

Date: 7<sup>th</sup> August, 2018

To,  
The Manager,  
Listing Department,  
National Stock Exchange of India Ltd  
'Exchange Plaza,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051

Dear Sir/Madam,

**Sub: Submission of the Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2018**

In accordance with the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2018.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,  
**For Alembic Limited**



**Drigesh Mittal**  
**Company Secretary**

Encl.: A/a.

**ALEMBIC LIMITED**

**ALEMBIC LIMITED**



**ANNUAL REPORT 2017-18**



# SERENE HOMES AVAILABLE AT STEAL DEALS

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**Abundance of  
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**Site Office:** Canal Road, Nizampura Chhani, Vadodara, Gujarat.  
For bookings call 903 300 5716

**Sales Office:** Alembic Real Estate, FB Colony, Next to  
Bhailal Amin Hospital, Alembic Road, Vadodara, Gujarat

**Board of Directors**

Mr. Chirayu Amin  
Chairman

Mrs. Malika Amin  
Managing Director & CEO

Mr. Udit Amin  
Director

Mr. Milin Mehta  
Independent Director

Mr. C. P. Buch  
Independent Director

Mr. R. C. Saxena  
Independent Director

Mr. Sameer Khara  
Independent Director

Mr. Abhijit Joshi  
Director

**Chief Financial Officer**

Mr. Rasesh Shah

**Company Secretary**

Mr. Drigesh Mittal

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**Statutory Auditors**

CNK & Associates LLP  
C-201-202,  
Shree Siddhi Vinayak Complex,  
Opp. Alkapuri Side Railway Station,  
Faramji Road, Alkapuri,  
Vadodara - 390 005

**Bankers**

Bank of Baroda Limited  
Axis Bank Limited  
HDFC Bank Limited  
Yes Bank Limited

**Registered Office**

Alembic Road, Vadodara – 390 003.  
CIN: L26100GJ1907PLC000033  
Tel : +91 265 2280550  
Fax : +91 265 2282506  
Email Id: alembic.investors@alembic.co.in  
Website: www.alembiclimited.com

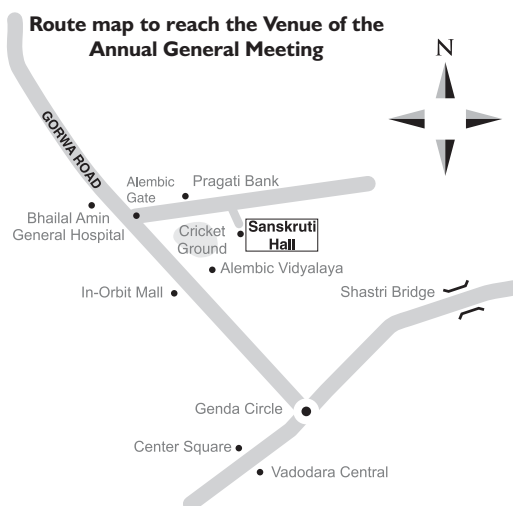
**Manufacturing Facilities**

Alembic Road, Vadodara - 390 003, Gujarat

**Registrar and Transfer Agent**

Link Intime India Pvt. Ltd.  
B-102 & 103 Shangrila Complex, First Floor,  
Opp. HDFC Bank, Nr. Radhakrishna Char Rasta,  
Akota, Vadodara – 390 020.  
Tel : +91 265 2356573 / 2356794  
Fax : +91 265 2356791  
Email Id: vadodara@linkintime.co.in

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments information or events.



# Notice

Notice is hereby given that the 111th Annual General Meeting of the Members of Alembic Limited will be held at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003, on Tuesday, the 7th August, 2018 at 12:30 p.m. to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Mr. Udit Amin (DIN: 00244235), who retires by rotation and being eligible, offers himself for re-appointment.
4. **To consider and if thought fit, to pass the following resolution as an Ordinary resolution:**

### **Revision in term of appointment of Statutory Auditors of the Company:**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 ('the Act') and in partial supersession of the resolution passed by the members at the 110th Annual General Meeting (AGM) of the Company held on 28th July, 2017, the term of appointment of M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W), as Statutory Auditors of the Company be and is hereby revised to hold the office till the conclusion of 115th AGM, on such remuneration as may be determined by the Board of Directors based on the recommendation of Audit Committee."

## SPECIAL BUSINESS

5. **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

### **Payment of commission to Mr. Udit Amin, Non-Executive Director of the Company:**

**"RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder ('the Act'), the provisions of the amended Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015 ("SEBI LODR Regulations") and Articles of Association of the Company, approval of the members be and is hereby accorded to the payment of commission to Mr. Udit Amin (DIN 00244235), Non-Executive Director of the Company of upto 3% of the net profits of the Company, computed in accordance with the mechanism provided under Section 198 of the Act for a period of 5 years w.e.f. the financial year ending on 31st March, 2018 up to and including financial year ending on 31st March, 2022, in addition to the sitting fees and reimbursement of expenses being paid by the Company for participating in the Board/Committee Meetings of the Company.

**RESOLVED FURTHER THAT** the total remuneration payable to the Executive and Non-Executive Directors cumulatively shall not exceed the overall ceiling of 11% of the net profits of the Company stipulated under Section 197 and 198 of the Act."

6. **To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

### **Re-appointment of Mr. Milin Mehta (DIN: 01297508) as an Independent Director of the Company:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 178 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), rules framed thereunder and Schedule IV to the Act and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Milin Mehta as an Independent Director of the Company, not liable to retire by rotation, for his second term of five consecutive years w.e.f. 1st April, 2019.

# Notice

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution."

**7. To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

**Re-appointment of Mr. C. P. Buch (DIN: 05352912) as an Independent Director of the Company:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 178 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), rules framed thereunder and Schedule IV to the Act and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. C. P. Buch as an Independent Director of the Company, not liable to retire by rotation, for his second term of five consecutive years w.e.f. 1st April, 2019.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution."

**8. To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

**Amendment to the Memorandum of Association of the Company:**

"**RESOLVED THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 ('the Act') and subject to the approval of the regulatory authorities, the amendments to the Object Clause of the Memorandum of Association of the Company to cover only the existing and related activities, add incidental/ancillary objects as well as to bring them in line with the provisions of the Companies Act, 2013, as per the details mentioned in the explanatory statement, be and is hereby approved and adopted.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution."

**9. To consider and if thought fit, to pass, the following Resolution as a Special Resolution:**

**Adoption of new set of Articles of Association of the Company:**

"**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 ('the Act'), the approval of the members of the Company be and is hereby given to the alteration of the existing Articles of Association by adoption of new set of Articles of Association in substitution, and to the entire exclusion of the Articles contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution."

