of the Companies Act, 2013 is tabled and signed by the Directors.

c) Transactions with the related parties are disclosed in Note No. 43 of the Notes to the Accounts in the Annual Report. None of the related parties transactions are in conflict with the interests of the Company at large.

d) There was no non-compliance during the last three years by the Company on any matter related to Capital Market. Consequently, no penalties were imposed nor any strictures were passed on the Company by the Stock Exchange, Mumbai (on which the Company's equity shares are listed), SEBI or any other statutory authority.

e) The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

f) Related Party Transactions - There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The Register of Contracts for the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in note number 43 of the notes forming part of Accounts, as per Accounting Standard Number AS 18.

g) The Company has adopted Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.

11. CEO/CFO Certification

The Chief Executive Officer and the Chief Finance Officer of the Company have furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements for the financial year ended 31st March, 2018 and adequacy of internal controls as required in terms of Regulation 17(8) of the Listing Regulations, for the financial year 2017-18 was placed before the Board at its meeting held on 28th May, 2018.

12. Means of Communications

a) Quarterly Financial Results of the Company are forwarded to the Stock Exchange, viz. BSE Limited, Mumbai and published in "Free Press Journal" and "Navshakti" newspapers.

b) Company has its own web site and all the vital information relating to the Company, its products and its financial results are displayed at the web site. Address of the web site is www.dmcc.com.

c) Management Discussion & Analysis Report forms part of Directors' Report. No presentations were made to the institutional investors or analysts during the year.



13. Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted Capital with NSDL and CDSL and total issued and listed capital of the Company as per books. The Secretarial Audit report confirms that the total issued / paid-up capital is in accordance with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

14. General Shareholder Information

97th Annual General Meeting

Date : Wednesday, 26th September, 2018

Time : 11.30 a.m.

Venue: Indian Merchants' Chambers, Walchand Hirachand Conference Hall, Churchgate, Mumbai 400020.

Financial Calendar for the year 2018-19 (Provisional) :

- | | | |
|----|--|------------------------------------|
| a. | Results for the first quarter ending 30th June, 2018 | By 10 th August, 2018 |
| b. | Results for the second quarter ending 30 th September, 2018 | By 14 th November, 2018 |
| c. | Results for the third quarter ending 31 st December, 2018 | By 14 th February, 2019 |
| d. | Results for the year ending 31 st March, 2019 (Audited) | By end of May, 2019 |
| e. | Annual General Meeting for the year ending March, 2019 | In September, 2019 |

Date of Book Closure : 18th September, 2018 to 26th September, 2018 (both days inclusive)

Stock Code : 506405

Listing on Stock Exchange : BSE LIMITED

: 25th Floor, P J Towers, Dalal Street, Mumbai 400 001.

: Listing Fees as applicable have been paid.

Demat ISIN : INE505A01010

Corporate Identity Number : L24110MH1919PLC000564

Stock Price Data & Performance in comparison to BSE Indices

The monthly high and low of market prices of the Company's Equity Shares traded during the financial year on the BSE Limited, Mumbai and the BSE monthly high low Indices were as follows:

Month	Shares Price		BSE Indices	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2017	106.40	95.00	30184.22	29241.48
May, 2017	114.00	99.00	31255.28	29804.12
June, 2017	138.90	103.75	31522.87	30680.66
July, 2017	141.40	116.40	32672.66	31017.11
August, 2017	123.70	99.95	32686.48	31128.02
September, 2017	148.00	108.50	32524.11	31081.83
October, 2017	135.45	114.00	33340.17	31440.48
November, 2017	141.35	108.00	33865.95	32683.59
December, 2017	123.40	108.00	34137.97	32565.16
January, 2018	126.00	105.15	36443.98	33703.37
February, 2018	110.00	97.00	36256.83	33482.81
March, 2018	111.80	93.30	34278.63	32483.84

Nominal Value of each Equity Share is ₹ 10/-.



Registrar & Transfer Agents

Link Intime India Pvt. Ltd.

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.

Tel No : +91 22 49186000 Fax: +91 22 49186060

E-mail id : rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

Share Transfer System

Share Transfers are registered and duly transferred share certificates are dispatched within 30 days of receipt, if the transfer documents are otherwise in order. The total number of shares transferred in the Non-dematerialised segment during the financial year ended 31st March, 2018 were 7221.

In terms of the Notification No. SMDRP/POLICY/CIR/23/2000 dated 29th May, 2000, issued by Securities and Exchange Board of India, the Equity System of your Company are under compulsory demat trading by all investors, with effect from 28th August, 2000.

Shareholding Pattern and Distribution of Shares:

Shareholding Pattern as on 31st March, 2018:

Category	No. of Shares held	% of Shareholding
Promoters	13323512	53.42
Mutual Funds and UTI	4909	0.02
Banks, Financial Institutions, Insurance Cos.	304981	1.22
Private Corporate Bodies and Trusts	1068601	4.28
HUF	790129	3.17
Indian Public	9085048	36.44
NRIs/OCBs	254278	1.02
Clearing Members (in the depository)	108475	0.43
TOTAL	24939933	100.00

Note: The total Foreign Shareholding as on 31st March, 2018 was 9628326 shares, which in, percentage terms was 38.61% of the issued and subscribed capital, out of which 9316238 shares aggregating 37.35% of the capital represent Promoters' Holding and hence are included in Promoters' category.

The Indian public shareholding includes Non-Executive Independent Director shareholding as under:

Shri. H. T. Kapadia 11107

Shri. A. W. Ketkar 324

Distribution of Shareholding as on 31st March, 2018.

No. of Shares held	No. of Folios	Percentage	Total Shares	Percentage
Up to 500	14741	87.38	1549344	6.2123
501 to 1000	949	5.6254	759203	3.0441
1001 to 2000	523	3.1002	793549	3.1818
2001 to 3000	214	1.2685	546247	2.1903
3001 to 4000	85	0.5039	308418	1.2366
4001 to 5000	87	0.5157	413262	1.6570
5001 to 10000	105	0.6224	782016	3.1356
10001 to 30000	112	0.6639	1983972	7.9550
30001 to 50000	16	0.0948	643474	2.5801
50001 to 100000	13	0.0771	1009928	4.0494
100001 and above	25	0.1482	16150520	64.7577
TOTAL	16870	100.0000	24939933	100



Dematerialisation of Shares and liquidity

As on 31st March, 2018, out of 2,49,39,933 Equity Shares of the Company, 2,35,27,284 Equity Shares representing 94.33% Equity Shares, have been dematerialized by 8421 shareholders. The total number of shareholders of the Company are 16870.

The Company has not issued any GDRs, Warrant or any convertible instruments, the conversion of which will have an impact on equity shares of the Company.

The address of the correspondence : The Company Secretary
The Dharamsi Morarji Chemical Co. Ltd.
Prospect Chambers, 317/321, Dr. D. N. Road,
Fort, Mumbai 400 001.
Tel : 022 2204 8881/2/3; Fax : 022 2285 2232
E-mail : dgokhale@dmcc.com

Factories:

- (1) Roha : 105, MIDC Industrial Area, Audyogik Vasahat Post Office, Dhatav, Roha 402116, Dist. Raigad, Maharashtra.
- (2) Dahej : Plot No. CH-5/1 G.I.D.C, Dahej Industrial Estate, Taluka: Vagra, Dist. Bharuch, Gujarat.
- (3) Khemli : Khemli Village, Tehsil, Mavli, Dist. Udaipur, Rajasthan.
- (4) Jhar : Jhar Village, Taluka – Dhari, Dist. Amreli 365630, Gujarat.

Date: 10th August, 2018.



INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED

1. The Corporate Governance Report prepared by The Dharamsi Morarji Chemical Company Limited (hereinafter the "Company"), contains details as stipulated at Para C of Schedule V in terms of regulations 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") with respect to Corporate Governance for the year ended 31 March 2018.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with regards to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on 31 March 2018 and verified that at least one women director was on the Board during the year;
 - iv. Obtained and read the minutes of the following meetings held from 1 April 2017 to 31 March 2018:
 - (a) Board of Directors meeting;
 - (b) Audit committee;
 - (c) Annual General meeting;
 - (d) Nomination and Remuneration committee;
 - (e) Independent Directors Committee;



- (f) Stakeholder/ Investor and Grievance committee
- (g) Corporate social responsibility committee
- v. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

- 8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31 March 2018, referred to in paragraph 1 above.

Other matters and Restriction on Use

- 9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **RAHUL GAUTAM DIVAN & ASSOCIATES**

Chartered Accountants

(Firm's Registration Number: 120294W)

RAHUL DIVAN

Partner

Membership Number: 100733

Place : Mumbai

Date : 10th August 2018



**THE DHARAMSI MORARJI CHEMICAL COMPANY LTD
STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR 2017-18**



INDEPENDENT AUDITOR'S REPORT

To the Members of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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 standalone 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 standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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 standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, its profit 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 sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 27 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. The disclosure in the financial statements regarding holdings as well as dealing in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.

Other Matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by another auditor whose report for the year ended 31 March 2017 and 31 March 2016 dated 10 November 2017 and 27 May 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

For Rahul Gautam Divan & Associates
ICAI Firm registration number: 120294W
 Chartered Accountants

Rahul Divan

Partner

Membership No.: 100733

Place: Mumbai

Date: 28 May 2018



Annexure ‘1’ referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at 31 March 2018 and no material discrepancies were noticed in respect of such confirmations.
- (iii) (a) The Company has not granted any secured or unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the requirements of sub-clause (a), (b) and (c) of clause (iii) are not applicable to the Company.
- (iv) There are no loans given, no investments made, no guarantees given, and no security given by the Company in terms of provisions of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the records of the Company, the dues outstanding of income tax, duty of excise, duty of custom, sales tax, ESI and employees’ state insurance on account of any dispute, is as follows:

Name of the Statute	Nature of Dues	Amount (Rs.) in Lacs	Period to which	Forum where dispute is pending
Central Excise Act, 1944	Duty/Interest/Penalty	24.48	April 2008 to February 2013	Assistant Commissioner
Central Excise Act, 1944	Duty/Interest/Penalty	0.57	August, 2002 to March, 2007	Assistant Commissioner



Name of the Statute	Nature of Dues	Amount (Rs.) in Lacs	Period to which	Forum where dispute is pending
Central Excise Act, 1944	Duty/Interest/Penalty	1.18	2005 to 2006	Assistant Commissioner
Central Excise Act, 1944	Duty/Interest/Penalty	56.59	October 2008 to August 2013	Assistant Commissioner
Central Excise Act, 1944	Duty	3.79	March 2013 to September 2013	Dy. Commissioner
Central Excise Act, 1944	Duty	14.70	September 2013 to August 2014	CESTAT, West Zone Bench.
Central Excise Act, 1944	Duty	5.96	November 2010 to Sept 2013	Additional Commissioner of Central Excise
Central Excise Act, 1944	Duty	0.50	October 2013 to August 2014	Suptd. Of Central Excise(Tech)-IVth Division, Mahad
Central Excise Act, 1944	Duty	14.28	October 2013 to June 2014	Additional Commissioner of Central Excise
Central Excise Act, 1944	Duty	4.43	September 2014 to December 2014	Asst. Commissioner of Central Excise
Central Excise Act, 1944	Duty	1.58	January 2015 to April 2015	Asst. Commissioner of Central Excise
Central Excise Act, 1944	Transport Fees on SDS	51.24	2007-08 to 2016-17	Bombay High Court
Customs Act, 1962	Utilization of DEPB Licences	16.60	2002-03	Collector of Customs
	TOTAL	195.90		

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government. The Company did not have any outstanding debentures during the year.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by term loans for the purpose for which they were obtained. The Company has not raised any money way of initial public offer / further public offer / debt instruments during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.



- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Rahul Gautam Divan & Associates
ICAI Firm registration number: 120294W
Chartered Accountants

Rahul Divan

Partner

Membership No.: 100733

Place: Mumbai

Date: 28 May 2018

ANNEXURE-2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED

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 THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls



Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company 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 31 March 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 Rahul Gautam Divan & Associates

ICAI Firm registration number: 120294W

Chartered Accountants

Rahul Divan

Partner

Membership No.: 100733

Place: New Delhi

Date: 28 May 2018

**BALANCE SHEET AS AT 31ST MARCH 2018**

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non Current Assets				
Property, Plant and Equipment	3	7,260.94	6,842.77	6,293.83
Capital work-in-progress	3	264.50	299.83	515.63
Goodwill	3	1,465.10	1,465.10	1,465.10
Other Intangible Assets	3	19.79	26.25	21.00
Other non-current assets	4	161.30	226.82	226.74
Other non Current Financial Assets				
- Non Current Investments	5	55.85	55.85	55.85
Total Non Current Assets		9,227.48	8,916.62	8,578.15
Current Assets				
Inventories				
Financial Assets	6	2,070.72	1,651.40	2,186.11
-Current Investments	7	317.55	156.17	1.20
-Trade receivables	8	2,164.00	2,138.04	1,925.39
-Cash and cash equivalents	9	344.30	335.66	142.88
-Bank balances other than cash & cash equivalents	10	96.82	154.07	170.56
- Others Current financial assets	11	137.78	147.71	135.00
- Current Tax Assets (Net)	12	103.51	121.88	48.84
Other current assets	13	931.86	1,261.48	1,328.81
Total Current Assets		6,166.54	5,966.41	5,938.79
Total Assets		15,394.02	14,883.03	14,516.94
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	14	2,493.99	2,493.99	2,435.10
Other Equity	15	4,764.51	3,476.99	1,226.29
Total Equity		7,258.50	5,970.98	3,661.39
LIABILITIES				
Non-Current Liabilities				
<i>Financial Liabilities</i>				
-Long Term Borrowings	16	2,083.00	1,626.68	3,232.42
- Long Term Provisions	17	271.76	148.98	181.49
Other non-current liabilities	18	31.10	64.34	65.05
Total Non Current Liabilities		2,385.86	1,840.00	3,478.96
Current liabilities				
<i>Financial Liabilities</i>				
- Short Term Borrowings	19	-	1,024.31	1,404.57
- Trade payables	20	3,025.85	3,565.48	3,774.06
- Other financial liabilities	21	2,334.39	1,853.21	1,801.66
Other current liabilities	22	340.44	440.22	225.13
Provisions	23	48.98	188.83	171.17
Total Current Liabilities		5,749.66	7,072.05	7,376.59
Total Liabilities		8,135.52	8,912.05	10,855.55
Total Equity and liabilities		15,394.02	14,883.03	14,516.94

Significant accounting policies and notes to Financial Statements (Note 2)

The accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

For Rahul Gautam Divan & Associates

Chartered Accountants
Firm Registration No.: 120294WL.N. Goculdas
ChairmanH.T. Kapadia
Director

Rahul Divan

Partner
Membership No. 100733
Mumbai, 28th May 2018B.L. Goculdas
Managing Director, and CEO

Mumbai, 28th May 2018

D T Gokhale
SecretaryD G Patil
Chief Finance Officer



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

Particulars	Notes	For the Year ended 31st March, 2018 (₹ in Lakhs)	For the Year ended 31st March, 2017 (₹ in Lakhs)
Income			
Revenue from Operations	24	18,040.85	18,940.13
Other Income	25	88.61	52.89
Total Income		18,129.46	18,993.02
Expenses			
Cost of Raw Materials Consumed	26	10,118.63	10,301.21
Purchase of Stock-in-Trade	27	394.19	100.87
Changes in Inventories of Finished Goods and Work in Progress	28	57.05	(51.57)
Employee Benefits Expenses	29	1,432.06	1,289.57
Finance costs	30	396.72	502.45
Depreciation and amortization expense	3	418.63	371.64
Other Expenses	31	3,498.00	2,907.22
Excise duty on sale of goods		256.19	1,427.82
Total Expense		16,571.48	16,849.21
Profit/(loss) before tax		1,557.98	2,143.81
Tax Expense			
Current Tax under MAT		348.92	443.94
Tax impact due to OCI		(16.75)	(2.30)
		332.17	441.64
Profit / (Loss) for the year		1,225.82	1,702.17
Other Comprehensive Income			
(a)(i) Items that will not be reclassified to profit or loss		68.72	4.75
(ii) Income tax relating to items that will not be reclassified to Profit & Loss		(14.67)	(1.16)
b) i) Items that will be reclassified to Profit and Loss		9.74	4.97
ii) income Tax relating to Items that will be reclassified to Profit and Loss		(2.08)	(1.14)
Total Other Comprehensive Income		61.71	7.42
Total Comprehensive Income for year		1,287.53	1,709.59
Earnings per equity share (FV Rs. 10/- per share) :			
Basic & Diluted (in Rs)	39	4.92	7.79

Significant accounting policies and notes to Financial Statements (Note 2)

The accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

L.N. Goculdas
Chairman

H.T. Kapadia
Director

Rahul Divan
Partner
Membership No. 100733
Mumbai : Date: 28th May 2018

B.L. Goculdas
Managing Director, and CEO

D T Gokhale
Secretary

D G Patil
Chief Finance Officer

Mumbai : Date: 28th May 2018



CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Year ended 31st March, 2018 (₹ in Lakhs)	Year ended 31st March, 2017 (₹ in Lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	1557.98	2143.81
Add:		
1 Depreciation and amortisation	418.62	371.64
2 Interest charged	396.72	502.45
3 Unrealised Foreign Exchange Loss / (Gain)	(4.36)	14.37
4 (Gain)/Loss on sale of Property, Plant & Equipment	0.74	0.15
5 Other OCI impact (Net)	61.71	7.42
	<u>873.43</u>	<u>896.03</u>
Less:		
1 Interest Income	35.07	33.86
2 Dividend Income	4.01	1.14
	<u>39.08</u>	<u>35.00</u>
Operating Profit before change in working capital	2392.33	3004.84
Working capital changes:		
Add / (Less):		
1 (Increase) / Decrease in inventories	(419.32)	534.71
2 (Increase) / Decrease in trade receivables	(21.60)	(227.02)
3 (Increase) / Decrease in Other Financial Assets	9.93	(12.71)
4 (Increase) / Decrease in Other non current Assets	65.52	(0.08)
5 (Increase) / Decrease in Other Current Assets	329.62	67.33
6 Increase / (Decrease) in trade payables	(539.63)	(208.58)
7 Increase / (Decrease) in other long term liabilities	(33.24)	(0.71)
8 Increase / (Decrease) in other financial liabilities	481.19	51.55
9 Increase / (Decrease) in other current liabilities	(99.79)	215.09
10 Increase / (Decrease) in Current Provisions	(139.85)	17.66
11 Increase / (Decrease) in Non-Current Provisions	122.78	(32.51)
	<u>(244.39)</u>	<u>404.73</u>
Cash generated from operations	2147.94	3409.57
Add / (Less):		
Direct taxes paid (Net of refunds)	(313.79)	(514.68)
Net Cash inflow from Operating Activities (A)	1834.15	2894.89
B CASH FLOW FROM INVESTING ACTIVITIES:		
Add:		
1 Proceeds from sale of Property, Plant & Equipment	54.37	0.17
2 Interest received	35.07	33.86
3 Dividend received	4.01	1.14
	<u>93.45</u>	<u>35.17</u>
Less:		
1 Purchase of Property, Plant & Equipment / increase in Capital WIP	(850.12)	(710.35)
2 Purchase of Current Investment	(161.37)	(154.97)



CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Year ended 31st March, 2018 (₹ in Lakhs)	Year ended 31st March, 2017 (₹ in Lakhs)
Net Cash inflow from Investing Activities (B)	(1011.49) <u>(918.04)</u>	(865.32) <u>(830.15)</u>
C CASH FLOW FROM FINANCIAL ACTIVITIES:		
Add:		
1 Receipt from issue of Equity Shares inclusive of share premium	0.00	600.00
2 Proceeds from borrowings (Non Current)	456.31	0.00
3 Proceeds from borrowings Net of repayment (Current)	0.00	0.00
4 Increase in Restricted Bank Balances other than cash & cash equivalents	57.25	16.49
	<u>513.56</u>	616.49
Less:		
1 Repayment of borrowings (Non-current)	0.00	(1605.74)
2 Repayment of borrowings net of proceeds (Current)	(1024.31)	(380.26)
3 Interest and other finance costs	(396.72)	(502.45)
	<u>(1421.03)</u>	(2488.45)
Net Cash inflow from Financing Activities (C)	<u>(907.47)</u>	<u>(1871.96)</u>
I. Net (decrease)/increase in cash and cash equivalents	8.64	192.78
II. Add: Cash and cash equivalents at the beginning of the period	335.66	142.88
III. Cash and cash equivalents at the end of the period	344.30	335.66

As per our report of even date

For and on behalf of the Board of Directors

For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

L.N. Goculdas
Chairman

H.T. Kapadia
Director

Rahul Divan
Partner
Membership No. 100733
Mumbai, 28th May 2018

B.L. Goculdas
Managing Director, and CEO
Mumbai, 28th May 2018

D T Gokhale
Secretary

D G Patil
Chief Finance Officer

**STANDALONE STATEMENT OF CHANGES IN EQUITY**

FOR THE PERIOD ENDED 31ST MARCH, 2018

A. Equity Share Capital	No. of Shares	Rs. in Lakhs
Balance as at 1st April, 2016	21,257,821	2,125.78
Changes in equity share capital during FY 2016-17(Scheme of arrangement)	3,093,182	309.32
Balance as at 1st April, 2016 after giving of Effect of scheme of amalgamation	24,351,003	2,435.10
Changes in equity share capital during FY 2016-17	588,930	58.89
Balance as at 31st March, 2017	24,939,933	2,493.99
Changes in equity share capital during FY 2017-18	-	-
Balance as at 31st March, 2018	24,939,933	2,493.99

B. Other Equity					Rs. in Lakhs
	Particulars	Reserves and Surplus		Other items of Other Comprehensive Income	Total
	Securities Premium Reserve	Other Reserves	Retained Earnings		
Restated Balance at 1st April, 2016	1,173.79	66.59	(14.09)	-	1,226.29
Profit for the period	-	-	1,702.17	-	1,702.17
Other Comprehensive Income - Acturial Gains/ Losses	-	-	-	7.42	7.42
Total Comprehensive Income	1,173.79	66.59	1,688.08	7.42	2,935.88
Securities Premium received during the year	541.11				541.11
Balance at 31st March, 2017	1,714.90	66.59	1,688.08	7.42	3,476.99
Profit for the period	-	-	1,225.81	-	1,225.81
Other Comprehensive Income	-	-	-	61.71	61.71
Total Comprehensive Income	1,714.90	66.59	2,913.89	69.13	4,764.51
Any other change	-	-	-	-	-
Balance at 31st March, 2018	1,714.90	66.59	2,913.89	69.13	4,764.51

Significant accounting policies and notes to Financial Statements (Note 2)

As per our report of even date

For and on behalf of the Board of Directors

For Rahul Gautam Divan & Associates

Chartered Accountants

Firm Registration No.: 120294W

L.N. Goculdas

Chairman

H.T. Kapadia

Director

Rahul Divan

Partner

Membership No. 100733

Mumbai, 28th May 2018

B.L. Goculdas

Managing Director, and CEO

Mumbai, 28th May 2018

D T Gokhale

Secretary

D G Patil

Chief Finance Officer



Notes to the Standalone Financial Statements as at 31st March 2018

1 Corporate Information

The Dharamsi Morarji Chemical Company Limited is a Public Limited Company domiciled in India. Its equity shares are listed on the BSE Limited (BSE). The registered office of the Company is located at 317/321, Prospect Chambers, Dr. D.N. Road, Fort, Mumbai-400001. The Company is engaged in the business of manufacturing and selling of Commodity Chemicals and Speciality Chemicals.

Information on related party relationships of the Company is provided in Note - 43

The financial statements are authorised for issue in accordance with a resolution of the Board of Directors on 28th May, 2018

2 Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendments) Rules, 2016.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Accounting Standards notified under section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2018 are the first time the Company has prepared in accordance with Ind-AS. Refer to Note No.37 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis using the accrual method of accounting basis, except for the following assets and liabilities which have been carried at fair value:

Land classified as property, plant and equipment.

Derivative financial instruments i.e. Forward Contracts.

Certain financial assets and financial liabilities measured at fair value.

The Financial Statements are presented in Indian Rupees (INR) and all values are recorded to the nearest Lakhs. (INR '00,000) except otherwise indicated.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2.3 Property, plant and equipment

a) Tangible assets:

Property, Plant and equipment were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of their historical cost less accumulated depreciation and impairment as on the date of transition i.e. 01.04.2016. The Company has elected to regard those written down values as deemed cost as at the date of the transition as per the option available to the Company, as fair value, while adopting Ind AS for the first time except for certain Land acquired by the Company upon merger of erstwhile Borax Morarji Limited has been stated at fair value as per the valuation report obtained by the Company.

Property, Plant and Equipment are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-in-progress and on completion, the costs are allocated to the respective items of Property, Plant and Equipment. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

Derecognition:

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic



benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

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

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Derecognition:

An item of intangible initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.4 Depreciation/Amortization:

Depreciation on all items of Property, Plant and Equipment is provided for on Straight Line basis over the estimated useful life specified in schedule II to the Companies Act, 2013.

Depreciation on additions and deletions during the year is provided on pro-rata basis.

Cost of leasehold land is amortised over the period of lease.

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

2.5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.6 Non Current Assets held for Sale

Non current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sale. Losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in the Statement of Profit and Loss. Once classified as held for sale, Property, plant and Equipment and Intangible Assets are no longer depreciated or amortized.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended period when active development activities on the qualifying assets is interrupted. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection



with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.8 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: purchase cost on a weighted average basis

Cost of Finished goods and work in progress include materials cost, cost of conversion, depreciation, other overheads to the extent applicable but excluding borrowing costs

2.9 Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. For the Expected Credit Loss (ECL) simplified approach is adopted by the Company as permissible. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the income statement.

2.10 Revenue recognition

The Company recognises revenue in accordance with Ind AS 18. Revenue from sale of goods is recognized at the fair value of the consideration received or receivable, net of returns and trade discounts, rebates, GST.

Revenue from the sale of goods is recognised when (a) It is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably. (b) The significant risks and rewards of ownership of the goods have been passed to the buyer; and (c) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and returns.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Export sales are recognised based on the shipped on board date as per bill of lading when significant risk and rewards of ownership are transferred to the customer.

Export benefits available under prevalent schemes are accounted to the extent considered receivable. These are presented as other operating income in the Statement of Profit & Loss.

Earning from sale of power generated from Wind Mills is accounted for on tariff rate agreed and as per Power Purchase agreement with respective Electricity Board.

Royalty and service income are recognized on an accrual basis in accordance with the terms of the relevant contractual agreement.

Interest income is recognised on accrual basis.

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

Dividend income on investment is recognized in the Statement of Profit and Loss Account on the date on which the Company's right to receive is established.

2.11 Foreign Exchange Transactions

Transactions in foreign currencies are initially recorded by the Company at the rate prevalent on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the closing rates of exchange at the reporting date.

Differences arising on settlement or year end conversion of monetary items are recognised in Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are converted using the exchange rates at the dates of the initial transactions.

2.12 Employee Benefits

Contribution Plans:

Contributions to the Company's Provident Fund, Family Pension Fund, Superannuation Fund are being charged to the Statement of Profit and Loss.



Benefits Plans:

The Company has the scheme which enables employees to encash the accumulated privilege leave (upto stipulated limits) on retirement. The 'Company's liability in respect of this leave encashment scheme is determined on the basis of actuarial valuation and the same is charged to the Statement of Profit & Loss and is unfunded. Gratuity Benefits (based on actuarial valuation) is charged to Statement of Profit & Loss and is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the actuarial assumptions used for valuation. The Company recognizes these re-measurements in the Other Comprehensive Income (OCI).

2.13 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax could change if estimates of projected future taxable income or if tax regulations undergo a change.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is reviewed at each reporting date.

The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years is available in accordance with the provisions of the section 115J (AA) of Income Tax Act, 1961 over the period of subsequent 15 assessment year. It is not recognised in view of the uncertainty involved of its realisation against the future taxable income.

2.14 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

Contingent Assets are only disclosed when it is probable that the economic benefits will flow to the Company.

2.15 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.16 Business Combinations and Goodwill

In accordance with Ind-AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2016. As such, Indian GAAP balances relating to business



combinations entered into before that date, including goodwill, have been carried forward.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred (measured at acquisition date at fair value) and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

2.17 Current and Non current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period .

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- 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 classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

2.18 Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a) Financial Assets

Initial recognition and measurement

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



Subsequent measurement

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

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest rate method, less impairment, if any.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

Investment in Subsidiary

Investment in subsidiary is carried at cost in the financial statements

b) Financial Liabilities

Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit accounts and derivative financial instruments like Forward Cover Contracts.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method except for those designated in an effective hedging relationship.

2.19 Derivative Financial Instruments

The company holds derivative financial instruments such as foreign exchange forward contracts generally to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank and these are generally designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date. The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

2.20 Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: • In the principal market for the asset or liability, or • In the absence



of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a 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. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: • Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities • Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable • Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company's management determine the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. 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.

2.21 Investment Properties

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

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation every three years performed by an accredited external independent valuer, at every 3 years rest, by applying a valuation model recommended by the International Valuation Standards Committee.

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

2.22 Cash & Cash equivalents and Short Term deposits

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.23 Research and Development Costs

Research costs are expensed as incurred. Development expenditure on an individual project are recognized as an Intangible asset when the Company can demonstrate; (i) Technical feasibility of completing the intangible asset so that the asset will be available for use or sale (ii) It's intention to complete and its ability and intentions to use or sell the asset (iii) How the asset will generate future economic benefits (iv) the availability of resources to complete the asset (v) the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefits. Amortization expenses is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

2.24 Cash dividend to equity Shareholders:

The Company recognises a liability to make cash or distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 3. Property, Plant and Equipment :

Rs. in Lakhs

Property, Plant and Equipment	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
i) Tangible Assets										
Gross carrying amount										
Deemed cost as at 1 April 2016	52.57	7.55	721.69	1,661.63	4.87	59.38	16.33	17.95	2,541.97	
Additions per Scheme of Borax merger at Fair Value	279.06	1,848.42	1,001.05	1,328.59	27.78	40.30	6.94	10.71	4,542.85	
Restated Deemed cost as at 1 April 2016	331.63	1,855.97	1,722.74	2,990.22	32.65	99.68	23.27	28.66	7,084.82	
Additions made during 2016-17			92.25	771.23	6.79	6.08	17.19	15.65	909.19	
Disposals made during 2016-17						(4.69)	-	(1.59)	(6.28)	
As at 31st March 2017	331.63	1,855.97	1,814.99	3,761.45	39.44	101.07	40.46	42.72	7,987.73	
Accumulated Depreciation										
As at 1 April 2016	-	-	-	-	-	-	-	-	-	
Addition Scheme FV	-	43.14	73.46	626.12	3.64	30.82	5.03	8.78	790.99	
Restated Accumulated Depreciation as at 01.04.2016	-	43.14	73.46	626.12	3.64	30.82	5.03	8.78	790.99	
Depreciation charge for the year	-	20.89	60.64	244.06	3.22	13.43	5.20	12.49	359.93	
Impairment										
Disposals						(4.45)	-	(1.51)	(5.96)	
Exchange differences										
As at 31 March 2017	-	64.03	134.10	870.18	6.86	39.80	10.23	19.76	1,144.96	
Net book value										
As at 1st April, 2016	331.63	1,812.83	1,649.28	2,364.10	29.01	68.86	18.24	19.88	6,293.83	515.63
As at 31st March, 2017	331.63	1,791.94	1,680.89	2,891.27	32.58	61.27	30.23	22.96	6,842.77	299.83
Gross carrying amount										
Deemed cost as at 1 April 2017	331.63	1,855.97	1,814.99	3,761.45	39.44	101.07	40.46	42.72	7,987.73	
Additions			146.30	628.08	33.50	28.59	39.94	4.54	880.95	
Disposals	(45.35)					(35.07)	-	(1.11)	(81.53)	
Transfer * (Rep CWIP Cap during the year)										
As at 31 March 2018	286.28	1,855.97	1,961.29	4,389.53	72.94	94.59	80.40	46.15	8,787.15	
Accumulated Depreciation										
As at 1 April 2017		64.03	134.10	870.18	6.86	39.80	10.23	19.76	1,144.96	
Depreciation charge for the year		20.88	63.92	285.77	5.59	12.74	6.85	11.92	407.67	
Disposals						(25.65)	-	(0.77)	(26.42)	
As at 31 March 2018		84.91	198.02	1,155.95	12.45	26.89	17.08	30.91	1,526.21	
Net book value										
As at 31st March, 2017	331.63	1,791.94	1,680.89	2,891.27	32.58	61.27	30.23	22.96	6,842.77	
As at 31st March, 2018	286.28	1,771.06	1,763.27	3,233.58	60.49	67.70	63.32	15.24	7,260.94	264.50



NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in Lakhs)

Property, Plant and Equipment

i) Intangible Assets	Software	Goodwill	Total	Intangible Assets under Devel
Gross carrying amount				
Deemed cost as at 1 April 2016	12.16		12.16	
Additions per Scheme of Borax merger at Fair Value	10.20	1,465.10	1,475.30	
Restated Deemed cost as at 1 April 2016	22.36	1,465.10	1,487.46	-
Additions	16.96	-	16.96	
Disposals	-	-	-	
As at 31 March 2017	39.32	1,465.10	1,504.42	-
Accumulated Depreciation				
As at 1 April 2016	-		-	
Additions per Scheme of Borax merger at Fair Value	1.36		1.36	
Restated Accumulated Depreciation as at 01.04.2016	1.36		1.36	
Depreciation charge for the year	11.71		11.71	
Disposals	-		-	
As at 31 March 2017	13.07	-	13.07	-
Net book value				
As at 1st April, 2016	21.00	1,465.10	1,486.10	
As at 31st March, 2017	26.25	1,465.10	1,491.35	-
Gross carrying amount				
Deemed cost as at 1 April 2017	39.32	1,465.10	1,504.42	
Additions	4.50	-	4.50	
Disposals	-	-	-	
As at 31 March 2018	43.82	1,465.10	1,508.92	
Accumulated Depreciation				
As at 1 April 2017	13.07	-	13.07	
Depreciation charge for the year	10.96	-	10.96	
Disposals	-		-	
As at 31 March 2018	24.03	-	24.03	
Net book value				
As at 31st March, 2017	26.25	1,465.10	1,491.35	
As at 31st March, 2018	19.79	1,465.10	1,484.89	



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 4. Other non Current Assets

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, Considered Good			
Security deposits	189.30	254.82	254.74
Less: Provision for doubtful security deposit	(28.00)	(28.00)	(28.00)
	161.30	226.82	226.74

Note 5. Non Current Investments

(Rs. in Lakhs)

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No of shares	Rs. In Lakhs	No of shares	Rs. In Lakhs	No of shares	Rs. In Lakhs
Investments in Equity Instruments						
Unquoted equity instruments						
Investment in Wholly Owned Subsidiaries fully paid up (at Cost)						
Fully Paid Equity shares of € 50 each of Borax Morarji (Europe) GmbH, Germany, #	500.00	16.77	500.00	16.77	500.00	16.77
Others						
Fully Paid Equity Shares of Rs. 10/- each in Janakalyan Sahakari Bank Ltd.	369,250	36.92	369,250.00	36.92	329,250.00	36.92
Fully Paid Equity Shares of Rs. 10/- each in Saraswat Co-operative Bank Ltd.	1,000	0.10	1,000.00	0.10	1,000.00	0.10
Fully Paid Equity Shares of Rs. 25/- each in Shamrao Vitthal Co-operative Bank Ltd.	25	0.01	25.00	0.01	25.00	0.01
Fully Paid Equity Shares of Rs. 50/- each in Dombivali Nagari Sahakari Bank Ltd	3000	1.50	3,000.00	1.50	3,000.00	1.50
Fully Paid Equity Shares of Rs. 10/- each in Indian Potash Ltd.	33000	0.55	33,000.00	0.55	33,000.00	0.55
Aggregate amount of unquoted Investments		<u>55.85</u>		<u>55.85</u>		<u>55.85</u>

The Company has elected to continue with the carrying value of its investment in Borax Morarji (Europe) GmbH, a wholly owned subsidiary, measured as per previous GAAP and used that carrying value on the transition date 1st April 2016 in terms of Para D15(b) (ii) of Ind AS 101.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 6 Inventories (Basis of Valuation - Refer Note 2.8)

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March,2017	As at 1st April, 2016
Raw Materials	804.78	435.87	944.11
Raw Material in Transit	19.12	12.28	81.66
Packing Materials	72.86	53.99	58.40
Work-in-Process	69.35	48.75	29.46
Finished Goods	610.64	647.31	642.58
Traded Goods	54.21	95.20	67.65
Stores and Spares	439.76	358.00	362.25
	2,070.72	1,651.40	2,186.11

Note

Inventories of Dahej Unit in the state of Gujarat amounting to Rs. Nil (Previous Year Rs. 575.63 Lakhs) are offered as security by way of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facility provided by Bank in consortium. Working Capital Facility have since been surrendered by the Company.

Note 7. Current Investments

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No of Units	Rs. In Lakhs	No of Units	Rs. In Lakhs	No of Units	Rs. In Lakhs
Investment in Mutual Funds **						
BSL Growth Medium Term Regular	125,812	27.63	125,812	25.68		
BSL Growth Short term Term Regular	40,589	26.96	40,589	25.28		
ICICI Prudential Flexible Income Growth	8,074	26.90	8,074	25.00		
ICICI Prudential Equity Arbitrage Fund -Dividend	181,875	24.79	181,875	-		
IDFC ArbitrageFund Growth	120,279	26.38	120,279	-		
IDFC Corpoarte Advantage Bond Fund Regulars Plan Growth	463,158	55.02	463,158	51.74		
UTI - Treasury Advantage Institutional Plan Growth	1,122	26.86	1,122	25.00		
IDFC Arbitrage Fund Reg (MD)	786,102	99.52	-	-		
Units Trust of India	11,984	3.49	10,653	3.47	9,793.00	1.20
		317.55		156.17		1.20

** Investments in all mutual funds are stated at NAV at the year end and as workout at FVTOCI.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 8. Trade Receivables (Current / Unsecured)

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Considered Good	2,164.00	2,138.04	1,925.39
Considered Doubtful	-	-	-
	2,164.00	2,138.04	1,925.39
Less:			
Provision for doubtful debts	-	-	-
	<u>2,164.00</u>	<u>2,138.04</u>	<u>1,925.39</u>

Receivables of Rs. NIL (Previous year Rs. 609.86 Lakhs) pertaining to Dahej Unit in the State of Gujarat are hypothecated as security for working capital facility provided by the Consortium Bank. Working capital facility have since been surrendered by the Company.

Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality.

Generally, the Company supply as per the order received from its customers. The average Credit period on sale is 30-90 days

Note 9. Cash and Cash Equivalents

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Bank Balances in Current Accounts	342.10	333.86	140.95
Cash on hand	2.20	1.80	1.93
	<u>344.30</u>	<u>335.66</u>	<u>142.88</u>

Note 10. Bank balances other than Cash and Cash equivalents

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unpaid Dividend Account	0.83	2.14	4.02
Margin Money Deposit Account	95.99	151.93	166.54
	<u>96.82</u>	<u>154.07</u>	<u>170.56</u>



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 11. Others Current financial assets

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Fixed Deposit with bank more than 12 months	137.78	147.71	135.00
	137.78	147.71	135.00

Note 12. Current Tax Assets (Net)

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Income tax (Net of Provision for Taxation)	103.51	121.88	48.84
	103.51	121.88	48.84

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018

Particulars

	As at 31st March, 2018 Rs. In Lakhs	As at 31st March, 2017 Rs. In Lakhs
Accounting profit before income tax	1,557.98	2,143.81
At India's statutory income tax rate of 28.84% for FY 2017-18 & 34.608% for FY 2016-17	449.32	741.93
Adjustments in respect of current income tax w.r.t. MAT Tax rate and Normal Tax Rate	(117.15)	(300.29)
Current tax - MAT	332.17	441.64
At the effective income tax rate	21.32%	20.60%

The Company fall under the provisions of MAT u/s 115 JB and the applicable Indian Statutory Tax Rate for the year ended 31st March, 2018 and 31st March, 2017.

Note 13. Other Current Assets (Unsecured, considered good)

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Excise, Sales Tax, Customs & other Government bodies	312.49	514.15	616.56
Pre-paid Expense	64.94	87.16	60.90
Others advances	15.33	160.17	151.35
Others*	539.10	500.00	500.00
	931.86	1,261.48	1,328.81

*Others include Rs. 500.00 lakhs receivable in respect of sale of Land at Ambernath in earlier years by erstwhile Borax Morarji Ltd. The Company is pursuing the matter for obtaining the necessary approval from the Government of Maharashtra, on receipt of which the Conveyance deed will be executed and registered in due course



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 14. Equity Share Capital

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
Authorized Share Capital						
Equity Shares of Rs.10/- each	40,000,000	4,000.00	40,000,000	4,000.00	40,000,000	4,000.00
	40,000,000	4,000.00	40,000,000	4,000.00	40,000,000	4,000.00

Shares issued, subscribed and fully Paid up

Equity Shares of Rs.10 each	24,939,933	2,493.99	24,939,933	2,493.99	24,351,003	2,435.10
	24,939,933	2,493.99	24,939,933	2,493.99	24,351,003	2,435.10

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Equity Shares :	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
Equity Shares at the beginning of the year	24,939,933	2,493.99	24,351,003	2,435.10	21,257,821	2,125.78
Add: Shares Issued during the year	-	-	588,930	58.89	-	-
Add: Shares Issued during the year pursuant to the scheme of Amalgamation	-	-	-	-	3,093,182	309.32
Equity Shares at the end of the year	24,939,933	2,493.99	24,939,933	2,493.99	24,351,003	2,435.10

Terms and Rights attached to Equity Shares

The Company is having only one class of Equity shares having a nominal value of Rs.10/- per share.

Every holder of the equity share of the Company is entitled to one vote per share held

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

Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Numbers	% held	Numbers	% held	Numbers	% held
Shri Laxmikumar Narottam Goculdas	8,862,093	35.53%	8,839,968	35.44%	7,821,089	36.79%



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 15. Other Equity

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
i. Security Premium Reserves	1,714.90	1,714.90	1,173.79
ii. Other Reserves	66.59	66.59	66.59
iii. Retained Earnings	2,913.89	1,688.08	(14.09)
iv. Other Comprehensive Income	69.13	7.42	-
	4,764.51	3,476.99	1,226.29

i. Security Premium Reserves

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balance at the beginning of the year	1,714.90	1,173.79	1,173.79
Add: Premium on shares issued during the year	-	541.11	-
Balance at the end of the year	1,714.90	1,714.90	1,173.79

Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provision of the Company Act 2013.

ii. Other Reserve

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balance at the beginning of the year	66.59	66.59	66.59
Add: Premium on shares issued during the year	-	-	-
Balance at the end of the year	66.59	66.59	66.59

Other reserve represents Capital subsidy received from various state Government

iii. Retained Earnings

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balance at the beginning of the year	1,688.08	(14.09)	-14.09
Add: Profit for the year	1,225.81	1,702.17	-
Balance at the end of the year	2,913.89	1,688.08	-14.09

Retained earnings are used from time to time to transfer profits from retained earnings for appropriation purposes. The amount that can be distributed by the Company as dividend to its equity shareholders is determined as per the provision of the Companies act and the dividend distribution policy of the Company.

iv. Other Comprehensive Income

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balance at the beginning of the year	7.42	-	-
OCI for the year	61.71	7.42	-
Balance at the end of the year	69.13	7.42	-

OCI represents the cumulative gains and losses arising on the revaluation of financial assets and liabilities measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 16. Long Term Borrowings**

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Term Loan			
From Bank			
(a) Secured			
(i) Working Capital Term Loan	-	77.66	174.19
(ii) Car Loan from a bank	40.75	21.94	26.55
(iii) Project Loan from bank	-	14.15	101.87
(iv) Property Loan from bank	-	58.06	111.57
(v) Mortgage Loan from bank	922.48	-	-
	963.23	171.81	414.18
From Other Parties (Unsecured)			
(b) Unsecured			
Deferred Liabilities-Interest Free Sales Tax Loan from MEDA **	59.30	100.40	156.81
Fixed Deposits	-	-	1.96
	59.30	100.40	158.77
Loans from related parties			
(i) Inter Corporate Deposits	60.00	134.00	134.00
(ii) Loans from a Promoters	720.47	940.47	1,645.47
	780.47	1,074.47	1,779.47
2,80,000 Redeemable Preference Shares of Rs.100/-each ***	280.00	280.00	880.00
Total Long Term Borrowings	2,083.00	1,626.68	3,232.42

(a) (i) Working Capital Term Loan

Repayable in 60 EMI's commencing from 17-02-2014. Rate of interest is 10.5%-12%. 50 EMIs have been paid in time, up to 31st March, 2018 and 10 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and mortgage of office premises of the Company, situated at Mumbai.

Out of total outstanding term loan as on 31st March, 2018 of Rs. 76.34 Lakhs, amount due in next twelve months is Rs. 76.34 Lakhs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'. (See Note No. 21 (1)(i)). The balance Term Loan of Rs. NIL is shown above as Working Capital Term Loan.

(a) (ii) Car Loan from a bank

Loans against vehicles are for a period of three to five years and repayable by way of equated monthly installment, Interest rate ranges between 9.50 to 10.25%

Secured against hypothecation of vehicles.

Out of total outstanding term loan as on 31st March, 2018 of Rs. 56.48 lakhs, amount due in next twelve months is Rs. 15.73 Lakhs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities' (See Note No. 21 (1)(ii)). The balance Term Loan of Rs. 40.75 Lakhs is shown above as Car loan from a bank.



NOTES FORMING PART OF FINANCIAL STATEMENTS

(a) (iii) Project Loan from bank

Repayable in 36 EMI's commencing from 27.07.2015. Rate of interest is 10.25% to 12%. 21 EMIs have been paid in time, up to 31st March, 2018 and 3 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and mortgage of office premises of the Company, situated at Mumbai.

Out of total outstanding term loan as on 31st March, 2018 of Rs. 13.03 Lakhs, amount due in next twelve months is Rs.13.03 Lakhs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(iii)). The balance Term Loan of Rs. Nil is shown above as Project Loan.

(a) (iv) Property Loan from bank

Property loan RS. 158.82 lacs taken on 21.03.2016 from a Bank. Repayable in 36 EMI's commencing from 21.04.2016. Rate of interest is 10.25%-12%. 24 EMIs have been paid in time, up to 31st March, 2018 and 12 are remaining to be paid as on that date.

Out of total outstanding property loan as on 31 st March 2018 of Rs. 57.23 lakhs, amount due in next twelve months is Rs.57.23 Lakhs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No.21 (1)(iv)) The balance Term Loan of Rs. NIL is shown as Property Loan as above. Property loan is secured by way equitable mortgage of office premises of the Company situated at Mumbai.

(a) (v) Mortgage Term Loan from Bank:

Repayable in 60 EMI's will commence from 27.04.2018. Rate of interest is 10.25%,

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and mortgage of office premises of the Company, situated at Mumbai.

Out of total outstanding mortgage loan as on 31 st March 2018 of Rs. 1100.00 lakhs, amount due in next twelve months is Rs. 177.52 Lakhs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No.21 (1)(v)) The balance Term Loan of Rs. 922.48 Lakhs is shown as Mortgage Term Loan from Bank as above.

**Interest free Sales Tax Loan from MEDA

Interest free Sales Tax Loan from MEDA is repayable in 30 equal installment starting from May 2010 and ending May 2023

Out of total outstanding Interest free Sales Tax Loan as on 31 st March 2018 of Rs.110.67 lakhs, amount due in next twelve months is Rs.51.37 Lakhs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(vi)) The balance Term Loan of Rs.59.30 Lakhs is shown as Interest free Sales Tax Loan as above.

***Non- Convertible Preference Shares

Long Term Borrowing includes 280000, 2.5% Cumulative redeemable non-convertible Preference Shares of Rs.100/- each aggregating to Rs.280 lakhs which has been classified as Financial Liabilities as per requirements of Ind As 32 "Financial instrument presentation". These Preference Shares were repayable in 16 equal yearly installment of Rs.17.50 lakhs each commencing from 1st April 2012. However, Company had approach and requested the Preference share holder for further extension of time for the redemption of the said Preference Shares. Preference share holder has agreed for further extension of time for the repayment of the said Preference shares any time upto 31st March 2022.

The Company has Authorised to issue 20,00,000 Cumulative redeemable Preference shares of Rs.100/- each (payable at par) out of which the Company has issued 2,80,000, 2.5% Cumulative redeemable non-convertible Preference Shares of Rs.100/- each fully paid up.

The Dividend as and when declared by the Company shall paid to the shareholder on the record date, which Board may fix from time to time. If in any year, the company has not declared any dividend on the Preference shares, the right to the dividend shall accumulated and the accumulated dividend will be paid out of the profits, if any, of the subsequent financial years including carry forward profit if any of the previous years before any dividend is paid to Equity Share holders.

Consequent to change in classification of 2.5% , Redeemable, cumulative, non-convertible preference shares, liability pertaining to undeclared and unpaid dividend and Dividend Distribution Tax thereon since up to the transition date i.e. up to 01.04.2016 amounting to Rs. 67.73 Lakhs has been reduced from Retained Earnings and included under Other Current Liabilities. Dividend and Dividend Distribution Tax thereon for the year ended 31st March 2018 and 31st March 2017 are accounted for under finance charges.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 17. Long Term Provisions

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Employee Benefits			
Provision for Gratuity	210.91	109.87	138.74
Provision for Leave benefit	60.85	39.11	42.75
	<u>271.76</u>	<u>148.98</u>	<u>181.49</u>

Note 18. Other Non-Current Liabilities

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(i) Advance received against sale of Land at Navlakhi	-	45.35	45.35
(ii) Security Deposits from distributors and others	-	-	-
(iii) Security Deposits received against Royalty	31.10	18.99	19.70
	<u>31.10</u>	<u>64.34</u>	<u>65.05</u>

Note 19. Short Term Borrowings

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
From Banks			
Secured		817.31	884.57
Cash Credit from Bank	-		
Loans from related parties			
Unsecured			
a) Inter Corporate Deposit	-	207.00	370.00
b) Corporate loan from HDFC Ltd	-	-	150.00
	<u>-</u>	<u>207.00</u>	<u>520.00</u>
	<u>-</u>	<u>1,024.31</u>	<u>1,404.57</u>

Note 20. Trade Payables

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(i) Trade Payable (*)	2,075.30	2,531.48	2,978.25
(ii) Bills Payable	950.55	1,034.00	795.81
	<u>3,025.85</u>	<u>3,565.48</u>	<u>3,774.06</u>

20.1 Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days

20.2 (*) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues at the Balance Sheet date, computed on unit wise basis. Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the year ended on the Balance Sheet date, nor is any interest payable to any Micro, Small and Medium Enterprises (MSME) on the Balance sheet date. The information on MSME has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.



NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 21. Other Financial Liabilities

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
1 Current maturities of long-term debt			
(i) Current maturities of Working Capital Term Loan	76.34	96.02	85.16
(ii) Current maturities of Long Term Debts (Car Loan)	15.73	8.38	6.20
(iii) Current maturities of Long Term Debts (Project Loan)	13.03	113.80	127.91
(iv) Current maturities of Long Term Debts (Property Loan)	57.23	53.28	47.25
(v) Current maturities of Mortgage Loan	177.52		
(vi) Current maturities of Interest free Sales Tax Loan from MEDA	51.37	70.61	128.53
	391.22	342.09	395.05
2 Unpaid Dividend (Amount Transferable to Investor Education & Protection Fund when due)	0.83	2.14	4.02
3 Unpaid Matured Fixed Deposits (Unclaimed)	28.62	31.68	18.72
4 Unpaid Interest on Fixed Deposits	0.01	0.01	0.54
	420.68	375.92	418.33
5 Dividend payable on preference shares	84.15	75.94	67.73
6 Others Payable			
Trade Deposit	122.57	113.83	114.21
Advance received from customers	34.49	35.46	96.45
Advance received against sale of Asset	550.00	-	-
Others	1,122.49	1,252.06	1,104.94
	1,829.55	1,401.35	1,315.60
	2,334.39	1,853.21	1,801.66

Note 22. Other Current Liabilities

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Statutory dues payable	40.22	157.59	206.95
Due to Employee	300.22	282.63	18.18
	340.44	440.22	225.13

Note 23. Provisions (Current)

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Employee Benefits			
Provision for Gratuity	44.60	163.86	150.55
Provision for Leave benefits	4.38	24.97	20.62
	48.98	188.83	171.17



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

Note 24. Revenue from Operations

(Rs. in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Sale of products		
Commodity Chemicals	8,182.08	8,957.01
Speciality Chemicals	9,033.70	9,182.60
Other Chemicals	65.86	381.31
Traded sales	407.18	212.91
	17,688.82	18,733.83
Other Operating Revenues		
- Royalty	72.94	63.33
- Export Incentives	238.02	97.75
- Wind Mills	41.06	45.22
	352.02	206.30
	18,040.85	18,940.13

Note 25. Other Income

(Rs. in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Interest Income	35.07	33.86
Dividend Income	4.01	1.14
Other non -operating income	49.53	17.89
	88.61	52.89

Note 26. Cost of Material Consumed

(Rs. in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Consumption of Raw Materials	9,848.58	10,009.25
Consumption of packing materials	270.05	291.96
	10,118.63	10,301.21

Note 27. Purchase of Stock in Trade

(Rs. in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Purchased of Goods Traded	394.19	100.87
	394.19	100.87



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

Note 28. Changes in inventories of Finished Goods, Work in process and Stock in Trade (Rs. in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Inventory at the beginning of the year		
Work in Process	48.76	29.46
Finished Goods	647.31	642.58
Traded Goods	95.20	67.65
	791.27	739.69
Inventory at the end of the year		
Work in Process	69.24	48.75
Finished Goods	610.77	647.31
Traded Goods	54.21	95.20
	734.22	791.26
	57.05	(51.57)

Note 29. Employee Benefits Expense

(Rs. in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Salaries and Wages (Net after Repairs)(*)	1,141.18	1,063.09
Contribution to Provident Fund	55.61	34.18
Contribution to Other Funds	144.18	108.43
Staff Welfare Expenses	91.09	83.87
	1,432.06	1,289.57
(*) Salaries & Wages allocated to Repairs etc.	33.27	34.06

Note 30. Finance Cost

(Rs. in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Finance Cost		
Interest Paid to Banks	197.90	233.45
Interest paid to Others	190.61	260.79
Dividend on Preference Shares (Including Dividend Distribution Tax)	8.21	8.21
Total	396.72	502.45



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

Note 31. Other Expenses

(Rs. in Lakhs)

	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Power, Fuel and Water	910.92	760.76
Repairs to buildings	19.02	13.48
Repairs to machinery	697.80	589.93
Insurance	38.82	34.07
Rates and taxes	22.93	18.53
Internal handling, Freight and carriage outward	491.45	402.79
Net loss/(gain) on foreign currency transactions	3.72	23.82
Auditors' Remuneration		
Audit fees	8.00	9.01
Tax audit fees	2.00	2.23
For other services	4.99	4.52
Reimbursement of out of pocket expenses	0.63	0.66
	15.62	16.42
Sundry balances written off / (written back) (net)	(16.95)	(4.29)
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets	0.74	0.15
Miscellaneous expenses *	1,313.93	1,051.56
* None of the item individually accounts for more than Rs.10 lakhs or 1% of revenue whichever is higher.		
	<u>3,498.00</u>	<u>2,907.22</u>

32 Contingent Liabilities

A Contingent Liabilities	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
(i) Outstanding claims in respect of Excise Duty, etc.	128.07	128.07	140.72
(ii) Guarantees issued by banks	42.80	42.80	18.50
(iii) Claims against Company not acknowledged as debts	<u>55.76</u>	<u>55.76</u>	<u>55.76</u>

The Company has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Company does not expect the outcome of these proceedings to materially adverse effect.

33 Commitments

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	151.40	51.70	17.72



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

34 In view of the “Unabsorbed Depreciation” & “Unabsorbed Business Losses” accruing from the past years, there is no normal tax payable in the year ended 31st March, 2018 and for the year ended 31st March, 2017. In view of book profit in the current year in terms of Section 115JB of the Income Tax Act, 1961, provision has been made for Rs.348.92 Lakhs towards Minimum Alternate Tax(MAT) during the year ended 31.03.2018(Previous year Rs. 443.94 Lakhs)

35 There is only one reportable segment i.e chemicals business of the Company.

36 Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, a Company meeting the applicability threshold needs to spend at least 2% of its average net profits for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. Due to the average net profit of the Company is being negative, Company is not required to spend any amounts towards Corporate Social Responsibility activities during the year.

37 First Time Adoption of Ind AS:

These are the Company's first financial statements prepared in accordance with Ind AS.