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

**Ratification of Remuneration to the Cost Auditor for the F.Y. 2018-19:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 ('the Act'), the remuneration payable to Mr. Santosh Jerjurkar, Cost Accountant (FRN: 102697) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2018-19 amounting to Rs. 0.50 Lacs plus applicable taxes, travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed."

# Notice

## NOTES:

- ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.**
- The proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time of commencement of the meeting.
- The details of Mr. Udit Amin, Mr. Milin Mehta and Mr. C. P. Buch, Directors seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are annexed herewith as Annexure – A to this notice.
- The Register of Members of the Company will remain closed from Tuesday, 31st July, 2018 to Tuesday, 7th August, 2018 (both days inclusive), for the purpose of payment of dividend.
- The dividend when sanctioned will be made payable on or before Friday, 10th August, 2018, to those members whose names stand on the Register of Members of the Company on Tuesday, 31st July, 2018 in case of physical shares and to those members as per the beneficiary position to be given by NSDL and CDSL. Members are requested to notify promptly any change in their registered addresses.

In order to enable the Company to directly credit the dividend amount in the bank accounts:

- Shareholders holding shares in demat accounts are requested to update their bank account details with their respective Depository Participants.
- Shareholders holding shares in physical form are requested to provide the following details along with an authorization letter allowing the Company to directly credit the dividend in their bank accounts:

Name of first account holder (as appearing in the bank account records), bank name, branch name, branch address, account type and account number, IFSC code and MICR code and a copy of cancelled cheque.

- As per the provisions of Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules, 2016"), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund (IEPF), a fund constituted by the Government of India under Section 125 of the Companies Act, 2013.

Further, in accordance with the provisions of Section 124(6) of the Companies Act, 2013 and IEPF Rules, 2016, shares on which dividend has not been paid or claimed for seven consecutive years or more, are liable to be transferred to IEPF Account.

Members who have not claimed dividend for previous year(s) are requested to claim the same by approaching the Company or the R & T Agents of the Company.

The due dates for transfer of unclaimed / unpaid dividend to IEPF are as under:

Date of Declaration of Dividend	Dividend for Financial Year	Proposed Month and Year of transfer to the IEPF
6 <sup>th</sup> September, 2013	2012-13	October, 2020
13 <sup>th</sup> August, 2014	2013-14	September, 2021



# Notice

12 <sup>th</sup> July, 2015	2014-15	September, 2022
10 <sup>th</sup> July, 2016	2015-16	September, 2023
28 <sup>th</sup> July, 2017	2016-17	September, 2024

8. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays and holidays up to the date of Annual General Meeting.
9. All the work related to share registry in terms of both - physical and electronic – are being conducted by Company's R & T Agents – Link Intime India Pvt. Limited, B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020, Tel: +91 265 2356573, 2356794 Fax: +91 265 2356791, Email Id: vadodara@linkintime.co.in. The Shareholders are requested to send their communication to the aforesaid address.
10. The Company has designated an exclusive Email Id: alembic.investors@alembic.co.in for redressal of Shareholders'/Investors' complaints/grievance. In case you have any queries, complaints or grievances, then please write to us at the above mentioned e-mail address.
11. Updation of Email Id: The Shareholders are requested to intimate their Email Id to the Company or update their email registered with Depository Participants, if the same is changed.
12. **Voting through Electronic Means and Declaration of Results:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to exercise their right to vote by electronic means. The facility of casting votes using an electronic voting system from a place other than the AGM venue ('remote e-voting') will be provided to the members by Central Depository Services (India) Limited (CDSL).

The Company is providing facility for voting by electronic means and the business may be transacted through such electronic voting. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

M/s. Samdani Shah & Kabra, Practising Company Secretaries, Vadodara has been appointed as the Scrutinizer for conducting the e-voting process.

Mr. Chirayu Amin, Chairman of the Company and in his absence Mrs. Malika Amin, Managing Director & CEO or Mr. Abhijit Joshi, Director, will declare the e-voting results based on the scrutinizer's report received on e-voting and voting at the meeting. The voting results along with the scrutinizer's report will be displayed on the:

- (i) Notice Board of the Company at its Registered Office;
- (ii) Company's website [www.alembiclimited.com](http://www.alembiclimited.com);
- (iii) CDSL website [www.evotingindia.com](http://www.evotingindia.com) and
- (iv) Stock Exchanges website [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

**The 'Step by Step' procedure and instructions for casting your vote electronically are as under:**

- (i) The voting period begins on Saturday, 4th August, 2018 (9:00 a.m.) and ends on Monday, 6th August, 2018 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, 31st July, 2018 may cast their vote electronically. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on Tuesday, 31st July, 2018, may obtain the login Id and password by sending request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). The e-voting module shall be disabled by CDSL for voting thereafter.



# Notice

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	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> <p>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 of the sequence number in the PAN Field. The sequence number is printed on address label/sticker affixed on the back page of the Annual Report.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after first two characters of the name in CAPITAL letters. E.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <p>If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company (**ALEMBIC LIMITED - I80620006**) on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

# Notice

- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use CDSL's Mobile app - “m-Voting” for e voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log into m-Voting using their e-voting credentials to vote for the company resolution(s).
- (xix) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
  - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Registered Office:**

Alembic Road,  
Vadodara - 390 003  
Date: 17th May, 2018

By Order of the Board,

Sd/-  
**Drigesh Mittal**  
Company Secretary

## **Explanatory Statement as required under Section 102 of the Companies Act, 2013**

### **Item No. 4**

M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W) were appointed as Statutory Auditors of the Company at the 110th Annual General Meeting (AGM) of the Company held on 28th July, 2017, for a period of three years i.e. to hold the office till the conclusion of 113th AGM. Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Company is required to appoint the Statutory Auditor for a term of 5 consecutive years. Therefore, it is proposed to revise the term of appointment of M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W), as Statutory Auditors of the Company for a period of five years i.e. to hold the office till the conclusion of 115th AGM.

The Board of Directors recommends the resolution at Item No. 4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 4 of this Notice.

# Notice

## Item No. 5

Mr. Udit Amin (DIN: 00244235), Non-Executive Director of the Company, provides significant guidance and direction to the business of the Company. Mr. Udit Amin's involvement has contributed substantially to the performance of the Company.

Section 197 of the Companies Act, 2013 provides that a Non-Executive Director may be paid remuneration in excess of the limits of 1% of the net profits, if the Company by special resolution, authorizes such remuneration.