The significant accounting policies set out in note 1(2) have been applied in preparing the financial statements for the year ended 31st March, 2018, the comparative information presented in these financial statements for the year ended 31st March, 2017, and in the preparation of an opening Ind AS balance sheet at 1st April, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and the other relevant provisions of the Act (previous GAAP or Indian GAAP).

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous GAAP to Ind AS

Business Combinations

The Company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business Combinations occurring prior to the transition date have not been restated.

The Company has elected not to apply Ind AS 21 retroactively to fair value adjustment and goodwill arising in business combination that occurred prior to the transition date.

Deemed Cost

The Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value as its deemed cost as their fair value on the date of transition i.e. 01.04.2016.

Investments in Subsidiary:

The Company has elected to measure its investment in subsidiary at their previous GAAP carrying value as its cost.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Designation of previously recognized financial instruments:

The Company has opted to designate certain equity investment (other than equity investments in Subsidiary Company) as FVTOCI on the date of transition.



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

38 Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

38.1 Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS (Rs. in Lakhs)

Particulars	Notes to first time adoption	Previous GAAP as at 31.03.2017	Effect of Ind AS	Ind AS as at 31.03.2017	Previous GAAP as at 01.04.2016	Effect of Ind AS	Ind AS as at 01.04.2016
ASSETS							
Non Current Assets							
Property, Plant and Equipment		6,842.77		6,842.77	6,293.83		6,293.83
Capital work-in-progress		299.83	-	299.83	515.63	-	515.63
Goodwill		1,465.10	-	1,465.10	1,465.10	-	1,465.10
Other Intangible Assets		26.25	-	26.25	21.00	-	21.00
Financial Assets -				-			
i Investments		55.85	-	55.85	55.85	-	55.85
ii Loans		236.63	-	236.63	226.74	-	226.74
Other non-current assets		-	-	-	-	-	-
Total Non Current Assets		8,926.43	-	8,926.43	8,578.15	-	8,578.15
Current Assets							
Inventories		1,651.40		1,651.40	2,186.11	-	2,186.11
Financial Assets				-		-	-
- Investments	A	151.20	(4.97)	156.17	1.20	-	1.20
- Trade receivables		2,138.04	-	2,138.04	1,925.39	-	1,925.39
- Cash and cash equivalents		335.66	-	335.66	142.88	-	142.88
- Bank balances other than cash and cash equivalents		154.07	-	154.07	170.56	-	170.56
- Others financial assets		147.71	-	147.71	135.00	-	135.00
- Current Tax Assets (Net)		121.88	-	121.88	48.84	-	48.84
Other current assets	B	1,254.54	2.87	1,251.67	1,338.00	9.20	1,328.80
Total Current Assets		5,954.50	(2.10)	5,956.60	5,947.98	9.20	5,938.78
Total Assets		14,880.93	(2.10)	14,883.03	14,526.13	9.20	14,516.93



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

Particulars	Notes to first time adoption	Previous GAAP as at 31.03.2017	Effect of Ind AS	Ind AS as at 31.03.2017	Previous GAAP as at 01.04.2016	Effect of Ind AS	Ind AS as at 01.04.2016
EQUITY AND LIABILITIES							
EQUITY							
Equity Share capital	C	2,773.99	280.00	2,493.99	3,315.10	880.00	2,435.10
Other Equity	D	3,514.91	37.92	3,476.99	1,240.38	14.09	1,226.29
Total Equity		6,288.90	317.92	5,970.98	4,555.48	894.09	3,661.39
LIABILITIES							
Non-Current Liabilities							
Financial Liabilities - Borrowings	E	1,380.46	(246.22)	1,626.68	2,409.38	(823.04)	3,232.42
Provisions		148.98	-	148.98	181.49	-	181.49
Deferred tax liabilities (Net)			-	-		-	-
Other non-current liabilities	F	66.35	2.01	64.34	66.35	1.30	65.05
Total Non Current Liabilities		1,595.79	(244.21)	1,840.00	2,657.22	(821.74)	3,478.96
Current liabilities							
Financial Liabilities							
- Borrowings		1,024.31	-	1,024.31	1,404.57	-	1,404.57
- Trade payables		3,565.48	-	3,565.48	3,774.05	-	3,774.05
- Other financial liabilities	G	1,777.40	(75.81)	1,853.21	1,738.51	(63.15)	1,801.66
Other current liabilities		440.22	-	440.22	225.13	-	225.13
Provisions		188.83	-	188.83	171.17	-	171.17
Current Tax Liabilities (Net)			-	-		-	-
Total Current Liabilities		6,996.24	(75.81)	7,072.05	7,313.43	(63.15)	7,376.58
Total Liabilities		8,592.03	(320.02)	8,912.05	9,970.65	(884.89)	10,855.54
Total Equity and liabilities		14,880.93	(2.10)	14,883.03	14,526.13	9.20	14,516.93

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to IND AS.

- A Valuation of Investments at fair Value through Other Comprehensive Income and to be reclassified to the Statement of Profit and Loss subsequently.
- B Recognition of of certain financial assets like deposits, initially at Fair Value and subsequently at Amortized Cost and resultant winding/unwinding of interest element as per Ind AS-109
- C Reclassification of Preference shares principal amount as Debt.
- D Resultant effect of all changes effected in Retained Earnings on the transition to and implementation of Ind AS with effect from the date of transition i.e. 01.04.2016
- E Reclassification of Preference shares principal amount as Debt and fair value of MEDA Loan at amortized cost
- F Recognition of of certain financial liabilities like loans, deposits etc initially at Fair Value and subsequently at Amortized Cost and resultant winding/unwinding of interest element as per Ind AS-109
- G Increase in Finance cost liability on account of provision for Preference shares dividend and tax payable thereon.



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

38.2 Reconciliation Statement of profit and loss as previously reported under IGAAP to Ind AS for the year ended 31st March, 2017

(Rs. in Lakhs)

Particulars		Notes to first time adoption	Previous GAAP as at 31.03.2017	Effect of Ind AS	Ind AS as at 31.03.2017
Income					
Revenue from Operations		A	18,974.73	34.60	18,940.13
Other Income		B	44.23	(8.66)	52.89
Total Income			19,018.96	25.94	18,993.02
Expenses					
Cost of Materials Consumed			10,301.21	-	10,301.21
Purchase of Stock-in-Trade			100.87	-	100.87
Changes in Inventories of Finished Goods and Work in Progress			(51.57)	-	-51.57
Employee Benefits Expense		C	1,284.82	(4.75)	1,289.57
Finance costs		D	464.99	(37.46)	502.45
Depreciation and amortization expense			371.64	-	371.64
Other Expenses		E	2,941.82	34.60	2,907.22
Excise Duty on Sale of goods			1,427.82		1,427.82
Total Expense			16,841.60	(7.61)	16,849.21
Profit/(loss) before tax			2,177.36	33.55	2,143.81
Tax Expense					
Current Tax		F	443.94	2.30	441.64
Profit (Loss) for the period			1,733.42	31.25	1,702.17
Other Comprehensive Income					
a) i) Items that will not be reclassified to Profit and Loss		G	-	(4.75)	4.75
a) ii) income Tax relating to Items that will not be reclassified to Profit and Loss		G	-	1.16	-1.16
b) i) Items that will be reclassified to Profit and Loss		H	-	(4.97)	4.97
b) ii) income Tax relating to Items that will be reclassified to Profit and Loss		H	-	1.14	-1.14
Total Other Comprehensive Income			-	(7.42)	7.42
Total Comprehensive Income for the period			1,733.42	23.83	1,709.59



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

	Rs. In Lakhs
A Rebate & Discount given of Rs. 34.60 Lakhs now adjusted from Revenue as per Ind AS. This adjustment has no effect on Net Profit for the year.	-
B Recognition of of certain financial assets like deposits, initially at Fair Value and subsequently at Amortized Cost and resultant winding/unwinding of interest element as per Ind AS-109	8.66
C Employee Benefits Expense: As per Ind-AS 19- Employee Benefits , actuarial gains and losses are recognized in other comprehensive income and not to be reclassified to profit and loss in a subsequent period.	(4.75)
D Recognition of of certain financial liabilities like loans, deposits etc initially at Fair Value and subsequently at Amortized Cost and resultant winding/unwinding of interest element as per Ind AS-109	(37.46)
E Rebate & Discount given of Rs. 34.60 Lakhs now adjusted from Revenue as per Ind AS. This adjustment has no effect on Net Profit for the year.	-
F Tax effect of amount shown under OCI which should be net of tax.	2.30
G Increase in OCI for Actuarial gains/losses of Employees Costs (Net of Tax effect) and not to be reclassified to the Statement of Profit and Loss subsequently as per Ind AS -19.	3.59
H Valuation of Investments at fair Value through Other Comprehensive Income and to be reclassified to the Statement of Profit and Loss subsequently. Increase in value routed through OCI (Net of Tax effect)	3.83
Net Impact due to implementation of Ind AS	(23.83)

38.3 Impact of Ind AS adoption on the statement of cash flow for the year ended 31st March, 2018

The transition from previous GAAP to Ind AS has not affected the cash flows of the Company.

39 Earning Per Share:

EPS amount are calculated by dividing the profit for the year attributed to Equity holders of the parents by weighted average number of Equity shares outstanding during the year.

	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit attributable to Equity share holder of the Company	1225.81	1702.17
Weighted Average Number of Equity Shares	24939933	21846751
Earning per Equity Shares (Basic & Diluted)	4.92	7.79

40 Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

A Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i. Credit risk



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss and accordingly provision is made for the doubtful debts.

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's finance and accounts department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are generally USD and EUR. The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract.

Exposure to currency risk - Unhedged

Particulars	As at 31st March 2018			As at 31st March 2017		
	Currency		Rs. in Lakhs	Currency		Rs. in Lakhs
Trade Receivables	USD	880907	571.29	USD	781355	502.89
	EURO	135202	107.00	EURO	135202	56.70
			678.29			559.59
Trade Payable	USD	(430892)	(281.56)	USD	(561820)	(364.37)
Net Exposure to Currency Risk			396.73			195.22



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at 31 March would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below.

Movement of USD and EUR and its effect on financial exposure on P & L . (1% variation +/-)

	Rs. in Lakhs			
	As at 31st March 2018		As at 31st March 2017	
	Profit or Loss		Profit or Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	2.90	(2.90)	8.67	(8.67)
EURO 1% Movement	1.07	(1.07)	0.57	(0.57)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees of fixed rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

B Capital management

For the purpose of Company's Capital Management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's Capital Management is to maximise the share holder value.

The Company manages its capital structure and make adjustment in light of changes in economic conditions and requirements covenants.

41 Other Additional information :

(i) VALUE OF RAW MATERIALS AND BOUGHTOUTS, STORES, SPARES AND COMPONENTS CONSUMED

	Year Ended 31st March 2018		Year Ended 31st March 2017	
	Rs. in Lakhs	%	Rs. in Lakhs	%
Raw Materials and Boughtouts:				
Imported	1618.70	16.44	1724.45	16.60
Indigenous	8229.88	83.56	8663.77	83.40
	9848.58	100.00	10388.22	100.00

	31st March 2018	31st March 2017
	Rs. in Lakhs	Rs. in Lakhs
Stores, Spares and Components:		
Indigenous	455.14	301.13
(ii) VALUE OF IMPORTS CALCULATED ON CIF BASIS :		
Raw Materials & Boughtouts	1429.58	1224.47
(iii) EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :		
Foreign tours, Subscription, etc.	183.16	172.20
(iv) EARNINGS IN FOREIGN CURRENCY IN RESPECT OF :		
Export of goods calculated on FOB basis	4898.47	4599.68



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

42 Segment Reporting :-

a) Primary Business Segment :

The Company is engaged in manufacture of Chemicals. As the Company is engaged only in one business segment.

b) Secondary Geographical Segment

	Year Ended 31st March 2018	Year Ended 31st March 2017
Sales Turnover : -	Rs.in Lakhs	Rs.in Lakhs
i) In India	12653.83	14044.18
ii) Outside India	5034.99	4689.65
Total	17688.82	18733.83

43 Related Parties Disclosures :

Names of related parties	Nature of Relationship
(i) Shri L.N.Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Company)
(ii) Borax Morarji (Europe) GmbH	Wholly Owned Subsidiary
(iii) The Natural Gas Co.Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(iv) L.P.Gas Equipment Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(v) L.P.Gas Transport & Bottling Co. Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vi) Phoenix Distributors Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vii) Jasraj Trading Co.	Enterprises under the Control of Promoter and Key Managerial persons
(viii) Kosan Industries Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(ix) Bombay Foods Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(x) Mitika L. Goculdas	Daughter of Promoter and Chairman
(xi) Shri B.L.Goculdas	Key Management Person -Chief Executive Officer (and Managing Director w.e.f. 1st April, 2018)
(xii) Shri D.T.Gokhale	Key Management Person - Executive Vice President & Company Secretary
(xiii) Shri D.K. Sundaram	Key Management Person - Chief Finance Officer (up to 31st December 2017)
(xiv) Shri D. G. Patil	Key Management Person - Chief Finance Officer (From 1st February 2018)

A Transaction with Promoters holding more than 20% of the voting power

	Year Ended 31st March 2018	Year Ended 31st March 2017
	Rs.in Lakhs	Rs.in Lakhs
Sitting Fees for attending Board and Committee meetings	2.65	2.30
Repayment of Loan to Promoter - Shri L.N.Goculdas	50.00	0.00
Interest paid to Promoter- Shri. L.N.Goculdas	22.69	0.00
B Sitting Fees for attending Broad Meeting to Mitika L. Goculdas	1.25	0.80
Interest paid to Phoenix Distributors Pvt Ltd	6.05	0.00



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

	Year Ended	Year Ended
	31st March 2018	31st March 2017
	Rs.in Lakhs	Rs.in Lakhs
C Transactions with Related Parties		
(i) Purchase of Goods/Services Received by the Company		
L.P.Gas Equipment Co. Pvt.Ltd.	55.20	30.52
L.P.Gas Transport & Bottling Co. Pvt.Ltd.	0.50	119.86
(ii) Sale of Goods/Services Rendered by the Company		
Borax Morarji (Europe) GMBH	249.71	266.96
(iii) Closing balance of Borax Morarji (Europe) GMBH included in Current Assets of the Company	21.71	37.80
(iv) Closing balance of L.P. Gas Equipment Pvt Ltds included in Current Liability of the Company	13.24	51.41
(v) Closing balance of L.P. Gas Transport and Bottling Co. Pvt Ltds included in Current Liability of the Company	0.14	54.61
(vi) Closing balance of Phoenix Distributors Pvt.Ltd. included in Unsecured Loan of the Company	0.00	134.00
D Transactions relating to Key Management Personnel		
(i) Remuneration	95.22	86.40
(ii) Rent / HRA paid for residential accommodation / other benefits	33.75	19.06
(iii) Unsecured Loan taken by the Company and outstanding as at the year end	720.47	940.47

Related party relationships are as identified by the Company and relied upon by the Auditors.

44 Employee Benefits :

The Company has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) "Employee Benefits". Defined Benefit Plans / Long Term Compensated Absences: As per Actuarial Valuation as on 31.03.2018, the required data is as follows:

		Rs. in Lakhs					
I	Continuing Employees :	Apr 17 / Mar 18	Apr 17/Mar 18	Apr16 / Mar 17	Apr 16/Mar17	As at 1st April 2016	As at 1st April 2016
		GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
A	Expense recognised in the statement of Profit & Loss Account for period ended 31st March 2018						
	1. Current Service Cost	13.28	47.68	15.21	17.85	14.91	16.21
	2. Interest Cost	11.29	3.74	11.79	3.84	12.35	3.08
	3. Past Service Cost (vested benefits)	-	-	-	-	-	-
	3. Expected Return on plan assets	-	-	-	-	-	-
	4. Actuarial (Gain) / Losses	28.37	(44.98)	32.70	(9.82)	2.19	(13.92)
	5. Total Expenses	52.94	6.44	59.70	11.87	29.45	5.37
B	Net Assets/(Liability) recognised in the Balance Sheet as at 31/03/2018						
	1. Present value of Defined Benefit Obligation as at 31st March 2018	169.91	56.06	200.54	55.49	162.30	42.43
	2. Fair Value of plan assets as at 31st March 2018	0	0	17.55	-	0.00	-
	3. Funded Status [(Surplus)/(Deficit)]	(169.91)	(56.06)	(182.99)	(55.49)	(162.30)	(42.43)
	4. Net asset / (Liability) as at 31st March 2018	(152.36)	(56.06)	(182.99)	(55.49)	(162.30)	(42.43)



NOTES TO STANDALONE STATEMENT OF PROFIT AND LOSS

C	Change in Obligation during the period ended 31st March 2018						
	1. Present value of Defined Benefit Obligation at the beginning of the year	200.52	55.5	175.25	53.24	175.25	40.04
	2. Current Service Cost	13.28	47.68	15.21	17.85	14.91	16.21
	3. Interest Cost	11.29	3.74	11.79	3.84	12.35	3.08
	4. Settlement Cost	-	-	0.00	0.00	-	-
	5. Past Service Cost - (Vested Benefits)	-	-	-	-	-	-
	6. Employer Contribution	0.00	-	4.68	-	-	-
	5. Actuarial (Gain) / Losses	28.37	(44.98)	41.47	(15.00)	2.19	(13.92)
	6. Benefits Payments	(83.56)	(5.87)	(47.88)	(4.43)	(43.10)	(2.98)
	7. Present value of Defined Benefit Obligation at the end of the year	169.90	56.07	200.52	55.50	162.30	42.43
D	Change in Assets During the period ended 31st March 2018						
	1. Plan assets at the beginning of the year	17.54	-	17.54	-	-	-
	2. Settlements	-	-	0.13	-	-	-
	3. Expected return on plan assets	-	-	-	-	-	-
	4. Contributions by employers	83.56	5.87	52.56	4.43	43.10	2.98
	5. Actual benefits paid	(83.56)	-	(47.88)	(2.98)	(43.10)	(2.98)
	6. Actuarial Gain / (Losses)}	28.37	-	41.47	-	-	-
	7. Plan assets at the end of the year	-	-	-	-	-	-
E	Actuarial Assumptions :						
	1. Discount Rate	7.73%	7.73%	7.20%	7.20%	7.57%	7.20%
	2. Mortality Rate	IALM2008	IALM2008	IALM2008	IALM2008	IALM2008	IALM2008
		Rs./ Lakhs					
II	For Ex-employees	103.48	8.83	90.74	8.59	122.31	10.14

45 Statement showing unhedged foreign currency exposure:

	2017-18		2016-17	
	Amount (FC in Lakhs)	Rs. in Lakhs	Amount (FC in lakhs)	Rs. in Lakhs
Liabilities				
Trade Payable	US\$ 4.31	281.57	US\$5.61	364.37
Assets:				
Trade Receivable	Euro 79.88	107.99	Euro 0.83	56.69
	US\$ 8.81	571.29	US\$ 7.81	502.89

46 Figures in respect of the previous year have been regrouped / rearranged wherever necessary.



**THE DHARAMSI MORARJI CHEMICAL COMPANY LTD
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR 2017-18**



INDEPENDENT AUDITOR'S REPORT

To the Members of

THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at 31 March 2018, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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 in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment,

including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair viewing order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 of the consolidated state of affairs of the Group, as at 31 March 2018, their consolidated profit including other comprehensive income, and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

The consolidated Ind AS financial statements includes share of net profit of Rs. 3.81 Lacs and Other Comprehensive Income of Rs. NIL in respect of a subsidiary whose financial statements are unaudited. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this Subsidiary, is based solely on the reports, as furnished to us by the Management.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, – Refer Note 32 to the consolidated Ind AS financial statements.
 - ii. The Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
 - i. The disclosure in the consolidated financial statements regarding holdings as well as dealing in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018.