The Board of Directors at its meeting held on 17th April, 2018, on the recommendation of Nomination and Remuneration Committee, approved the payment of commission of upto 3% of the profits of the Company, computed in accordance with the mechanism provided under Section 198 of the Act for a period of 5 years w.e.f. the financial year ending on 31st March, 2018. The overall total remuneration payable to the Executive and Non-Executive Directors cumulatively shall not exceed the overall ceiling of 11% of the net profit of the Company stipulated under Section 197 and 198 of the Act.

Section 197 of the Companies Act, 2013 requires approval of members of the Company by passing a Special Resolution in the General Meeting for payment of remuneration by way of commission to Non-Executive Directors of the Company. Regulation 17(6) (ca) of the SEBI LODR Regulations which are effective from 1st April, 2019 requires the approval of shareholders by special resolution every year, where the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors. It is anticipated that the remuneration / commission payable to Mr. Udit Amin pursuant to this resolution shall exceed 50% of the total remuneration payable cumulatively to all non-executive directors in the financial year 2019-20 and this resolution will enable the Company to also make payment of the remuneration / commission to Mr. Udit Amin on the profits relevant to financial year 2018-19, payment of which may be made in the financial year 2019-20 i.e. after 1st April, 2019.

The Board of Directors recommends the resolution at Item No. 5 of this Notice for your approval.

No Directors, Key Managerial Personnel and relatives thereof, other than Mr. Chirayu Amin, Mrs. Malika Amin, Mr. Udit Amin, and their relatives are concerned or interested, financial or otherwise in the resolution at Item No. 5 of this Notice.

## Item No. 6

Mr. Milin Mehta (DIN 01297508) was appointed as an Independent Director of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with rules framed thereunder ('the Act') and the Clause 49 of the erstwhile Listing Agreements entered into with the stock exchanges. Mr. Milin Mehta hold office as an Independent Director of the Company upto 31st March, 2019 ('first term') in terms of the explanation to Sections 149(10) and 149(11) of the Act.

Mr. Milin Mehta is a Chartered Accountant and is a Senior Partner of M/s. K. C. Mehta & Co., a reputed Chartered Accountants' Firm, since more than 3 decades. He is a fellow member of the Institute of Chartered Accountants of India. He is also a Law Graduate and holds a Master's Degree in Commerce. He was also a member of the Committee set up by the Central Board of Direct Taxed (CBDT) for framing "Tax Accounting Standards" which are renamed as "Income-tax Computation and Disclosure Standards" (ICDS). Presently, he is member of a Committee appointed by the Finance Minister under the CBDT for considering the MAT impact on introduction of IndAS and also to notify further ICDS due to introduction of IndAS. He has also co-authored a book on "Minimum Alternate Tax" published by The Bombay Chartered Accountants' Society. He is also active in social service.

In the opinion of the Board, Mr. Milin Mehta fulfils the conditions for appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015') and is independent of the management.

The Board of Directors at its meeting held on 17th May, 2018, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, considers that given his background and experience and contributions made by him during his tenure, the association of Mr. Milin Mehta would be beneficial to the Company and it is desirable to re-appoint Mr. Milin Mehta as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years w.e.f. 1st April, 2019.

# Notice

Copy of the draft letter of appointment of Mr. Milin Mehta setting out the terms and conditions of appointment are available for inspection without any fee by the members at the Registered Office of the Company.

The details of Mr. Milin Mehta as required under the provisions of Regulation 36(3) of the Listing Regulations, 2015 and other applicable provisions are provided in Annexure - A to this Notice.

The Board of Directors recommends the resolution at Item No. 6 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof except Mr. Milin Mehta, has any concern or interest, financial or otherwise, in the resolution at Item No. 6 of this Notice.

## Item No. 7

Mr. C. P. Buch (DIN 05352912) was appointed as an Independent Director of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with rules framed thereunder ('the Act') and the Clause 49 of the erstwhile Listing Agreements entered into with the stock exchanges. Mr. C. P. Buch hold office as an Independent Director of the Company upto 31st March, 2019 ('first term') in terms of the explanation to Sections 149(10) and 149(11) of the Act.

Mr. C. P. Buch has around 40 Years of Professional experience, including 27 years with Alembic group and more than 8 years with M/s. Deloitte Haskins and Sells. He is a fellow member of the Institute of Chartered Accountants of India. He is also a Law Graduate and holds a Post Graduate Diploma in Taxation. He has also been a visiting faculty on the subject of Taxation at Faculty of Law, M. S. University and at the Institute of Cost Accountants of India.

In the opinion of the Board, Mr. C. P. Buch fulfils the conditions for appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015') and is independent of the management.

The Board of Directors at its meeting held on 17th May, 2018, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, considers that given his background and experience and contributions made by him during his tenure, the association of Mr. C. P. Buch would be beneficial to the Company and it is desirable to re-appoint Mr. C. P. Buch as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years w.e.f. 1st April, 2019.

Copy of the draft letter of appointment of Mr. C. P. Buch setting out the terms and conditions of appointment are available for inspection without any fee by the members at the Registered Office of the Company.

The details of Mr. C. P. Buch as required under the provisions of Regulation 36(3) of the Listing Regulations, 2015 and other applicable provisions are provided in Annexure - A to this Notice.

The Board of Directors recommends the resolution at Item No. 7 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof except Mr. C. P. Buch, has any concern or interest, financial or otherwise, in the resolution at Item No. 7 of this Notice.

## Item No. 8 & 9

The Companies Act, 2013 read with rules framed thereunder ('the Act') has been gradually notified and implemented by the Ministry of Corporate Affairs, over the last four years.

The existing Object Clause of the Memorandum of Association ('MoA') and Articles of Association ('AoA') of the Company contained clauses / regulations which were based on the provisions of the old Companies Act and contained references to the provisions of the same. It is considered desirable to amend the Object Clause of MoA to cover only the existing and related activities, add incidental/ancillary objects as well as to bring them in line with the provisions of the Companies Act, 2013 ('the Act'). It is also considered desirable to substitute the entire regulations contained in the AoA of the Company with a new set of Articles, to bring them in conformity with the provisions of the Act.

# Notice

Pursuant to the provisions of Section 13 and 14 of the Act, approval of the members by way of Special Resolution is required for amendment in the Object Clause of the MoA and for adoption of a new set of AoA. The proposed draft of the MoA and AoA is being uploaded on the Company's website for perusal by the members.

The Board of Directors recommends the resolution at Item No. 8 & 9 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 8 & 9 of this Notice.