Other Matter

- (a) The comparative financial information of the Group for the year ended 31 March 2017 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by another auditor whose report for the year ended 31 March 2017 dated 10 November 2017 expressed an unmodified opinion on those consolidated financial statements, as adjusted for differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

For Rahul Gautam Divan & Associates

ICAI Firm registration number: 120294W

Chartered Accountants

Rahul Divan

Partner

Membership No.: 100733

Place: Mumbai

Date: 28 May 2018

ANNEXURE-1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED

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

In conjunction with our audit of the consolidated financial statements of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of THE DHARAMSI MORARJI CHEMICAL COMPANY LIMITED (hereinafter referred to as the "Holding Company" or "the Company") which is incorporated in India as of that date. The subsidiary company which is part of the Group is incorporated outside India and Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is not applicable to the subsidiary company.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 information, as required under the Companies Act, 2013.

Auditor's Responsibility

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



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company 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 31 March 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 Rahul Gautam Divan & Associates

ICAI Firm registration number: 120294W

Chartered Accountants

Rahul Divan

Partner

Membership No.: 100733

Place: Mumbai

Date: 28 May 2018

**CONSOLIDATED BALANCE SHEET****AS AT 31ST MARCH 2018**

Particulars	Notes	As at 31st March, 2018 (₹ in Lakhs)	As at 31st March, 2017 (₹ in Lakhs)
ASSETS			
Non Current Assets			
Property, Plant and Equipment	3	7,260.94	6,842.77
Capital work-in-progress	3	264.50	299.83
Goodwill	3	1,465.10	1,465.10
Other Intangible Assets	3	26.72	34.60
Other non-current assets	4	161.30	226.82
Other non Current Financial Assets		-	-
- Non Current Investments	5	39.08	39.08
Total Non Current Assets		9,217.64	8,908.20
Current Assets			
Inventories	6	2,070.72	1,651.40
Financial Assets			
-Current Investments	7	317.55	156.17
-Trade receivables	8	2,186.52	2,138.04
-Cash and cash equivalents	9	378.77	365.34
-Bank balances other than cash & cash equivalents	10	96.82	154.07
- Others Current financial assets	11	137.78	147.71
- Current Tax Assets (Net)	12	103.51	121.88
Other current assets	13	933.67	1,261.87
Total Current Assets		6,225.34	5,996.48
Total Assets		15,442.98	14,904.68
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	14	2,493.99	2,493.99
Other Equity	15	4,783.23	3,489.97
Total Equity		7,277.22	5,983.96
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
-Long Term Borrowings	16	2,083.00	1,626.68
- Long Term Provisions	17	271.76	148.98
Other non-current liabilities	18	31.10	64.34
Total Non Current Liabilities		2,385.86	1,840.00
Current liabilities			
Financial Liabilities			
- Short Term Borrowings	19	-	1,024.31
- Trade payables	20	3,055.14	3,572.56
- Other financial liabilities	21	2,335.34	1,854.80
Other current liabilities	22	340.44	440.22
Provisions	23	48.98	188.83
Total Current Liabilities		5,779.90	7,080.72
Total Liabilities		8,165.76	8,920.72
Total Equity and liabilities		15,442.99	14,904.68

Significant accounting policies and notes to Financial Statements (Note 2)

The accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors**For Rahul Gautam Divan & Associates**Chartered Accountants
Firm Registration No.: 120294W**L.N. Goculdas**
Chairman**H.T. Kapadia**
Director**Rahul Divan**Partner
Membership No. 100733
Mumbai, 28th May 2018**B.L. Goculdas**
Managing Director, and CEO

Mumbai, 28th May 2018

D T Gokhale
Secretary**D G Patil**
Chief Finance Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2018

(Rs. in Lakhs)

Particulars	Notes	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Income			
Revenue from Operations	24	18,076.92	18,950.78
Other Income	25	88.64	52.99
Total Income		18,165.56	19,003.77
Expenses			
Cost of Raw Materials Consumed	26	10,118.63	10,301.21
Purchase of Stock-in-Trade	27	417.11	100.87
Changes in Inventories of Finished Goods and Work in Progress	28	57.05	(51.57)
Employee Benefits Expenses	29	1,432.06	1,289.57
Finance costs	30	396.72	502.45
Depreciation and amortization expense	3	419.64	- 372.39
Other Expenses	31	3,504.63	2,913.70
Excise duty on sale of goods		256.19	1,427.82
Total Expense		16,602.04	16,856.44
Profit/(loss) before tax		1,563.52	2,147.33
Tax Expense			
Current Tax under MAT		350.65	445.02
Tax impact due to OCI		(16.75)	(2.30)
		333.90	442.72
Profit / (Loss) for the year		1,229.62	1,704.61
Other Comprehensive Income			
(a)(i) Items that will not be reclassified to profit or loss		68.72	4.75
(ii) Income tax relating to items that will not be reclassified to Profit & Loss		(14.67)	(1.16)
b) i) Items that will be reclassified to Profit and Loss		9.74	4.97
ii) income Tax relating to Items that will be reclassified to Profit and Loss		(2.08)	(1.14)
Total Other Comprehensive Income		61.71	7.42
Total Comprehensive Income for year		1,291.33	1,712.03
Earnings per equity share (FV Rs. 10/- per share) :			
Basic & Diluted (in Rs)- Refer Note No.31		4.93	7.80

Significant accounting policies and notes to Financial Statements (Note 2)

The accompanying notes referred to above which form an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors

For Rahul Gautam Divan & Associates

Chartered Accountants
Firm Registration No.: 120294W

L.N. Goculdas
Chairman

H.T. Kapadia
Director

Rahul Divan

Partner
Membership No. 100733
Mumbai, 28th May 2018

B.L. Goculdas
Managing Director, and CEO

Mumbai, 28th May 2018

D T Gokhale
Secretary

D G Patil
Chief Finance Officer



Consolidated Cash Flow Statement

for the year ended 31st March 2018

(Rs.in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	1,563.53	2,147.33
Add:		
1 Depreciation and amortisation	419.64	372.39
2 Interest charged	396.71	502.45
3 Unrealised Foreign Exchange Loss / (Gain)	(4.36)	14.37
4 (Gain)/Loss on sale of Property, Plant & Equipment	0.74	0.15
5 Other OCI impact (Net)	61.71	7.42
Less:	874.44	896.78
1 Interest Income	35.07	33.86
2 Dividend Income	4.01	1.14
	<u>39.08</u>	<u>35.00</u>
Operating Profit before change in working capital	<u>2,398.89</u>	<u>3,009.11</u>
Working capital changes:		
Add / (Less):		
1 (Increase) / Decrease in inventories	(419.32)	534.71
2 (Increase) / Decrease in trade receivables	(44.13)	(226.66)
3 (Increase) / Decrease in Other Financial Assets	9.93	(12.71)
4 (Increase) / Decrease in Other non current Assets	65.52	(0.08)
5 (Increase) / Decrease in Other Current Assets	328.19	67.12
6 Increase / (Decrease) in trade payables	(517.42)	(207.58)
7 Increase / (Decrease) in other long term liabilities	(33.24)	(0.71)
8 Increase / (Decrease) in other financial liabilities	480.55	51.91
9 Increase / (Decrease) in other current liabilities	(99.79)	215.09
10 Increase / (Decrease) in Current Provisions	(139.85)	17.66
11 Increase / (Decrease) in Non-Current Provisions	122.78	(32.51)
	<u>(246.78)</u>	<u>406.24</u>
Cash generated from operations	<u>2,152.11</u>	<u>3,415.35</u>
Add / (Less):		
Direct taxes paid (Net of refunds)	(315.52)	(515.77)
Net Cash inflow from Operating Activities (A)	<u><u>1,836.59</u></u>	<u><u>2,899.57</u></u>



Consolidated Cash Flow Statement

for the year ended 31st March 2018

(Rs.in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
B CASH FLOW FROM INVESTING ACTIVITIES:		
Add:		
1 Proceeds from sale of Property, Plant & Equipment	54.38	0.17
2 Interest received	35.07	33.86
3 Dividend received	4.01	1.14
	93.46	35.17
Less:		
1 Purchase of Property, Plant & Equipment / increase in Capital WIP	(849.72)	(711.27)
2 Purchase of Current Investment	(161.37)	(154.97)
	(1,011.09)	(866.24)
Net Cash inflow from Investing Activities (B)	(917.63)	(831.07)
C CASH FLOW FROM FINANCIAL ACTIVITIES:		
Add:		
1 Receipt from issue of Equity Shares inclusive of share premium	0.00	600.00
2 Proceeds from borrowings (Non Current)	0.00	0.00
3 Proceeds from borrowings Net of repayment (Current)	456.31	0.00
4 Increase in Restricted Bank Balances other than cash & cash equivalents	57.25	16.49
5 Increase in Foreign Currency Translation Reserve	1.93	0.07
	515.49	616.56
Less:		
1 Repayment of borrowings (Non-current)	0.00	(1,605.74)
2 Repayment of borrowings net of proceeds (Current)	(1,024.31)	(380.26)
3 Interest and other finance costs	(396.71)	(502.45)
	(1,421.02)	(2,488.45)
Net Cash inflow from Financing Activities (C)	(905.54)	(1,871.89)
I. Net (decrease)/increase in cash and cash equivalents	13.43	196.62
II. Add: Cash and cash equivalents at the beginning of the period	365.34	168.72
III. Cash and cash equivalents at the end of the period	378.77	365.34

As per our report of even date

For and on behalf of the Board of Directors

For Rahul Gautam Divan & Associates
Chartered Accountants
Firm Registration No.: 120294W

L.N. Goculdas
Chairman

H.T. Kapadia
Director

Rahul Divan
Partner
Membership No. 100733
Mumbai, 28th May 2018

B.L. Goculdas
Managing Director, and CEO

D T Gokhale
Secretary

D G Patil
Chief Finance Officer

Mumbai, 28th May 2018

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

FOR THE PERIOD ENDED 31ST MARCH, 2018

A. Equity Share Capital	No. of Shares	Rs. in Lakhs
Balance as at 1st April, 2016	21,257,821	2,125.78
Changes in equity share capital during FY 2016-17(Scheme of arrangement)	3,093,182	309.32
Balance as at 1st April, 2016 after giving of Effect of scheme of amalgamation	24,351,003	2,435.10
Changes in equity share capital during FY 2016-17	588,930	58.89
Balance as at 31st March, 2017	24,939,933	2,493.99
Changes in equity share capital during FY 2017-18	-	-
Balance as at 31st March, 2018	24,939,933	2,493.99

B. Other Equity

Particulars	Other items			Total
	Foreign Currency Translation Reserves	Retained Earnings	of Other Comprehensive Income	
Restated Balance at 1st April, 2016	-	(14.09)	-	1,226.29
Profit for the period/Retained earning of Subsidiary taken over upon merger of erstwhile Borax Morarji Ltd	-	1,714.33	-	1,714.33
Other Comprehensive Income - Acturial Gains/ Losses	-	-	7.42	7.42
Total Comprehensive Income	-	1,700.24	7.42	2,948.04
Securities Premium received during the year	-	-	-	541.11
Balance at 31st March, 2017	-	1,700.24	7.42	3,489.15
Profit for the period/Translation Reserve of Subsidiary taken over upon merger of erstwhile Borax Morarji Ltd	2.75	1,229.62	-	1,232.37
Other Comprehensive Income	-	-	61.71	61.71
Total Comprehensive Income	2.75	2,929.86	69.13	4,783.23
Any other change	-	-	-	-
Balance at 31st March, 2018	2.75	2,929.86	69.13	4,783.23

Significant accounting policies and notes to Financial Statements (Note 2)

As per our report of even date

For and on behalf of the Board of Directors

For Rahul Gautam Divan & Associates

Chartered Accountants

Firm Registration No.: 120294W

L.N. Goculdas

Chairman

H.T. Kapadia

Director

Rahul Divan

Partner

Membership No. 100733

Mumbai, 28th May 2018

B.L. Goculdas

Managing Director, and CEO

D T Gokhale

Secretary

D G Patil

Chief Finance Officer

Mumbai, 28th May 2018



SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

1 Corporate Information

The Consolidated financial statement comprises of financial statement of The Dharamsi Morarji Chemical Company Ltd and its subsidiary (collectively, the Group) for the year ended 31st March, 2018. The Dharamsi Morarji Chemical Company Limited (the Company) is a Public Limited Company domiciled in India. Its shares are listed on the Bombay Stock Exchange Limited (BSE). The Group is engaged in the business of manufacturing and selling of Commodity Chemicals and Speciality Chemicals.

Borax Morarji Europe GmbH, Germany is engaged in the business of selling Commodity Chemicals and Speciality Chemicals.

Information on related party relationships of the company is provided in Note 43

The Consolidated financial statements are authorised for issue in accordance with a resolution of the Board of Directors on 28th May, 2018

2 Significant Accounting Policies

2.1 Basis of preparation:

The Financial Statements of the Group have been prepared and presented in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the Historical Cost Convention on an accrual basis of accounting. The Company has prepared Financial Statements to comply in all material respects with the Accounting Standards specified under section 133 of the Companies Act 2013 read with rule 7 of Companies (Accounts) Rules 2014. These Consolidated Financial Statements for the year ended 31st March 2018 are the first consolidated financial statements, which have been prepared in accordance with IND AS. Refer to note 37 for information on how the Group adopted to IND AS. The consolidated financial statements have been prepared on historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments.
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instrument).

2.2 Basis of Consolidation:

The consolidated financial statements comprises the financial statement of THE DHARAMSI MORARJI CHEMICAL CO.LTD Limited and its subsidiary as at March 31, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- i) The contractual arrangement with the other vote holders of the investee



- ii) Rights arising from other contractual arrangements
- iii) The Group's voting rights and potential voting rights
- iv) The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances if material, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of Borax Morarji GmbH, Germany used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2018. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The unaudited financial statements as on 31st March 2018 of the Wholly Owned Subsidiary Company have been compiled by Chartered Accountancy firm based in Germany. The subsidiary Company being Joint Stock Company under German Law, there is no obligation for audit based on the size criteria.

2.3 Consolidation Procedure

Subsidiaries:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intraGroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). IntraGroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS - 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.



A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it

- (i) Derecognises the assets (including goodwill) and liabilities of the subsidiary
- (ii) Derecognises the carrying amount of any non-controlling interests
- (iii) Derecognises the cumulative translation differences recorded in equity
- (iv) Recognises the fair value of the consideration received
- (v) Recognises the fair value of any investment retained (vi) Recognises any surplus or deficit in profit or loss
- (vi) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

d) Change in ownership interest:

The Group treats transaction with non-controlling interests that do not result in a loss of control as transaction with the equity owners of the Group. A change in ownership interest results in adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

2.4 Property, plant and equipment

a) Tangible assets:

Property, Plant and equipment were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of their historical cost less accumulated depreciation and impairment as on the date of transition i.e. 01.04.2016. The Group has elected to regard those written down values as deemed cost as at the date of the transition as per the option available to the Group, as fair value, while adopting Ind AS for the first time except for certain Land acquired by the Group upon merger of erstwhile Borax Morarji Limited has been stated at fair value as per the valuation report obtained by the Group.

Property, Plant and Equipment are stated at cost of acquisition or construction, including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

The expenditure incurred during the period of construction (including cost of trial runs, stores issued, expenses on labour allocated for such purpose) is debited to capital work-in-progress and on completion, the costs are allocated to the respective items of Property, Plant and Equipment. Interest on specific borrowings relating to acquisition of fixed assets is capitalised up to the date of commissioning.

Derecognition:

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.



The useful lives of intangible assets are assessed as either finite or indefinite.

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

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Derecognition:

An item of intangible initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.5 Depreciation/Amortization:

Depreciation on all items of Property, Plant and Equipment is provided for on Straight Line basis over the estimated useful life specified in schedule II to the Companies Act, 2013.

Depreciation on additions and deletions during the year is provided on pro-rata basis.

Cost of leasehold land is amortised over the period of lease.

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

2.6 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.7 Non Current Assets held for Sale

Non current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sale. Losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in the Statement of Profit and Loss. Once classified as held for sale, Property, plant and Equipment and Intangible Assets are no longer depreciated or amortized.

2.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended period when active development activities on the qualifying assets is interrupted. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest



and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: purchase cost on a weighted average basis

Cost of Finished goods and work in progress include materials cost, cost of conversion, depreciation, other overheads to the extent applicable but excluding borrowing costs

2.10 Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. For the Expected Credit Loss (ECL) simplified approach is adopted by the Group as permissible. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the income statement.

2.11 Revenue recognition

The Group recognises revenue in accordance with Ind AS 18. Revenue from sale of goods is recognized at the fair value of the consideration received or receivable, net of returns and trade discounts, rebates, GST.

Revenue from the sale of goods is recognised when (a) It is probable that the economic benefits associated with the transaction will flow to the entity and the amount of revenue can be measured reliably. (b) The significant risks and rewards of ownership of the goods have been passed to the buyer; and (c) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and returns.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Export sales are recognised based on the shipped on board date as per bill of lading when significant risk and rewards of ownership are transferred to the customer.

Export benefits available under prevalent schemes are accounted to the extent considered receivable. These are presented as other operating income in the Statement of Profit & Loss.

Earning from sale of power generated from Wind Mills is accounted for on tariff rate agreed and as per Power Purchase agreement with respective Electricity Board.

Royalty and service income are recognized on an accrual basis in accordance with the terms of the relevant contractual agreement.

Interest income is recognised on accrual basis.

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

Dividend income on investment is recognized in the Statement of Profit and Loss Account on the date on which the Group's right to receive is established.

2.12 Foreign Exchange Transactions

Transactions in foreign currencies are initially recorded by the Group at the rate prevalent on the date the transaction first qualifies for recognition.



Monetary assets and liabilities denominated in foreign currencies are translated at the closing rates of exchange at the reporting date.

Differences arising on settlement or year end conversion of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are converted using the exchange rates at the dates of the initial transactions.

2.13 Employee Benefits

Contribution Plans:

Contributions to the Company's Provident Fund, Family Pension Fund, Superannuation Fund are being charged to the Statement of Profit and Loss.

Benefits Plans:

The Group has the scheme which enables employees to encash the accumulated privilege leave (upto stipulated limits) on retirement. The Group's liability in respect of this leave encashment scheme is determined on the basis of actuarial valuation and the same is charged to the Statement of Profit & Loss and is unfunded. Gratuity Benefits (based on actuarial valuation) is charged to Statement of Profit & Loss and is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the actuarial assumptions used for valuation. The Group recognizes these re-measurements in the Other Comprehensive Income (OCI).

2.14 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Significant management judgment is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax could change if estimates of projected future taxable income or if tax regulations undergo a change.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is reviewed at each reporting date.