**Item No. 10**

In accordance with the provisions of Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its Cost Records audited from a qualified Cost Accountant. Mr. Santosh Jejurkar & Associates, Cost Accountant has been appointed by the Board of Directors of the Company, on the recommendation of the Audit Committee, to conduct the audit of the Cost Records of the Company for Bulk Drugs & Real Estate division for the financial year 2018-19.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is to be ratified by the Members of the Company.

Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2018-19 as set out in the resolution for aforesaid services to be rendered by him.

The Board of Directors recommends the resolution at Item No. 10 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 10 of the Notice.

By Order of the Board,

Sd/-

**Drigesh Mittal**

Company Secretary

**Registered Office:**

Alembic Road, Vadodara - 390 003

Tel: +91 265 2280550

Fax: +91 265 2282506

Web: [www.alembiclimited.com](http://www.alembiclimited.com)

Email Id: [alembic.investors@alembic.co.in](mailto:alembic.investors@alembic.co.in)

CIN: L26100GJ1907PLC000033

Date: 17th May, 2018

# Notice

## Annexure – A

Details of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are as under:

Name of the Director	Mr. Udit Amin	Mr. Milin Mehta	Mr. C. P. Buch
Age	38 years	53 years	58 years
Qualifications	Graduate in Economics	B. Com., M.Com, FCA & Law Graduate	B. Com., FCA, Law Graduate & Post Graduate Diploma in Taxation
Experience	15 years	More than 30 years	40 years
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid	N.A.	N.A.	N.A.
Remuneration last drawn (2017-18)	Refer Note I	Nil	Nil
Nature of expertise in specific functional areas	Management & Leadership	Strategy, Taxation and Corporate Restructuring	Finance, Taxation & Management
Date of first appointment on to the Board	24/04/2013	30/03/2010	14/08/2012
No. of Shares held in the Company as on 31 <sup>st</sup> March, 2018	20,13,960 Equity Shares	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	Mr. Udit Amin is the son of Mr. Chirayu Amin and Mrs. Malika Amin	Mr. Milin Mehta does not have any relation with other Directors, Manager and other Key Managerial Personnel.	Mr. C. P. Buch does not have any relation with other Directors, Manager and other Key Managerial Personnel.
No. of Meetings of the Board attended during the year	4	4	4
Directorship in other companies as on 31 <sup>st</sup> March, 2018	1. Paushak Limited	1. Shaily Engineering Plastics Limited 2. Alembic Pharmaceuticals Limited 3. Aleor Dermaceuticals Limited 4. Heubach Colour Private Limited 5. Gujarat Life Sciences Private Limited 6. TechnoKraft Products Private Limited 7. Startronic Investment Consultants Private Limited 8. Vadodara Marathon	Nil
Chairmanship / Membership of Committees of other Board	1. Paushak Limited- Member of Corporate Social Responsibility Committee	1. <b>Shaily Engineering Plastics Limited</b> Chairman of Audit Committee & Stakeholders Relationship Committee Member of Nomination & Remuneration Committee 2. <b>Alembic Pharmaceuticals Limited</b> Member of Audit Committee and Nomination & Remuneration Committee 3. <b>Aleor Dermaceuticals Limited</b> Chairman of Audit Committee and Nomination & Remuneration Committee	Nil

Note: 1. Commission of Rs. 110 Lacs to Mr. Udit Amin, is subject to approval of Shareholders at the Annual General Meeting.

## BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 111th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2018.

### 1 Operations and State of Affairs of the Company:

(Rs. In lacs)

For the year ended 31st March	2018	2017
Profit for the year before Interest, Depreciation and Tax	4,812	3,188
<b>Adjusting therefrom:</b>		
Interest (net)	17	16
Depreciation	378	509
Provision for deferred tax liabilities or (assets)	30	(125)
Provision for current tax	209	39
Profit for the year	4,178	2,749
Balance brought forward from previous year	7,798	5,565
Add:		
Profit for the year	4,178	2,749
Total amount available for Appropriations	11,976	8,314
Other Appropriations	2	34
Less:		
Dividend paid on Equity Shares during the year	534	401
Corporate Dividend tax paid during the year	109	82
Transfer to General Reserve	-	-
Balance carried forward to next year's accounts	11,331	7,798

The Company has prepared the Standalone and Consolidated Financial Statements in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013.

### 2 Transfer to Reserve:

During the year under review, the Company has not proposed any amount to be transferred to General Reserve out of the net profits of the Company for the financial year 2017-18.

### 3 Dividend:

Your Directors recommend Dividend at ₹ 0.20 per equity share (i.e. 10%) of face value ₹ 2/- each for the financial year ended 31st March, 2018 as against ₹ 0.20 per equity share (i.e. 10%) for the financial year ended 31st March, 2017.

### 4 Buy-back of Equity Shares:

During the year under review, the Company had made an offer for Buyback of upto 1,02,50,000 (One Crore Two Lac Fifty Thousand) fully paid-up Equity Shares of the Company of face value ₹ 2/- (Rupees Two Only) each from all the fully paid-up Equity Shareholders / beneficial owners of the

Equity Shares of the Company as on the record date on a proportionate basis, through the Tender Offer Route using stock exchange mechanism at a price of ₹ 80/- (Rupees Eighty Only) per Equity Share for a total consideration aggregating upto ₹ 82,00,00,000/- (Rupees Eighty Two Crore Only), excluding transaction costs, pursuant to shareholders approval dated 12th March, 2018.

The Buyback size was 24.02% of the aggregate paid-up equity capital and free reserves of the Company as per the audited standalone financial statements of the Company for the nine months period ended 31st December, 2017. The Offer period was open from 16th April, 2018 to 27th April, 2018.

The shares accepted under the Buy Back in Demat form were extinguished on 11th May, 2018 and the physical shares were extinguished on 14th May, 2018 and issued capital stands reduced to 25,67,81,828 equity shares of ₹ 2/ each.



## BOARD'S REPORT

### 5 Management Discussion and Analysis Report:

The Report on Management Discussion and Analysis Report as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as Annexure A.

### 6 Subsidiaries, Associates and Joint Ventures:

During the year under review, Alembic City Limited (formerly known as Alembic Exports Limited) became wholly-owned subsidiary of the Company. Further, Alembic Pharmaceuticals Limited is an Associate Company.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, [www.alembiclimited.com](http://www.alembiclimited.com). Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary company has also been placed on the website of the Company. Shareholders interested in obtaining a physical copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's Registered Office.

### 7 Directors:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Udit Amin, Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The first term of office of Mr. Milin Mehta and Mr. C. P. Buch, as Independent Directors, will expire on 31st March, 2019. The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 17th May, 2018 has recommended their re-appointment as Independent Directors of the Company for a second term of 5 (five) consecutive years, subject to the approval of the members by way of special resolution at the Annual General Meeting.

### 8 Key Managerial Personnel:

Mrs. Malika Amin, Managing Director and CEO, Mr. Rasesh Shah, CFO and Mr. Drigesh Mittal, Company Secretary are Key Managerial Personnel of the Company.

### 9 Meetings of the Board:

Four (4) Board Meetings were held during the financial year ended 31st March, 2018. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

### 10 Independent Directors:

The Independent Directors of the Company have given the declaration to the Company that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

### 11 Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The Evaluation Criteria are as follows:

#### (a) Evaluation Criteria for Non-Executive and Independent Directors:

- Knowledge and Skills
- Professional Conduct
- Duties, Role and Functions

#### (b) Evaluation Criteria for Executive Directors:

- Performance as Team Leader/Member
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Set Key Goals and Achievements
- Professional Conduct and Integrity
- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process.

### 12 Audit Committee:

The Audit Committee consists of Independent Directors with Mr. Milin Mehta as Chairman and Mr. C. P. Buch and Mr. R. C. Saxena as members. The Committee inter alia reviews the Internal Control System, Reports of Internal Auditors and Compliance of various regulations. The Committee also reviews at length the financial statements before they are placed before the Board of Directors.

### 13 Vigil Mechanism:

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism or Whistle Blower Policy for directors, employees and other stakeholders to report genuine concerns has been established. The same is also uploaded on the website of the Company.

## 14 Internal Control Systems:

The Company's internal control procedures which includes internal financial controls, ensure compliance with various policies, practices and statutes and keeping in view with the organization's pace of growth and increasing complexity of operations. The internal auditors' teams carry out extensive audits throughout the year across all locations and across all functional areas and submits its reports to the Audit Committee.

## 15 Corporate Social Responsibility:

Alembic Group has been proactively carrying out CSR activities since more than Fifty Years. Alembic Group has established, nurtured and promoted various Non Profit Organisations focusing on three major areas – Education, Healthcare and Rural Development.

In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the financial year ended 31st March, 2018 in the format prescribed under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure B.

## 16 Policy on Nomination and Remuneration:

In compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a Nomination and Remuneration policy which has been uploaded on the Company's website. The web-link as required under Companies Act, 2013 is as under:

<http://www.alembiclimited.com/policy/AL-NRC%20Policy-17.05.2018.pdf>

The salient features of the NRC Policy are as under:

- 1) Setting out the objectives of the Policy.
- 2) Definitions for the purposes of the Policy.
- 3) Policy for appointment and removal of Director, KMP and Senior Management which includes:
  - a) Appointment criteria and qualifications.
  - b) Term / Tenure.
  - c) Guidelines for:
    - i) Evaluation;
    - ii) Removal;
    - iii) Retirement.
- 4) Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees, which includes:

- a) General provisions relating to Remuneration.
  - b) Guidelines for:
    - i) Fixed Pay;
    - ii) Variable Pay;
    - iii) Commission;
    - iv) Minimum Remuneration;
    - v) Provisions for excess remuneration.
  - c) Separate criteria for remuneration to Company Secretary, Senior Management Personnel and other employees.
- 5) Remuneration to Non- Executive / Independent Director, with details regarding their:
- a) General provisions relating to Remuneration.
  - b) Guidelines for:
    - i) Sitting Fees;
    - ii) Commission.
  - c) Restriction on Stock options.
- During the year, there is no change in the said policy.

## 17 Related Party Transactions:

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. In accordance with the approval obtained from the members at the 108th Annual General Meeting, the Company has entered into transactions with Alembic Pharmaceuticals Limited, related party. However, no related party transactions have any potential conflict with the interest of the Company.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

<http://www.alembiclimited.com/AL-RPT%20Policy.pdf>

## 18 Corporate Governance:

The Report on Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

The requisite certificate from M/s. Samdani Shah & Kabra, Practicing Company Secretaries confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Schedule V is annexed to the Report on Corporate Governance.

## BOARD'S REPORT

### 19 Fixed Deposits:

During the year under review, the Company has not accepted/renewed any deposits.

### 20 Listing of shares:

The Equity Shares of the Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with security ID/symbol of ALEMBICLTD. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2018-19 have been paid.

### 21 Loans, Guarantee or Investments:

Details of Loans granted, Guarantees given and Investments made during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 is annexed herewith as Annexure C.

### 22 Auditors:

#### (a) Statutory Auditors:

M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 10196W) were appointed as Statutory Auditors of the Company at the 110th Annual General Meeting (AGM) of the Company held on 28th July, 2017, for a period of three years i.e. to hold office till the conclusion of 113th AGM. Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Company is required to appoint the Statutory Auditors for a term of 5 consecutive years.

The Audit Committee and the Board of Directors of the Company respectively at their meeting held on 17th May, 2018 proposed, subject to the approval of shareholders, revision in term of appointment of M/s. CNK & Associates LLP, Chartered Accountants, to hold the office as Statutory Auditors till the conclusion of 115th AGM.

The Auditor's Report for financial year 2017-18 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

#### (b) Secretarial Auditors:

The Board of Directors of the Company appointed M/s. Samdani Shah & Kabra, Practising Company Secretaries, Vadodara, to conduct Secretarial Audit for the FY. 2018-19.

The Secretarial Audit Report of M/s. Samdani Shah & Kabra, Practising Company Secretaries for the financial year ended 31st March, 2018, is annexed as Annexure D.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Company has generally complied with all the applicable provisions of the Secretarial Standards.

#### (c) Cost Auditors:

M/s. Santosh Jejurkar & Associates, Cost Accountant, Vadodara, Cost Auditor of the Company has been appointed as Cost Auditor for conducting audit of the cost accounts maintained by the Company relating to Bulk Drugs and Real Estate Division for the FY. 2018-19.

#### (d) Internal Auditors:

The Board of Directors has appointed M/s. Sharp & Tannan Associates, Chartered Accountants as Internal Auditors of the Company for the FY. 2018-19.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

### 23 Material Changes:

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2018. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

### 24 Extracts of Annual Return:

The extract of Annual Return required under Section 134(3) (a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, forms part of this report as Annexure E.

### 25 Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure F.

### 26 Particulars of employees and related disclosures:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as Annexure G.

A statement showing the names and particulars of the employees falling within the purview of Rules 5(2) and 5(3) of the aforesaid Rules are provided in the Annual Report.

## BOARD'S REPORT

The Annual Report is being sent to the members of the Company excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company during working hours and the same will be furnished on request in writing to the members.