The benefit of credit against the payment made towards Minimum Alternate Tax for the earlier years is available in accordance with the provisions of the section 115J (AA) of Income Tax Act, 1961 over the period of subsequent 15 assessment year. It is not recognised in view of the uncertainty involved of its realisation against the future taxable income.

2.15 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a



past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

Contingent Assets are only disclosed when it is probable that the economic benefits will flow to the Group.

2.16 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.17 Business Combinations and Goodwill

In accordance with Ind-AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred (measured at acquisition date at fair value) and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

2.18 Current and Non current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading



- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period .

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- 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 classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

2.19 Financial Instruments

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a) Financial Assets

Initial recognition and measurement

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

Subsequent measurement

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

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest rate method, less impairment, if any.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.



Investment in Subsidiary

Investment in subsidiary is carried at cost in the financial statements

b) Financial Liabilities

Initial recognition and measurement

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit accounts and derivative financial instruments like Forward Cover Contracts.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method except for those designated in an effective hedging relationship.

2.20 Derivative Financial Instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts generally to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank and these are generally designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date. The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

2.21 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: • In the principal market for the asset or liability, or • In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a 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. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: • Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities • Level 2 — Valuation techniques for which the



lowest level input that is significant to the fair value measurement is directly or indirectly observable • Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group's management determine the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. For the purpose of fair value disclosures, the Group 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.

2.22 Investment Properties

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

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation every three years performed by an accredited external independent valuer, at every 3 years rest, by applying a valuation model recommended by the International Valuation Standards Committee.

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

2.23 Cash & Cash equivalents and Short Term deposits

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

2.24 Research and Development Costs

Research costs are expensed as incurred. Development expenditure on an individual project are recognized as an Intangible asset when the Group can demonstrate; (i) Technical feasibility of completing the intangible asset so that the asset will be available for use or sale (ii) It's intention to complete and its ability and intentions to use or sell the asset (iii) How the asset will generate future economic benefits (iv) the availability of resources to complete the asset (v) the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefits. Amortization expenses is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

2.25 Cash dividend to equity Shareholders:

The Group recognises a liability to make cash or distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2018

Note 3. Property, Plant and Equipment :

Rs. in Lakhs

Property, Plant and Equipment	Free Hold Land	Lease Hold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
j) Tangible Assets										
Gross carrying amount										
Deemed cost as at 1 April 2016	52.57	7.55	721.69	1,661.63	4.87	59.38	16.33	17.95	2,541.97	
Additions per Scheme of Borax merger at Fair Value	279.06	1,848.42	1,001.05	1,328.59	27.78	40.30	6.98	11.55	4,543.73	
Restated Deemed cost as at 1 April 2016	331.63	1,855.97	1,722.74	2,990.22	32.65	99.68	23.31	29.50	7,085.70	
Additions made during 2016-17			92.25	771.23	6.79	6.08	17.19	15.65	909.19	
Disposals made during 2016-17						(4.69)	-	(1.59)	(6.28)	
Exchange difference on consolidation								(0.07)	(0.07)	
As at 31 March 2017	331.63	1,855.97	1,814.99	3,761.45	39.44	101.07	40.50	43.49	7,988.54	
Accumulated Depreciation										
As at 1 April 2016	-	-	-	-	-	-	-	-	-	
Additions per Scheme of Borax merger at Fair Value		43.14	73.46	626.12	3.64	30.82	5.03	9.59	791.80	
Restated Accumulated Depreciation as at 01.04.2016	-	43.14	73.46	626.12	3.64	30.82	5.03	9.59	791.80	
Depreciation charge for the year		20.89	60.64	244.06	3.22	13.43	5.20	12.49	359.93	
Disposals						(4.45)	-	(1.51)	(5.96)	
Exchange difference on consolidation										
As at 31 March 2017	-	64.03	134.10	870.18	6.86	39.80	10.23	20.57	1,145.77	
Net book value										
As at 1st April, 2016	331.63	1,812.83	1,649.28	2,364.10	29.01	68.86	18.28	19.91	6,293.90	515.63
As at 31st March, 2017	331.63	1,791.94	1,680.89	2,891.27	32.58	61.27	30.27	22.92	6,842.77	299.83
Gross carrying amount										
Deemed cost as at 1 April 2017	331.63	1,855.97	1,814.99	3,761.45	39.44	101.07	40.50	43.49	7,988.54	
Additions			146.30	628.08	33.50	28.59	39.94	4.54	880.95	
Disposals	(45.35)					(35.07)	-	(1.11)	(81.53)	
Exchange difference on consolidation										
As at 31 March 2018	286.28	1,855.97	1,961.29	4,389.53	72.94	94.59	80.44	46.92	8,787.96	
Accumulated Depreciation										
As at 1 April 2017		64.03	134.10	870.18	6.86	39.80	10.23	20.57	1,145.77	
Depreciation charge for the year		20.88	63.92	285.77	5.59	12.74	6.85	11.92	407.67	
Disposals						(25.65)	-	(0.77)	(26.42)	
Exchange difference on consolidation										
As at 31 March 2018	84.91	198.02	198.02	1,155.95	12.45	26.89	17.08	31.72	1,527.02	
Net book value										
As at 31st March, 2017	331.63	1,791.94	1,680.89	2,891.27	32.58	61.27	30.27	22.92	6,842.77	
As at 31st March, 2018	286.28	1,771.06	1,763.27	3,233.58	60.49	67.70	63.36	15.20	7,260.94	264.50



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 3 . Property, Plant and Equipment Contd.

(Rs. in Lakhs)

i) Intangible Assets	Software	Goodwill	Total	Intangible Assets under Devel
Gross carrying amount				
Deemed cost as at 1 April 2016	12.16	-	12.16	
Additions per Scheme of Borax merger at Fair Value	21.74	1,465.10	1,486.84	
Restated Deemed cost as at 1 April 2016	33.90	1,465.10	1,499.00	
Additions	17.64	-	17.64	
Disposals	-	-	-	
Exchange difference on consolidation	(0.57)	-	(0.57)	
As at 31 March 2017	50.97	1,465.10	1,516.07	-
Accumulated Depreciation				
As at 1 April 2016	-	-	-	
Additions per Scheme of Borax merger at Fair Value	4.77	-	4.77	
Restated Accumulated Depreciation as at 01.04.2016	4.77	-	4.77	
Depreciation charge for the year	12.46	-	12.46	
Disposals	-	-	-	
Exchange difference on consolidation	(0.86)	-	(0.86)	
As at 31 March 2017	16.37	-	16.37	
Net book value				
As at 1st April, 2016	29.13	1,465.10	1,494.23	
As at 31st March, 2017	34.60	1,465.10	1,499.70	-
Gross carrying amount				
Deemed cost as at 1 April 2017	50.97	1,465.10	1,516.07	
Additions	5.17	-	5.17	
Disposals	-	-	-	
Exchange difference on consolidation	1.08	-	1.08	
As at 31 March 2018	55.06	1,465.10	1,520.16	
Accumulated Depreciation				
As at 1 April 2017	16.37	-	16.37	
Depreciation charge for the year	11.97	-	11.97	
Disposals	-	-	-	
Exchange difference on consolidation	-	-	-	
As at 31 March 2018	28.34	-	28.34	
Net book value				
As at 31st March, 2017	34.60	1,465.10	1,499.70	
As at 31st March, 2018	26.72	1,465.10	1,491.82	



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 4. Other non-Current Assets

	(Rs. in Lakhs)	
	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good		
Security deposits	189.30	254.82
Less: Provision for doubtful security deposit	-28.00	(28.00)
	161.30	226.82

Note 5. Non-Current Investments

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares	Rs. In Lakhs	No of shares	Rs. In Lakhs
Investments in Equity Instruments				
Unquoted equity instruments				
Fully Paid Equity Shares of Rs. 10/- each in Janakalyan Sahakari Bank Ltd.	369,250	36.92	369,250.00	36.92
Fully Paid Equity Shares of Rs. 10/- each in Saraswat Co-operative Bank Ltd.	1,000	0.10	1,000.00	0.10
Fully Paid Equity Shares of Rs. 25/- each in Shamrao Vitthal Co-operative Bank Ltd.	25	0.01	25.00	0.01
Fully Paid Equity Shares of Rs. 50/- each in Dombivali Nagari Sahakari Bank Ltd	3,000	1.50	3,000.00	1.50
Fully Paid Equity Shares of Rs. 10/- each in Indian Potash Ltd.	33,000	0.55	33,000.00	0.55
Aggregate amount of unquoted Investments		<u>39.08</u>		<u>39.08</u>

Note 6 Inventories (Basis of Valuation - Refer Note 2 (9))

	(Rs. in Lakhs)	
	As at 31st March, 2018	As at 31st March, 2017
Raw Materials	804.78	435.87
Raw Material in Transit	19.12	12.28
Packing Materials	72.86	53.99
Work-in-Process	69.35	48.75
Finished Goods	610.64	647.31
Traded Goods	54.21	95.20
Stores and Spares	439.76	358.00
	<u>2,070.72</u>	<u>1,651.40</u>

Note

Inventories of Dahej Unit in the state of Gujarat amounting to Rs. Nil (Previous Year Rs. 575.63 Lakhs) are offered as security by way of hypothecation of Raw Materials, Finished Goods, Working in process, Packing Materials, Stores, Book Debts and Receivable for working capital facility provided by Bank in consortium. Working Capital Facility have since been surrendered by the Group.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 7. Current Investments

	As at 31st March, 2018		As at 31st March, 2017	
	No of Units	Rs. In Lakhs	No of Units	Rs. In Lakhs
Investment in Mutual Funds **				
BSL Growth Medium Term Regular	125,812	27.63	125,812	25.68
BSL Growth Short term Term Regular	40,589	26.96	40,589	25.28
ICICI Prudential Flexible Income Growth	8,074	26.90	8,074	25.00
ICICI Prudential Equity Arbitrage Fund -Dividend	181,875	24.79	181,875	-
IDFC ArbitrageFund Growth	120,279	26.38	120,279	-
IDFC Corpoarte Advantage Bond Fund Regulars Plan Growth	463,158	55.02	463,158	51.74
UTI - Treasury Advantage Institutional Plan Growth	1,122	26.86	1,122	25.00
IDFC Arbitrage Fund Reg (MD)	786,102	99.52	-	-
Units Trust of India	11,984	3.49	10,653	3.47
		317.55		156.17

** Investments in all mutual funds are stated at NAV at the year end and as workout at FVTOCI.

Note 8. Trade Receivables (Current / Unsecured)

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Trade receivables outstanding for a period less than six Months		
Considered Good	2,186.52	2,138
Considered Doubtful	-	-
	2,186.52	2,138.04
Less:		
Provision for doubtful debts	-	-
	2,186.52	2,138.04

Receivables of Rs. NIL (Previous year Rs. 609.86 Lakhs) pertaining to Dahej Unit in the State of Gujarat are hypothecated as security for working capital facility provided by the Consortium Bank. Working capital facility have since been surrendered by the Group.

Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality.

Generally, the Group supply as per the order received from its customers. The average Credit period on sale is 30-90 days

Note 9 Cash and Cash Equivalents

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Bank Balances in Current Accounts	376.57	363.54
Cash on hand	2.20	1.80
	378.77	365.34



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 10. Bank balances other than Cash and Cash equivalents

	As at 31st March, 2018	As at 31st March, 2017
Unpaid Dividend Account	0.83	2.14
Margin Money Deposit Account	95.99	151.93
	96.82	154.07

Note 11. Other Current financial assets

	As at 31st March, 2018	As at 31st March, 2017
Fixed Deposit with bank more than 12 months	137.78	147.71
	137.78	147.71

Note 12. Current Tax Assets (Net)

	As at 31st March, 2018	As at 31st March, 2017
Advance tax (Net of Provision for Taxation)	103.51	121.88
	103.51	121.88

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018

Particulars	As at 31st March, 2018 Rs. In Lakhs	As at 31st March, 2017 Rs. In Lakhs
Accounting profit before income tax	1,563.52	2,147.33
At India's statutory income tax rate of 28.84% & 34.608%	450.92	743.15
Adjustments in respect of current income tax w.r.t. MAT Tax rate and Normal Tax Rate and after giving effect to the merger of Borax Morarji Limited with the Company.	(117.02)	(300.43)
Current tax - MAT	333.90	442.72
At the effective income tax rate	21.36%	20.62%

The Company fall under the provisions of MAT u/s 115 JB and the applicable Indian Statutory Tax Rate for the year ended 31st March, 2018 and 31st March, 2017.

Note 13. Other Current Assets (Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Balances with Excise, Sales Tax, Customs & other Government bodies	312.49	514.15
Pre-paid Expense	64.94	87.16
Others advances	15.33	160.17
Others*	540.91	500.39
	933.67	1,261.87

*Others include Rs. 500.00 lakhs receivable in respect of sale of Land at Ambernath in earlier years by erstwhile Borax Morarji Ltd. The Group is pursuing the matter for obtaining the necessary approval from the Government of Maharashtra, on receipt of which the Conveyance deed will be executed and registered in due course

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS****Note 14. Equity Share Capital**

	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	Rs.Lakhs	No. of Shares	Rs.Lakhs
Authorized Share Capital				
Equity Shares of Rs.10/- each	40,000,000	4,000.00	40,000,000	4,000.00
	40,000,000	4,000.00	40,000,000	4,000.00
Shares issued, subscribed and fully Paid up				
Equity Shares of Rs.10 each	24,939,933	2,493.99	24,939,933	2,493.99
	24,939,933	2,493.99	24,939,933	2,493.99

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	Rs.Lakhs	No. of Shares	Rs.Lakhs
Equity Shares :				
Equity Shares at the beginning of the year	24,939,933	2,493.99	24,351,003	2,435.10
Add: Shares Issued during the year	-	-	588,930	58.89
Add: Shares Issued during the year pursuant to the scheme of Amalgamation	-	-	-	-
Equity Shares at the end of the year	24,939,933	2,493.99	24,939,933	2,493.99

Terms and Rights attached to Equity Shares

The Company is having only one class of Equity shares having a nominal value of Rs.10/- per share.

Every holder of the equity share of the Company is entitled to one vote per share held

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

Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

	As at 31st March, 2018		As at 31st March, 2017	
	Numbers	% held	Numbers	% held
Shri Laxmikumar Narottam Goculdas	8,862,093	35.53%	8,839,968	35.44%

Note 15. Other Equity

(Rs. in Lakhs)

	As at	As at
	31st March, 2018	31st March, 2017
i. Security Premium Reserves	1,714.90	1,714.90
ii. Other Reserves	66.59	66.59
iii. Foreign Currency Translation Reserves	2.75	0.82
iii. Retained Earnings	2,929.86	1,700.24
iv. Other Comprehensive Income	69.13	7.42
	4,783.23	3,489.97



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

i. Security Premium Reserves

	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	1,714.90	1,173.79
Add: Premium on shares issued during the year	-	541.11
Balance at the end of the year	1,714.90	1,714.90

Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provision of the Company Act 2013.

ii. Other Reserve

	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	66.59	66.59
Add: Addition during the year	-	-
Balance at the end of the year	66.59	66.59

Other reserve represents Capital subsidy received from various state Government

iii. Foreign Currency Translation Reserve

	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	0.82	-
Add: Addition during the year	1.93	0.82
Balance at the end of the year	2.75	0.82

iv. Retained Earnings

	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	1,700.24	-14.09
Add: Profit for the year	1,229.62	1,714.33
Balance at the end of the year	2,929.86	1,700.24

Retained earnings are used from time to time to transfer profits from retained earnings for appropriation purposes. The amount that can be distributed by the Company as dividend to its equity shareholders is determined as per the provision of the Companies act and the dividend distribution policy of the Company.

v. Other Comprehensive Income

	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	7.42	-
OCI for the year	61.71	7.42
Balance at the end of the year	69.13	7.42

OCI represents the cumulative gains and losses arising on the revaluation of financial assets and liabilities measured at fair value through other comprehensive Income, net of amount reclassified to retained earnings when those assets have been disposed off.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 16. Long Term Borrowings

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Term Loan		
From Bank		
Secured		
(i) Working Capital Term Loan	-	77.66
(ii) Car Loan from a bank	40.75	21.94
(iii) Project Loan from bank	-	14.15
(iv) Property Loan from bank	-	58.06
(v) Mortgage Loan from bank	922.48	-
	963.23	171.81
From Other Parties (Unsecured)		
Unsecured		
Deferred liabilities-Interest Free Sales Tax Loan from MEDA **	59.30	100.40
Fixed Deposits	-	-
	59.30	100.40
Loans from related parties		
(i) Inter Corporate Deposits	60.00	134.00
(ii) Loans from a Promoters	720.47	940.47
	780.47	1,074.47
2,80,000 Redeemable Preference Shares of Rs.100/-each***	280.00	280.00
Total Borrowings (Non-Current)	2,083.00	1,626.68

(a) (i) Working Capital Term Loan

Repayable in 60 EMI's commencing from 17-02-2014. Rate of interest is 10.5%-12%. 50 EMIs have been paid in time, up to 31st March, 2018 and 10 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and mortgage of office premises of the Company, situated at Mumbai.

Out of total outstanding term loan as on 31st March, 2018 of Rs. 76.34 Lakhs, amount due in next twelve months is Rs. 76.34 Lakhs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities'. (See Note No. 21 (1)(ii)). The balance Term Loan of Rs. NIL is shown above as Working Capital Term Loan.

(a) (ii) Car Loan from a bank

Loans against vehicles are for a period of three to five years and repayable by way of equated monthly installment, Interest rate ranges between 9.50 to 10.25%

Secured against hypothecation of vehicles.

Out of total outstanding term loan as on 31st March, 2018 of Rs. 56.48 lakhs, amount due in next twelve months is Rs. 15.73 Lakhs, which is shown as 'Current maturities of Long Term Debts' under 'Other Current Liabilities' (See Note No. 21 (1)(ii)). The balance Term Loan of Rs. 40.75 Lakhs is shown above as New Car loan from a bank.

(a) (iii) Project Loan from bank

Repayable in 36 EMI's commencing from 27.07.2015. Rate of interest is 10.25% to 12%. 21 EMIs have been paid in time, up to 31st March, 2018 and 3 are remaining to be paid as on that date.

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and mortgage of office premises of the Company, situated at Mumbai.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Out of total outstanding term loan as on 31st March, 2018 of Rs. 13.03 Lakhs, amount due in next twelve months is Rs.13.03 Lakhs, which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21 (1)(iii)) . The balance Term Loan of Rs. Nil is shown above as Project Loan.

(a) (iv) Property Loan from bank

Property loan RS. 158.82 lacs taken on 21.03.2016 from a Bank. Repayable in 36 EMI's commencing from 21.04.2016. Rate of interest is 10.25%-12%. 24 EMIs have been paid in time, up to 31st March, 2018 and 12 are remaining to be paid as on that date.

Out of total outstanding property loan as on 31 st March 2018 of Rs. 57.23 lakhs, amount due in next twelve months is Rs.57.23 Lakhs, which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No.21 (1)(iv)) The balance Term Loan of Rs. NIL is shown as Property Loan as above.

Property loan is secured by way equitable mortgage of office premises of the Company situated at Mumbai.