### **27 Details of Unclaimed Suspense Account:**

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed herewith as Annexure H. The voting rights on the equity shares which are transferred to Unclaimed Suspense Account shall remain frozen till the rightful owner of such equity shares claims the shares.

### **28 Directors' Responsibility Statement:**

In terms of the provisions of Companies Act, 2013, the Directors state that:

- (a) in preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies as listed in Note 1 to the financial statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2018 and of the profit of the Company for that period;
- (c) the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

For and on behalf of the Board of Directors,

Sd/-  
**Chirayu Amin**  
Chairman  
(DIN: 00242549)

Registered Office:  
Alembic Road, Vadodara - 390 003  
Tel: 91 265 2280550  
Fax: 91 265 2282506  
Web: [www.alembiclimited.com](http://www.alembiclimited.com)  
Email Id: [alembic.investors@alembic.co.in](mailto:alembic.investors@alembic.co.in)  
CIN: L26100GJ1907PLC000033

Date: 17th May, 2018

Note: As per the provisions of Rule 8(1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared on standalone financial statements and a report on performance and financial position of the subsidiary and associates is included in the financial statements.

## ANNEXURE A

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Industry Perspective vis-à-vis Company

The Company operates primarily in the manufacture of Bulk Drugs and Real Estate Business.

#### FINANCE:

The gross revenue of the Company was ₹ 125.30 Crores for the year under review as compared to ₹ 147.16 Crores for the previous year ended on 31st March, 2017. The Company registered a net profit of ₹ 87.35 Crores as compared to net profit of ₹ 24.10 Crores for the previous year ended on 31st March, 2017.

#### OUTLOOK:

##### BULK DRUGS BUSINESS:

The Bulk Drugs Business of the Company could not perform satisfactorily, in spite of a good monthly-capacity enhancement and process-efficiency improvement achieved, primarily due to government's stringent pollution control-norms in the heart of the city, not allowing new product launch easily & stiff competition is faced from China, not enabling the company to plan long-term. However, the Company has successfully launched two new API-intermediates, during this year.

##### REAL ESTATE BUSINESS:

During the year, the Company recognized major portion of revenue on its real estate project, VEDA based on the percentage of completion method. The project is in its mid-stage of construction. The general outlook for the industry remains subdued due to sluggish demand.

#### OPPORTUNITY:

Within the given limitations, the bulk drug-division explored the possibility of manufacturing API-intermediates, for catering to the increasing demands of those products in the group companies.

The company decided to utilize the unused idle resources to generate additional-revenues from this (a) by developing & leasing out the excess premise and (b) by a resale of the available-sparable equipments, without compromising on the yearly budgeted plan.

With the implementation of Real Estate (Regulation and Development) Act, 2016, it is expected that competition from unorganized sector will be lower and the Company as a reputed corporate in compliance with law of land will be able to garner better market share.

Real Estate industry, at the macro level, expects to do better with falling interest rates. The Company has started construction on a commercial project with the objective of earning rental income.

#### CONCERN / RISK:

The Company continues to struggle in API business in spite of many initiatives in past few years. The business faces uncertain and bleak future, though the Company has made sincere efforts to

get a firm-foothold in API-intermediate business. But, it is not very successful in this exercise for two reasons: Chinese cheaper price in the market and the Company not having a GMP-conforming facility of that high standard which will satisfy synthetic regulatory API-customers, who are desirous of a long-term-association with the supplier.

#### THREAT:

The Company's business of Bulk Drugs is under pressure due to rigid, new & stringent pollution norms and secondly due to ever-increasing demands of capital upgradation, for the business development in an uncertain market and for the refurbishment of the manufacturing facility.

#### INTERNAL CONTROL SYSTEMS AND ADEQUACY:

The Company maintains a system of well-established policies and procedures for internal control of operations and activities.

The Company has appointed Internal Auditors for the Bulk Drugs division and Real Estate Division to ensure proper system of Internal Control and its adequacy.

The reports of Internal Auditors are presented on quarterly basis before the Audit Committee and their recommendations are implemented.

#### HUMAN RESOURCE INTERVENTION

Company has optimized the manpower to the right-size, so as to meet the new challenges of multi tasking and multi skilling. The management staff was given a professional & conducive atmosphere at the work-place.

#### HEALTH, SAFETY, SECURITY AND ENVIRONMENT

Health, Safety, Security and Environment is always looked at with its due seriousness along with our business-activities and all employees are adequately trained for taking up their individual accountability. Alembic's operations are well-resourced & they comply with all the required norms of Health, Safety, Security and Environment.

During the year under review, various safety audits were carried out by Independent consultants. Environmental audits (statutory) were also carried out and submitted to pollution control boards for their review.

Efforts are made at all levels to conserve energy and resources. Plantation programs were organized and special attention is provided to the Solvent Recovery Program.

For and on behalf of the Board of Directors,

Sd/-  
**Chirayu Amin**  
 Chairman  
 (DIN: 00242549)

## ANNEXURE B

### Annual Report on CSR Activities to be included in the Board's Report:

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

The Company's CSR Policy provides for carrying out CSR activities in the area of Healthcare, Rural Development and Education through various 'Not for Profit Organisations' viz. Alembic CSR Foundation, Bhailal Amin General Hospital, Rural Development Society, Uday Education Society and others.

The CSR spend may be carried out by way of donation to the corpus of the above 'Not for profit organisations' or contribution towards some specific project being undertaken by any of the organisations.

Weblink to the CSR Policy of the Company: <http://www.alembiclimited.com/AL-CSR%20Policy.pdf>

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

Mrs. Malika Amin	-	Chairperson
Mr. Milin Mehta	-	Member
Mr. C.P. Buch	-	Member

3. **Average Net Profit of the Company for the last three financial years: ₹ 807 lacs.**
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 16.14 lacs.**
5. **Details of CSR Spent during the financial year**

(a) Total amount to be spent for the financial year: ₹ 16.14 lacs

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

(₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads 1. Direct Expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through Implementing Agency
I	Contribution to Alembic CSR	CSR activities as specified in Schedule VII of the Companies Act, 2013	Across Gujarat	Single	Direct – 16.14	16.14	Through Implementing Agency - Alembic CSR Foundation
	<b>TOTAL</b>				<b>16.14</b>	<b>16.14</b>	

6. **In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report: N.A.**
7. **The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

Sd/-  
**Malika Amin**  
Chairperson – CSR Committee  
(DIN: 00242613)

Sd/-  
**Chirayu Amin**  
Chairman  
(DIN: 00242549)