(a) (iv) Mortgage Term Loan from Bank:

Repayable in 60 EMI's will commence from 27.04.2018. Rate of interest is 10.25%,

Secured against mortgage of all the fixed assets of the Company, both present and future, situated at Roha and mortgage of office premises of the Company, situated at Mumbai.

Out of total outstanding mortgage loan as on 31 st March 2018 of Rs. 1100.00 lakhs, amount due in next twelve months is Rs.177.52 Lakhs, which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No.21 (1)(v)) The balance Term Loan of Rs. 922.48 Lakhs is shown as Property Loan as above.

** Interest free Sales Tax Loan from MEDA

Interest free Sales Tax Loan from MEDA is repayable in 30 equal installment starting from May 2010 and ending May 2023

Out of total outstanding property loan as on 31 st March 2018 of Rs.110.67 lakhs, amount due in next twelve months is Rs.51.37 Lakhs, which is shown as ' Current maturities of Long Term Debts' under 'Other Current Liabilities'(See Note No. 21(1)(vi)) The balance Term Loan of Rs.59.30 Lakhs is shown as Property Loan as above.

*** Non- Convertible Preference Shares

Long Term Borrowing includes 280000, 2.5% Cumulative redeemable non-convertible Preference Shares of Rs.100/- each aggregating to Rs.280 lakhs which has been classified as Financial Liabilities as per requirements of Ind As 32 "Financial instrument presentation". These Preference Shares were repayable in 16 equal yearly installment of Rs.17.50 lakhs each commencing from 1st April 2012. However, Company had approach and requested the Preference share holder for further extension of time for the repayment of the said Preference Shares. Preference share holder has agreed for further extension of time for the redemption of the said Preference shares any time upto 31st March 2022.

The Company has Authorised to issue 20,00,000 Cumulative redeemable Preference shares of Rs.100/- each (payable at par) out of which the Company has issued 2,80,000, 2.5% Cumulative redeemable non-convertible Preference Shares of Rs.100/- each fully paid up.

The Dividend as and when declared by the Company shall paid to the shareholder on the record date, which Board may fix from time to time. If in any year, the company has not declared any dividend on the Preference shares, the right to the dividend shall accumulated and the accumulated dividend will be paid out of the profits, if any, of the subsequent financial years including carry forward profit if any of the previous years before any dividend is paid to Equity Share holders.

Consequent to change in classification of 2.5% , Redeemable, cumulative, non-convertible preference shares, liability pertaining to undeclared and unpaid dividend and Dividend Distribution Tax thereon since up to the transition date i.e. up to 01.04.2016 amounting to Rs. 67.73 Lakhs has been reduced from Retained Earnings and included under Other Current Liabilities. Dividend and Dividend Distribution Tax thereon for the year ended 31st March 2018 and 31st March 2017 are accounted for under finance charges.

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS****Note 17. Long Term Provisions**

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits	210.91	109.87
Provision for Gratuity	60.85	39.11
Provision for Leave benefit	271.76	148.98

Note 18. Other Non-Current Liabilities

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
(i) Advance received against sale of Land at Navlakhi	-	45.35
(ii) Security Deposits from distributors and others	-	-
(iii) Security Deposits received against Royalty	31.10	18.99
	31.10	64.34

Note 19. Short Term Borrowings

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
From Banks		
Secured	-	817.31
Cash Credit from Bank	-	
	-	
Loans from related parties		
Unsecured		
a) Inter Corporate Deposit	-	207.00
b) Corporate loan from HDFC Ltd	-	-
	-	207.00
	1,024.31	1,024.31

Note 20. Trade Payables

(Rs. in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017
(i) Trade Payable (*)	2,104.59	2,538.56
(ii) Bills Payable	950.55	1,034.00
	3,055.14	3,572.56

20.1 Payment towards trade is made as per the terms and condition of the contract/purchase order. Average Credit period is 30-90 days

20.2 (*) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues at the Balance Sheet date, computed on unit wise basis. Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the year ended on the Balance Sheet date, nor is any interest payable to any Micro, Small and Medium Enterprises (MSME) on the Balance sheet date. The information on MSME has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 21. Other Financial Liabilities

	As at 31st March, 2018	As at 31st March, 2017
1 Current maturities of long-term debt		
(i) Current maturities of Working Capital Term Loan	76.34	96.02
(ii) Current maturities of Long Term Debts (Car Loan)	15.73	8.38
(iii) Current maturities of Long Term Debts (Project Loan)	13.03	113.80
(iv) Current maturities of Long Term Debts (Property Loan)	57.23	53.28
(v) Current maturities of Mortgage Loan	177.52	-
(vi) Current maturities of Interest free Sales Tax Loan from MEDA	51.37	70.61
	391.22	342.09
2 Unpaid Dividend (Amount Transferable to Investor Education & Protection Fund when due)	0.83	2.14
3 Unpaid Matured Fixed Deposits (Unclaimed)	28.62	31.68
4 Unpaid Interest on Fixed Deposits	0.01	0.01
	420.68	375.92
5 Dividend payable on preference shares	84.15	75.94
6 Others Payable		
Trade Deposit	122.57	113.83
Advance received from customers	34.49	35.46
Advance received against sale of Asset	550.00	-
Others	1,123.45	1,253.65
	1,830.51	1,402.94
	<u>2,335.34</u>	<u>1,854.80</u>

Note 22. Other Current Liabilities

	As at 31st March, 2018	As at 31st March, 2017
Statutory dues payable	40.22	157.59
Due to Employee	300.22	282.63
	<u>340.44</u>	<u>440.22</u>

Note 23. Provisions (Current)

	As at 31st March 2017	As at 31st March 2016
Provision for Employee Benefits		
Provision for Gratuity	44.60	163.86
Provision for Leave benefits	4.38	24.97
	<u>48.98</u>	<u>188.83</u>



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

Note 24. Revenue from Operations

	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Sale of products		
Commodity Chemicals	8,182.08	8,957.01
Speciality Chemicals	9,069.77	9,193.25
Other Chemicals	65.86	381.31
Traded sales	407.18	212.91
	17,724.90	18,744.48
Other Operating Revenues		
- Royalty	72.94	63.33
- Export Incentives	238.02	97.75
- Wind Mills	41.06	45.22
	352.02	206.30
	<u>18,076.92</u>	<u>18,950.78</u>

Note 25. Other Income

(Rs. in Lakhs)

	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Interest Income	35.07	33.86
Dividend Income	4.01	1.14
Other non -operating income	49.56	17.99
	<u>88.64</u>	<u>52.99</u>

Note 26. Cost of Material Consumed

(Rs. in Lakhs)

	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Consumption of Raw Materials	9,848.58	10,009.25
Consumption of packing materials	270.05	291.96
	<u>10,118.63</u>	<u>10,301.21</u>

Note 27. Purchase of Stock in Trade

(Rs. in Lakhs)

	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Purchased of Goods Traded	417.11	100.87
	<u>417.11</u>	<u>100.87</u>



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Note 28. Changes in inventories of Finished Goods, Work in process and Stock in Trade (Rs. in Lakhs)

	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Inventory at the beginning of the year		
Work in Process	48.76	29.46
Finished Goods	647.31	642.58
Traded Goods	95.20	67.65
	791.27	739.69
Inventory at the end of the year		
Work in Process	69.24	48.75
Finished Goods	610.77	647.31
Traded Goods	54.21	95.20
	734.22	791.26
	57.05	(51.57)

Note 29. Employee Benefits Expense

	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Salaries and Wages (Net after Repairs)(*)	1,141.18	1,063.09
Contribution to Provident Fund (NOT REQUIRED AS PER SCHE III	55.61	34.18
Contribution to Other Funds (Gratuity, Superannuation,etc)	144.18	108.43
Staff Welfare Expenses	91.09	83.87
	1,432.06	1,289.57
(*) Salaries & Wages allocated to Repairs etc.	33.27	34.06

Note 30. Finance Cost

	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Interest Paid to Banks	197.90	233.45
Interest paid to Others	190.61	260.79
Dividend on Preference Shares (Including Dividend Distribution Tax)	8.21	8.21
Total	396.72	502.45



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Note 31. Other Expenses

(Rs. in Lakhs)

	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Power, Fuel and Water	910.92	760.76
Repairs to buildings	19.02	13.48
Repairs to machinery	697.80	589.93
Insurance	38.82	34.07
Rates and taxes	22.93	18.53
Internal handling, Freight and carriage outward	491.45	402.79
Net loss/(gain) on foreign currency transactions	3.72	23.82
Auditors' Remuneration		
Audit fees	8.00	9.01
Tax audit fees	6.99	2.23
For other services	-	4.52
Reimbursement of out of pocket expenses	0.63	0.66
	15.62	16.42
Sundry balances written off / (written back) (net)	(16.95)	(4.29)
Written Down Value Assets Scrapped/Loss on Sale of Fixed Assets	0.74	0.15
Miscellaneous expenses *	1,320.56	1,058.04
* None of the item individually accounts for more than Rs.10 lakhs or 1% of revenue whichever is higher.	3,504.63	2,913.70

32 Contingent Liabilities

	As at 31st March, 2018 Rs. In Lakhs	As at 31st March, 2017 Rs. In Lakhs	As at 1st April, 2016 Rs. In Lakhs
A Contingent Liabilities			
(i) Outstanding claims in respect of Excise Duty, etc.	128.07	128.07	140.72
(ii) Guarantees issued by banks	42.80	42.80	18.50
(iii) Claims against Group not acknowledged as debts	55.76	55.76	55.76

The Group has reviewed all its pending litigations & proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable. The Group does not expect the outcome of these proceedings to materially adverse effect.

33 Commitments

	As at 31st March, 2018 Rs. In Lakhs	As at 31st March, 2017 Rs. In Lakhs	As at 1st April, 2016 Rs. In Lakhs
(i) Estimated Amount of Contracts remaining to be executed on Capital Account & not provided for (Net of Advances)	151.40	51.70	17.72



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

34 In view of the “Unabsorbed Depreciation” & “Unabsorbed Business Losses” accruing from the past years, there is no normal tax payable in the year ended 31st March, 2018 and for the year ended 31st March, 2017. In view of book profit in the current year in terms of Section 115JB of the Income Tax Act, 1961, provision has been made for Rs.348.92 Lakhs towards Minimum Alternate Tax(MAT) during the year ended 31.03.2018(Previous year Rs. 443.94 Lakhs)

35 **There is only one reportable segment i.e. chemicals business of the Group.**

36 Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, a Company meeting the applicability threshold needs to spend at least 2% of its average net profits for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. Due to the average net profit of the Company is being negative, Company is not required to spend any amounts towards Corporate Social Responsibility activities during the year.

37 First Time Adoption of Ind AS:

These are the Group’s first financial statements prepared in accordance with Ind AS.

The significant accounting policies set out in note 1(2) have been applied in preparing the financial statements for the year ended 31st March, 2018, the comparative information presented in these financial statements for the year ended 31st March, 2017, and in the preparation of an opening Ind AS balance sheet at 1st April, 2016 (the Company’s date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and the other relevant provisions of the Act (previous GAAP or Indian GAAP).

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous GAAP to Ind AS

Business Combinations

The Group has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business Combinations occurring prior to the transition date have not been restated.

The Group has elected not to apply Ind AS 21 retrospectively to fair value adjustment and goodwill arising in business combination that occurred prior to the transition date.

Deemed Cost

The Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value as its deemed cost as their fair value on the date of transition i.e. 01.04.2016.

38 Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

38.1 Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS

(Rs. in Lakhs)

Particulars	Notes to first time adoption	Previous GAAP as at 31.03.2017	Effect of Ind AS	Ind AS as at 31.03.2017	Previous GAAP as at 01.04.2016	Effect of Ind AS	Ind AS as at 01.04.2016
ASSETS							
Non Current Assets							
Property, Plant and Equipment		6,842.77		6,842.77	6,293.83		6,293.83
Capital work-in-progress		299.83	-	299.83	515.63	-	515.63
Goodwill		1,465.10	-	1,465.10	1,465.10	-	1,465.10
Other Ingangible Assets		26.25	-	26.25	21.00	-	21.00
Financial Assets -				-			
i Investments		55.85	-	55.85	55.85	-	55.85
ii Loans		236.63	-	236.63	226.74	-	226.74
Other non-current assets		-	-	-	-	-	-
Total Non Current Assets		8,926.43	-	8,926.43	8,578.15	-	8,578.15



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lakhs)

Particulars	Notes to first time adoption	Previous GAAP as at 31.03.2017	Effect of Ind AS	Ind AS as at 31.03.2017	Previous GAAP as at 01.04.2016	Effect of Ind AS	Ind AS as at 01.04.2016
Current Assets							
Inventories		1,651.40		1,651.40	2,186.11	-	2,186.11
Financial Assets				-		-	-
- Investments	A	151.20	(4.97)	156.17	1.20	-	1.20
- Trade receivables		2,138.04	-	2,138.04	1,925.39	-	1,925.39
- Cash and cash equivalents		335.66	-	335.66	142.88	-	142.88
- Bank balances other than cash and cash equivalents		154.07	-	154.07	170.56	-	170.56
- Others financial assets		147.71	-	147.71	135.00	-	135.00
- Current Tax Assets (Net)		121.88	-	121.88	48.84	-	48.84
Other current assets	B	1,254.54	2.87	1,251.67	1,338.00	9.20	1,328.80
Total Current Assets		5,954.50	(2.10)	5,956.60	5,947.98	9.20	5,938.78
Total Assets		14,880.93	(2.10)	14,883.03	14,526.13	9.20	14,516.93
Particulars							
		Previous GAAP as at 31.03.2017	Effect of Ind AS	Ind AS as at 31.03.2017	Previous GAAP as at 01.04.2016	Effect of Ind AS	Ind AS as at 01.04.2016
EQUITY AND LIABILITIES							
EQUITY							
Equity Share capital	C	2,773.99	280.00	2,493.99	3,315.10	880.00	2,435.10
Other Equity	D	3,514.91	37.92	3,476.99	1,240.38	14.09	1,226.29
Total Equity		6,288.90	317.92	5,970.98	4,555.48	894.09	3,661.39
LIABILITIES							
Non-Current Liabilities							
Financial Liabilities - Borrowings	E	1,380.46	(246.22)	1,626.68	2,409.38	(823.04)	3,232.42
Provisions		148.98	-	148.98	181.49	-	181.49
Deferred tax liabilities (Net)			-	-		-	-
Other non-current liabilities	F	66.35	2.01	64.34	66.35	1.30	65.05
Total Non Current Liabilities		1,595.79	(244.21)	1,840.00	2,657.22	(821.74)	3,478.96
Current liabilities							
Financial Liabilities							
- Borrowings		1,024.31	-	1,024.31	1,404.57	-	1,404.57
- Trade payables		3,565.48	-	3,565.48	3,774.05	-	3,774.05
- Other financial liabilities	G	1,777.40	(75.81)	1,853.21	1,738.51	(63.15)	1,801.66
Other current liabilities		440.22	-	440.22	225.13	-	225.13
Provisions		188.83	-	188.83	171.17	-	171.17
Current Tax Liabilities (Net)			-	-		-	-
Total Current Liabilities		6,996.24	(75.81)	7,072.05	7,313.43	(63.15)	7,376.58
Total Liabilities		8,592.03	(320.02)	8,912.05	9,970.65	(884.89)	10,855.54
Total Equity and liabilities		14,880.93	(2.10)	14,883.03	14,526.13	9.20	14,516.93



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to IND AS.

- A Valuation of Investments at fair Value through Other Comprehensive Income and to be reclassified to the Statement of Profit and Loss subsequently.
- B Recognition of of certain financial assets like deposits, initially at Fair Value and subsequently at Amortized Cost and resultant winding/unwinding of interest element as per Ind AS-109
- C Reclassification of Preference shares principal amount as Debt.
- D Resultant effect of all changes effected in Retained Earnings on the transition to and implementation of Ind AS with effect from the date of transition i.e. 01.04.2016
- E Reclassification of Preference shares principal amount as Debt and fair value of MEDA Loan at amortized cost
- F Recognition of of certain financial liabilities like loans, deposits etc initially at Fair Value and subsequently at Amortized Cost and resultant winding/unwinding of interest element as per Ind AS-109
- G Increase in Finance cost liability on account of provision for Preference shares dividend and tax payable thereon.

38.2 Reconciliation Statement of profit and loss as previously reported under IGAAP to Ind AS for the year ended 31st March, 2017

Particulars	Notes to first time adoption	Previous GAAP as at 31.03.2017	Effect of Ind AS	Ind AS as at 31.03.2017
Income				
Revenue from Operations	A	18,974.73	34.60	18,940.13
Other Income	B	44.23	(8.66)	52.89
Total Income		19,018.96	25.94	18,993.02
Expenses				
Cost of Materials Consumed		10,301.21	-	10,301.21
Purchase of Stock-in-Trade		100.87	-	100.87
Changes in Inventories of Finished Goods and Work in Progress		(51.57)	-	-51.57
Employee Benefits Expense	C	1,284.82	(4.75)	1,289.57
Finance costs	D	464.99	(37.46)	502.45
Depreciation and amortization expense		371.64	-	371.64
Other Expenses	E	2,941.82	34.60	2,907.22
Excise Duty on Sale of goods		1,427.82		1,427.82
Total Expense		16,841.60	(7.61)	16,849.21
Profit/(loss) before tax		2,177.36	33.55	2,143.81
Tax Expense				
Current Tax	F	443.94	2.30	441.64
Profit (Loss) for the period		1,733.42	31.25	1,702.17
Other Comprehensive Income				
a) i) Items that will not be reclassified to Profit and Loss	G	-	(4.75)	4.75
a) ii) income Tax relating to Items that will not be reclassified to Profit and Loss	G	-	1.16	-1.16
b) i) Items that will be reclassified to Profit and Loss	H	-	(4.97)	4.97
b) ii) income Tax relating to Items that will be reclassified to Profit and Loss	H	-	1.14	-1.14
Total Other Comprehensive Income		-	(7.42)	7.42
Total Comprehensive Income for the period		1,733.42	23.83	1,709.59



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

	Rs. In Lakhs
A Rebate & Discount given of Rs. 34.60 Lakhs now adjusted from Revenue as per Ind AS. This adjustment has no effect on Net Profit for the year.	-
B Recognition of of certain financial assets like deposits, initially at Fair Value and subsequently at Amortized Cost and resultant winding/unwinding of interest element as per Ind AS-109	8.66
C Employee Benefits Expense: As per Ind-AS 19- Employee Benefits , actuarial gains and losses are recognized in other comprehensive income and not to be reclassified to profit and loss in a subsequent period.	(4.75)
D Recognition of of certain financial liabilities like loans, deposits etc initially at Fair Value and subsequently at Amortized Cost and resultant winding/unwinding of interest element as per Ind AS-109	(37.46)
E Rebate & Discount given of Rs. 34.60 Lakhs now adjusted from Revenue as per Ind AS. This adjustment has no effect on Net Profit for the year.	-
F Tax effect of amount shown under OCI which should be net of tax.	2.30
G Increase in OCI for Actuarial gains/losses of Employees Costs (Net of Tax effect) and not to be reclassified to the Statement of Profit and Loss subsequently as per Ind AS -19.	3.59
H Valuation of Investments at fair Value through Other Comprehensive Income and to be reclassified to the Statement of Profit and Loss subsequently. Increase in value routed through OCI (Net of Tax effect)	3.83
Net Impact due to implementation of Ind AS	(23.83)

38.3 Impact of Ind AS adoption on the statement of cash flow for the year ended 31st March, 2018

The transition from previous GAAP to Ind AS has not affected the cash flows of the Group.