## ANNEXURE C

### Particulars of Loans granted, Guarantees given or Investments made by the Company

Nature of transaction (whether loan / guarantee / investments)	Date of granting loan/ acquisition / giving guarantee/ providing security	Name and Address of the person or body corporate to whom it is made or given or whose securities have been acquired (Listed / Unlisted entities)	Amount (₹ in Lacs)	Purpose of loan / guarantee / investments
Investments in liquid scheme of Mutual Fund	03-04-2017	SBI Premium Liquid Fund - Regular Plan - Growth Add: 9th Floor, Crescenzo, C-38 & 39, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051	100.00	Temporary parking of surplus funds
--do--	18-04-2017		100.00	--do--
--do--	08-06-2017	SBI Corporate Bond Fund - Direct Plan - Growth	1,025.94	--do--
--do--	06-11-2017	Reliance Corporate Bond Fund - Direct Growth Plan Add: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai - 400 710	200.00	--do--
--do--	21-06-2017	Reliance Short Term Fund - Direct Growth Plan - Growth Option (ST-AG)	831.09	--do--
--do--	06-11-2017	Reliance Equity Savings Fund - Direct Quarterly Dividend Plan - Reinvest	500.00	--do--
--do--	11-09-2017	Aditya Birla Sun Life Medium Term Plan - Growth - Direct Plan Add: Soham Complex, Infront of HDFC Bank, R C Dutt Road, Alkapuri, Vadodara - 390 007	400.00	--do--
--do--	21-06-2017	Aditya Birla Sun Life Savings Fund - Growth - Direct Plan	203.39	--do--
--do--	22-06-2017	IDFC Corporate Bond Fund Direct Plan - Growth Add: IDFC AMC Ltd., One IndiaBulls Centre, 6th floor, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400 013	800.00	--do--
--do--	24-07-2017		1,000.00	--do--
--do--	07-11-2017	Edelweiss Equity Savings Advantage Fund	234.00	--do--
--do--	17-11-2017	- Direct Plan Monthly Dividend - Reinvest	300.00	--do--
--do--	20-11-2017	Add: Tower 3, Wing B, Ground Floor, Kohinoor City Mall, Kohinoor City, Kiroli Road, Kurla (W), Mumbai-400070	100.00	--do--
--do--	05-12-2017		100.00	--do--
--do--	22-12-2017		100.00	--do--
--do--	24-07-2017	Edelweiss Arbitrage Fund - Monthly Dividend Direct Plan - Reinvest	200.00	--do--
--do--	07-11-2017		200.00	--do--
--do--	25-01-2018		300.00	--do--
--do--	22-06-2017	Edelweiss Arbitrage Fund - Direct Plan Dividend - Reinvest	264.59	--do--
--do--	26-03-2018	Edelweiss Liquid Fund-Direct Plan Growth	842.52	--do--
--do--	22-06-2017	Kotak Medium Term Fund Direct Plan - Growth	600.00	--do--
--do--	27-06-2017	27 BKC, C-27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	150.00	--do--
--do--	24-07-2017		1,000.00	--do--
--do--	11-09-2017	HDFC Banking and PSU Debt Fund - Direct Growth Option Add: "HDFC House", 2nd Floor, H. T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020	500.00	--do--
--do--	27-12-2017		250.00	--do--
--do--	29-12-2017	Franklin India Ultra Short Bond Fund Super Institutional Plan - Direct	150.00	--do--
--do--	22-02-2018	12th & 13th Floor, Tower @, India Bulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400013	150.00	--do--
--do--	15-03-2018		150.00	--do--



## ANNEXURE C

--do--	08-02-2018	Franklin India Treasury Management Account- Super Institutional Plan-Direct-Growth	100.00	--do--
--do--	11-03-2018		200.00	--do--
--do--	21-03-2018		150.00	--do--
Investment in Equity Shares	05-02-2018	Alembic Pharmaceuticals Limited Alembic Road, Vadodara - 390003	16.05	Investment of surplus funds
--do--	06-02-2018		51.56	--do--
--do--	07-02-2018		35.31	--do--
--do--	08-02-2018		54.80	--do--
--do--	09-02-2018		52.08	--do--
--do--	12-02-2018		89.27	--do--
--do--	14-02-2018		10.87	--do--
--do--	19-02-2018		36.02	--do--
--do--	23-02-2018		38.27	--do--
--do--	26-02-2018		57.00	--do--
--do--	27-02-2018		657.95	--do--
--do--	28-02-2018		9.85	--do--
--do--	01-03-2018		163.20	--do--
--do--	05-03-2018		1088.00	--do--
--do--	07-03-2018		36.50	--do--
--do--	08-03-2018		22.44	--do--
--do--	09-03-2018		15.32	--do--
--do--	12-03-2018		27.02	--do--
--do--	13-03-2018		5.16	--do--
--do--	14-03-2018		27.05	--do--
--do--	15-03-2018		10.99	--do--
--do--	16-03-2018		30.18	--do--
--do--	19-03-2018		27.04	--do--
--do--	21-03-2018		13.59	--do--
--do--	26-03-2018		26.79	--do--
--do--	27-03-2018		53.95	--do--
--do--	28-03-2018		103.61	--do--

Note: The above stated investments are gross investments and are not net of redemptions made by the Company.

For and on behalf of the Board of Directors,

Sd/-

**Chirayu Amin**

Chairman

(DIN: 00242549)

## ANNEXURE D

### Secretarial Audit Report

For the financial year ended March 31, 2018

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

To,  
The Members,  
Alembic Limited  
Alembic Road,  
Vadodara- 390003  
Gujarat.

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2018, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of 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, 2015;
  - (c) 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;
  - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

**We report that,** there were no actions / events in pursuance of the following regulations requiring compliance thereof by the company during the period of this report:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- vi. Other sector specific laws as follows:
  - (a) Food and Drugs Adulteration Act, 1954;
  - (b) Drugs and Cosmetics Act, 1940;
  - (c) National Pharmaceuticals Pricing Policy, 2012;
  - (d) The Pharmacy Act, 1948;
  - (e) The Narcotic Drugs and Psychotropic Substances Act, 1985;
  - (f) The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
  - (g) Drugs (Prices Control) Order, 2013;
  - (h) Food Safety and Standards Act, 2006;

## ANNEXURE D

- (i) The Real Estate (Regulation and Development) Act, 2016;
- (j) The Building and other construction workers (RE & COS) Act, 1996 and rules made thereunder.