39 Earning Per Share:

EPS amount are calculated by dividing the profit for the year attributed to Equity holders of the parents by weighted average number of Equity shares outstanding during the year.

	(Rs. in Lakhs)	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit attributable to Equity share holder of the Company	1,229.62	1,704.61
Weighted Average Number of Equity Shares	24,939,933	21,846,751
Earning per Equity Shares (Basic & Diluted)	4.93	7.80

40 Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

A Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Group based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss and accordingly provision is made for the doubtful debts.

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets.

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's finance and accounts department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Group. The currencies in which the Group is exposed to risk are generally USD and EUR. The Group follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract.

Exposure to currency risk - Unhedged

Particulars	As at 31st March 2018			As at 31st March 2017		
	Currency		Rs. in Lakhs	Currency		Rs. in Lakhs
Trade Receivables	USD	880,907	571.29	USD	781,355	502.89
	EURO	135,202	107.00	EURO	135,202	56.70
			678.29			559.59
Trade Payable	USD	(430,892)	(281.56)	USD	(561,820)	(364.37)
Net Exposure to Currency Risk			396.73			195.22



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EUR against all other currencies at 31 March would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	Rs. in Lakhs			
	As at 31st March 2018		As at 31st March 2017	
	Profit or Loss		Profit or Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 1% Movement	2.90	(2.90)	8.67	(8.67)
EURO 1% Movement	1.07	(1.07)	0.57	(0.57)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees of fixed rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

B Capital management

For the purpose of Group's Capital Management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's Capital Management is to maximise the share holder value.

The Group manages its capital structure and make adjustment in light of changes in economic conditions and requirements covenants.

41 Other Additional information :

(i) VALUE OF RAW MATERIALS AND BOUGHTOUTS, STORES, SPARES AND COMPONENTS CONSUMED

	Year Ended			
	31st March 2018		31st March 2017	
	Rs. in Lakhs	%	Rs. in Lakhs	%
Raw Materials and Boughtouts:				
Imported	161 8.70	16.44	1724.45	16.60
Indigenous	8,229.88	83.56	8,663.77	83.40
	9,848.58	100.00	10,388.22	100.00

	31st March 2018	31st March 2017
	Rs. Lakhs	Rs. Lakhs
Stores, Spares and Components:		
Indigenous	455.14	301.13
(ii) VALUE OF IMPORTS CALCULATED ON CIF BASIS :		
Raw Materials & Boughtouts	1,429.58	1,224.47
(iii) EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :		
Foreign tours, Subscription, etc.	183.16	172.20
(iv) EARNINGS IN FOREIGN CURRENCY IN RESPECT OF :		
Export of goods calculated on FOB basis	4,898.47	4,599.68



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

42 Segment Reporting :-

a) Primary Business Segment :

The Group is engaged in manufacture of Chemicals. As the Company is engaged only in one business segment.

b) Secondary Geographical Segment

Sales Turnover :-

i) In India

ii) Outside India

Total

	Year Ended 31st March 2018	Year Ended 31st March 2017
	Rs.in Lakhs	Rs.in Lakhs
	12,689.91	14,044.18
	5,034.99	4,700.30
Total	17,724.90	187,44.48

43 Related Parties Disclosures :

Names of related parties	Nature of Relationship
(i) Shri L.N.Goculdas	Promoter and Chairman (holding more than 20% of the voting power of the Company)
(ii) The Natural Gas Co.Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(iii) L.P.Gas Equipment Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(iv) L.P.Gas Transport & Bottling Co. Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(v) Phoenix Distributors Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(vi) Jasraj Trading Co.	Enterprises under the Control of Promoter and Key Managerial persons
(vii) Kosan Industries Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(viii) Bombay Foods Pvt.Ltd.	Enterprises under the Control of Promoter and Key Managerial persons
(ix) Mitika L. Goculdas	Daughter of Promoter and Chairman
(x) Shri B.L.Goculdas	Key Management Person - Chief Executive Officer (and Managing Director w.e.f. 1st April, 2018)
(xi) Shri D.T.Gokhale	Key Management Person - Executive Vice President & Company Secretary
(xii) Shri D.K. Sundaram	Key Management Person - Chief Finance Officer (up to 31st December 2017)
(xiii) Shri D. G. Patil	Key Management Person - Chief Finance Officer (From 1st February 2018)

A Transaction with Promoters holding more than 20% of the voting power

	Year Ended 31st March 2018	Year Ended 31st March 2017
	Rs.in Lakhs	Rs.in Lakhs
Sitting Fees for attending Board and Committee meetings	2.65	2.30
Repayment of Loan to Promoter - Shri L.N.Goculdas	50.00	0.00
Interest paid to Promoter- Shri. L.N.Goculdas	22.69	0.00
B Sitting Fees for attending Borad Meeting to Mitika L. Goculdas	1.25	0.80
Interest paid to Phoenix Distributors Pvt Ltd	6.05	0.00
C Transactions with Related Parties		
(i) Purchase of Goods/Services Received by the Company		
L.P.Gas Equipment Co. Pvt.Ltd.	55.20	30.52
L.P.Gas Transport & Bottling Co. Pvt.Ltd.	0.50	119.86



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

(ii)	Closing balance of L.P. Gas Equipment Pvt Ltds included in Current Liability of the Company	13.24	51.41
(iii)	Closing balance of L.P. Gas Transport and Bottling Co. Pvt Ltds included in Current Liability of the Company	0.14	54.61
(iv)	Closing balance of Phoenix Distributors Pvt.Ltd. included in Unsecured Loan of the Company	0.00	134.00

D Transactions relating to Key Management Personnel

(i)	Remuneration	95.22	86.40
(ii)	Rent / HRA paid for residential accommodation / other benefits	33.75	19.06
(iii)	Unsecured Loan taken by the Company and outstanding as at the year end	720.47	940.47

Related party relationships are as identified by the Company and relied upon by the Auditors.

44 Employee Benefits :

The Group has made provision for following benefit plans as per Accounting Standard 15 (Revised 2005) "Employee Benefits". Defined Benefit Plans / Long Term Compensated Absences: As per Actuarial Valuation as on 31.03.2018, the required data is as follows:

I	Continuing Employees :	Apr 17 /		Apr 16 /		Rs. in Lakhs	
		Mar 18	Apr 17/Mar 18	Mar 17	Apr 16/Mar 17	As at 1st April 2016	As at 1st April 2016
A	Expense recognised in the statement of Profit & Loss Account for period ended 31st March 2018	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	1. Current Service Cost	13.28	47.68	15.21	17.85	14.91	16.21
	2. Interest Cost	11.29	3.74	11.79	3.84	12.35	3.08
	3. Past Service Cost (vested benefits)	-	-	-	-	-	-
	3. Expected Return on plan assets	-	-	-	-	-	-
	4. Actuarial (Gain) / Losses	28.37	(44.98)	32.70	(9.82)	2.19	(13.92)
	5. Total Expenses	52.94	6.44	59.70	11.87	29.45	5.37
B	Net Assets/(Liability) recognised in the Balance Sheet as at 31/03/2018						
	1. Present value of Defined Benefit Obligation as at 31st March 2018	169.91	56.06	200.54	55.49	162.30	42.43
	2. Fair Value of plan assets as at 31st March 2018	0	-	17.55	-	0.00	-
	3. Funded Status [(Surplus/(Deficit))]	(169.91)	(56.06)	(182.99)	(55.49)	(162.30)	(42.43)
	4. Net asset / (Liability) as at 31st March 2018	(152.36)	(56.06)	(182.99)	(55.49)	(162.30)	(42.43)
C	Change in Obligation during the period ended 31st March 2018						
	1. Present value of Defined Benefit Obligation at the beginning of the year	200.52	55.5	175.25	53.24	175.25	40.04
	2. Current Service Cost	13.28	47.68	15.21	17.85	14.91	16.21
	3. Interest Cost	11.29	3.74	11.79	3.84	12.35	3.08
	4. Settlement Cost	-	-	0.00	-	-	-
	5. Past Service Cost - (Vested Benefits)	-	-	-	-	-	-
	6. Employee Contribution	-	-	4.68	-	-	-
	5. Actuarial (Gain) / Losses	28.37	(44.98)	41.47	(15.00)	2.19	(13.92)
	6. Benefits Payments	(83.56)	(5.87)	(47.88)	(4.43)	(43.10)	(2.98)
	7. Present value of Defined Benefit Obligation at the end of the year	169.90	56.07	200.52	55.50	162.30	42.43



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

D	Change in Assets During the period ended 31st March 2018						
	1. Plan assets at the beginning of the year	17.54	-	17.54	-	-	-
	2. Settlements	-	-	(0.13)	-	-	-
	3. Expected return on plan assets	-	-	-	-	-	-
	4. Contributions by employers	83.56	5.87	52.56	4.43	43.10	2.98
	5. Actual benefits paid	(83.56)	-	(47.88)	(2.98)	(43.10)	(2.98)
	6. Actuarial {Gain / (Losses)}	28.37	-	41.47	-	-	-
	7. Plan assets at the end of the year	-	-	-	-	-	-
E	Actuarial Assumptions :						
	1. Discount Rate	7.73%	7.73%	7.20%	7.20%	7.57%	7.20%
	2. Mortality Rate	IALM2008	IALM2008	IALM2008	IALM2008	IALM2008	IALM2008
		Rs./ Lakhs					
II	For Ex-employees	103.48	8.83	90.74	8.59	122.31	10.14

45 Statement showing unhedged foreign currency exposure:

	2017-18		2016-17	
	Amount (FC in Lakhs)	Rs. in Lakhs	Amount (FC in lakhs)	Rs. in Lakhs
Liabilities				
Trade Payable	US\$ 4.31	281.57	US\$5.61	364.37
Assets:				
Trade Receivable	Euro 79.88	107.99	Euro 0.83	56.69
	US\$ 8.81	571.29	US\$ 7.81	502.89



NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

46 Group Information

The Consolidated financial statement of the group includes subsidiary is mentioned below:

S.No.	Name of the Entity	Country of incorporation	Nature	Ownership interest held by the group	Year Ended	Net Assets, i.e. Total assets minus total liabilities	Share in profit or loss	Share in other Comprehensive Income	Share in Total Comprehensive Income
						As % of Consolidated Net Assets	As % of Consolidated Profit or Loss	As % of Consolidated Other Comprehensive Income	As % of Consolidated total Comprehensive Income
						(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
i)	The Dharamsi Morarji Chemical Company Ltd	India	Parent Company		31st March 2018	99.74% 7258.51	99.69% 1225.81	100.00% 61.71	99.70% 1287.52
					31st March 2017	99.78% 5970.98	99.86% 1702.17	100.00% 7.42	99.86% 1709.59
ii)	Foreign Subsidiaries having No minority interest								
	Borax Morarji Europe GmbH	Germany	Wholly Owned Subsidiary	100%	31st March 2018	0.26% 18.71	0.31% 3.81	-	0.30% 3.81
					31st March 2017	0.22% 12.98	0.14% 2.44	-	0.14% 2.44
					Total				
					31st March 2018	100% 7,277.22	100% 1,229.62	100% 61.71	100% 1,291.33
					Total				
					31st March 2017	100% 5,983.96	100% 1,704.61	100% 7.42	100% 1,712.03

47 Figures in respect of the previous year have been regrouped / rearranged wherever necessary.

						1,229.62	61.71	1,291.33
						5,983.96	7.42	1,712.03

THE DHARAMSI MORARJI CHEMICAL COMPANY LTD.

(Regd. Office : Prospect Chambers, 317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai - 400 001)

CIN : L24110MH1919PLC000564 Website :www.dmcc.com

e-mail : dgokhale@dmcc.com Phone No.: 022-22048881-2-3 Fax No.: 022-22813657

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): _____

Registered address: _____

E-mail Id: _____

Folio No. / Client ID No.: _____ DP ID No.: _____

I/We, being the member(s) holding _____ Equity Shares of The Dharamsi Morarji Chemical Company Ltd., hereby appoint:

1. Name: _____ E-mailID: _____

Address: _____

_____ Signature: _____ or failing him

2. Name: _____ E-mailID: _____

Address: _____

_____ Signature: _____ or failing him

3. Name: _____ E-mailID: _____

Address: _____

_____ Signature: _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 97th Annual General Meeting of the Company to be held on Wednesday, 26th Sept., 2018 at 11.30 am at Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
ORDINARY BUSINESS	
1.	To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31 st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon.
2.	To receive, consider and adopt the audited Consolidated financial statements of the Company for the Financial Year ended 31 st March, 2018, together with the Report of the Auditors thereon.
3.	To declare dividend on Equity Shares @ ₹ 0.50 per equity share (face value of ₹ 10/- each) for the financial year ended 31 st March, 2018.
4.	To appoint a Director in place of Shri Laxmikumar Narottam Goculdas (holding DIN 00459347), who retires by rotation, and being eligible, offers himself for re-appointment.
5.	To ratify the appointment of Statutory Auditors of the company, holding office from the conclusion of the 96 th Annual General Meeting (AGM) of the company till the conclusion of the 101 st AGM of the company to be held in 2022 and to fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution.
SPECIAL BUSINESS	
6.	Appointment of Shri Mukul Manoharlal Taly as an Independent Director
7.	Appointment of Shri Sanjeev Vishwanath Joshi as an Independent Director
8.	Appointment of Shri Bimal Lalitsingh Goculdas as a Director
9.	Appointment of Shri Bimal Lalitsingh Goculdas as Managing Director, & CEO
10.	Commission to Non-Executive Directors
11.	Ratification of Cost Auditor's Remuneration
12.	To consider and, if thought fit, to pass the Special Resolution for the continuation of directorship of Shri Laxmikumar Narottam Goculdas (DIN: 00459347) after his attaining the age of seventy-five years on 16/09/2018.
13.	To consider and, if thought fit, to pass the Special Resolution for the continuation of directorship of Shri Haridas Tricumdas Kapadia (DIN: 00125090) after he attained the age of seventy-five years.
14.	To consider and, if thought fit, to pass the Special Resolution for the continuation of directorship of Shri Arvind Wasudeo Ketkar (DIN: 02863429) after he attained the age of seventy-five years.

Signed this day of 2018.

.....
Signature of the proxy holder(s)

.....
Signature of the member

Affix
Revenue
Stamp



Notes:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2) A Proxy need not be a member of the Company.
- 3) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitle to vote in the manner as he/she thinks appropriate.
- 5) Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- 6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all joint holder should be stated.

THE DHARAMSI MORARJI CHEMICAL COMPANY LTD.

(Regd. Office : Prospect Chambers, 317/321, Dr. Dadabhoy Naoroji Road, Fort, Mumbai - 400 001)

CIN : L24110MH1919PLC000564 Website : www.dmcc.com

e-mail : dgokhale@dmcc.com Phone No.: 022-22048881-2-3 Fax No.: 022-22813657

ATTENDANCE SLIP

(To be presented at the entrance)

97TH ANNUAL GENERAL MEETING ON WEDNESDAY, 26TH SEPTEMBER 2018 AT 11.30 AM

at Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg,
Churchgate, Mumbai 400 020,

DP ID*: _____

Folio No: _____

Client ID*: _____

No. of Shares: _____

Name and address of Shareholder:

I hereby record my presence of the 97th ANNUAL GENERAL MEETING of the company held on Wednesday, 26th September, 2018 at 11.30 a.m. at Indian Merchants' Chamber, Conference Hall (Walchand Hirachand Hall), IMC Marg, Churchgate, Mumbai 400 020.

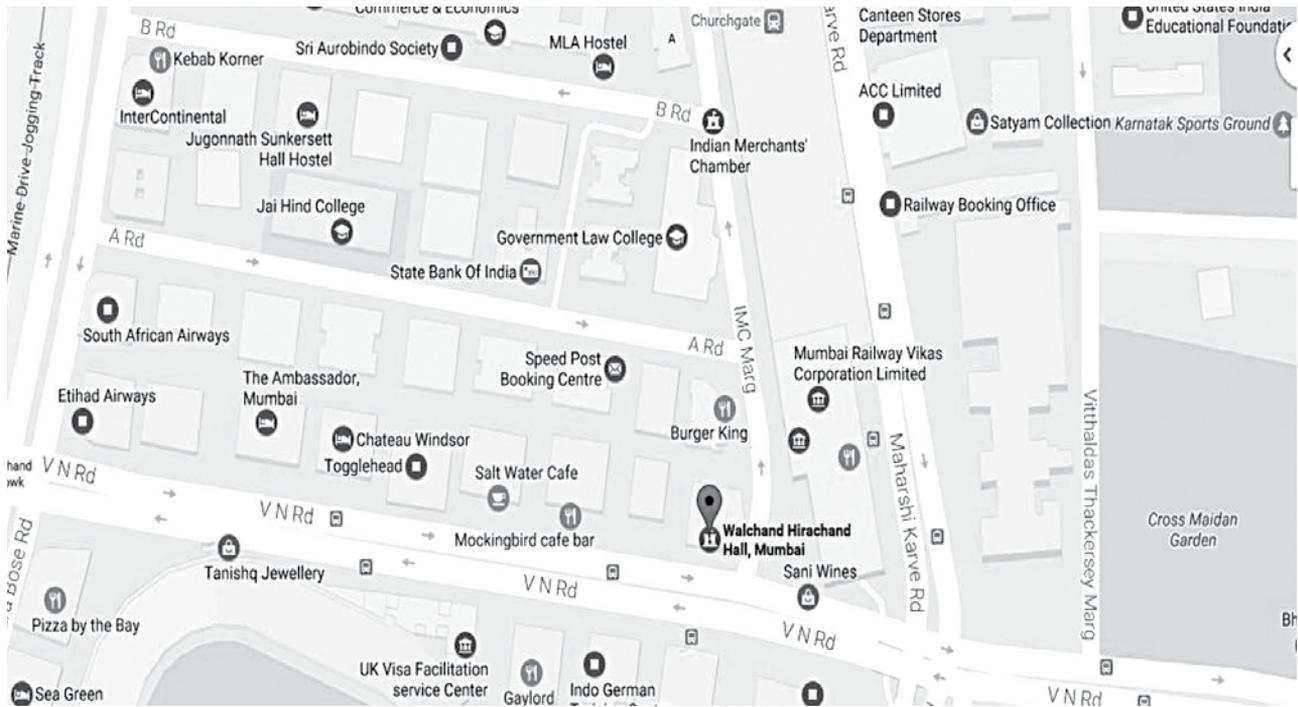
*Applicable to Shareholders holding shares in electronic form

Note: Please fill the attendance slip and hand it over at the entrance of the Meeting Hall.

Signature of Shareholder/Proxy



Route Map



Land Mark : The AGM Venue viz. Walchand Hirachand Hall, is just opposite to the Churchgate Railway Station, Fort, Mumbai.

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Website : www.dmcc.com

e-mail : dgokhale@dmcc.com