We have also examined compliance with the applicable clauses / regulations of the following:

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

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

We further report that;

- (a) The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors. There was no change in the composition of the Board of Director during the period under review;
- (b) Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- (c) As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- (d) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines;
- (e) During the audit period, there were no specific instances / actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having major bearing on the Company's affairs. However, the Board of Directors of the company, in its meeting held on January 23, 2018 have approved the proposal for Buy back of 1,02,50,000 fully paid up equity shares of the company having face value of ₹ 2/- each at a price not exceeding ₹ 80/- per Equity Share. The Shareholders of the company have also approved the Buy-Back of Equity Shares by way of Special Resolution through Postal Ballot.

Sd/-

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677

CP No. 2863

Vadodara,

Date: April 18, 2018

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

## ANNEXURE D

### APPENDIX A

To,  
The Members,  
Alembic Limited  
Alembic Road  
Vadodara- 390003  
Gujarat

Our Secretarial Audit report of even date is to be read along with this letter, that:

1. Maintenance of Secretarial records and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.
4. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-  
**S. Samdani**  
Partner

**Samdani Shah & Kabra**  
Company Secretaries  
FCS No. 3677  
CP No. 2863

Vadodara,  
Date: April 18, 2018

# ANNEXURE E

## Form No. MGT - 9

### EXTRACT OF ANNUAL RETURN

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

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

#### I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L26100GJ1907000033
(ii)	Registration Date	13/07/1907
(iii)	Name of the Company	Alembic Limited
(iv)	Category/Sub-Category of the Company	Company Limited by Shares
(v)	Address of the Registered Office and Contact Details	Alembic Road, Vadodara - 390 003. Tel: +91 265 2280550 Fax: +91 265 2282506 Website: www.alembiclimited.com Email Id: alembic.investors@alembic.co.in
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited B - 102 & 103 Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020, Tel: +91 265 2356573, 2356794 Fax: +91 265 2356791 Email Id: vadodara@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ Service	% to total turnover of the company
(i)	API	35250 & 35260	43.18
(ii)	Real Estate	99531129	36.46

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
(i)	Alembic City Limited Alembic Road, Vadodara – 390 003	U70100GJ1994PLC021552	Subsidiary	100.00	2(87)(ii)
(ii)	Alembic Pharmaceuticals Limited Alembic Road, Vadodara – 390 003	L24230GJ2010PLC061123	Associate	29.43	2(6)

#### IV. SHAREHOLDING PATTERN (Equity share Capital Break up 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	
<b>A. Promoters</b>									
<b>(I) Indian</b>									
a) Individual/HUF	2,70,18,290	-	2,70,18,290	10.12	2,09,91,910	-	2,09,91,910	7.86	(2.26)

## ANNEXURE E

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	14,60,10,333	-	14,60,10,333	54.68	14,65,30,053	-	14,65,30,053	54.87	0.20
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any Other:									
i) Trust	25,98,400	-	25,98,400	0.97	25,98,400	-	25,98,400	0.97	-
ii) LLP	1,800	0.00	-	-	1,800	-	1800	0.00	-
<b>Sub-total (A)(1):-</b>	<b>17,56,28,823</b>	<b>-</b>	<b>17,56,28,823</b>	<b>65.77</b>	<b>17,01,22,163</b>	<b>-</b>	<b>17,01,22,163</b>	<b>63.71</b>	<b>(2.06)</b>
<b>(2) Foreign</b>									
NRIs, Bodies Corporate, Banks, Fls, others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>17,56,28,823</b>	<b>-</b>	<b>17,56,28,823</b>	<b>65.77</b>	<b>17,01,22,163</b>	<b>-</b>	<b>17,01,22,163</b>	<b>63.71</b>	<b>(2.06)</b>
<b>B. Public</b>									
<b>Shareholding</b>									
<b>I. Institutions</b>									
a) Mutual Funds	-	-	-	-	1,21,73,065	-	1,21,73,065	4.56	4.56
b) Banks/Fl	2,36,355	17,450	2,53,805	0.10	1,74,672	17,450	1,92,122	0.07	(0.03)
c) Central Govt.	-	-	-	-	17,92,914	-	17,92,914	0.67	0.67
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs / FPI	1,49,44,038	-	1,49,44,038	5.60	30,89,483	-	30,89,483	1.16	(4.44)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others-Alternate Investment Funds	-	-	-	-	19,23,790	-	19,23,790	0.72	0.72
<b>Sub-total (B) (1):-</b>	<b>1,51,80,393</b>	<b>17,450</b>	<b>1,51,97,843</b>	<b>5.70</b>	<b>1,91,53,924</b>	<b>17,450</b>	<b>1,91,71,374</b>	<b>7.18</b>	<b>1.48</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
(i) Indian	52,73,549	20,400	52,93,949	1.98	43,57,882	18,600	43,76,482	1.64	(0.34)
(ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
(i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	4,49,74,887	59,08,884	5,08,83,771	19.06	4,78,84,854	49,87,614	5,28,72,468	19.80	0.74
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1,21,94,658	1,40,100	1,23,34,758	4.62	1,41,86,133	1,40,100	1,43,26,233	5.37	0.75

## ANNEXURE E

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>c) Others (specify)</b>									
(i) Unclaimed Shares	20,12,101	-	20,12,101	0.75	8,25,751	-	8,25,751	0.31	(0.44)
(ii) Clearing Member	15,02,278	-	15,02,278	0.56	6,44,184	-	6,44,184	0.24	(0.32)
(iii) Non Resident Indians (NRI)- Repat	8,95,217	-	8,95,217	0.34	8,26,353	-	8,26,353	0.31	(0.03)
(iv) Non Resident Indians (NRI)- Non- Repat	5,12,733	27,300	5,40,033	0.2	8,05,086	3,150	8,08,236	0.30	0.10
(v) Trusts	1,42,836	5,700	1,48,536	0.06	3,06,036	5,700	3,11,736	0.11	0.05
(vi) Foreign Nationals	10,425	-	10,425	-	3,000	-	3,000	-	-
(vii) HUF	25,84,494	-	25,84,494	0.97	27,43,848	-	27,43,848	1.03	0.06
<b>Sub-total (B)(2):-</b>	<b>7,01,02,778</b>	<b>61,02,384</b>	<b>7,62,05,562</b>	<b>28.54</b>	<b>7,25,83,127</b>	<b>51,55,164</b>	<b>7,77,38,291</b>	<b>29.11</b>	<b>0.57</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>8,52,83,171</b>	<b>61,19,834</b>	<b>9,14,03,405</b>	<b>34.23</b>	<b>9,17,37,051</b>	<b>51,72,614</b>	<b>9,69,09,665</b>	<b>36.29</b>	<b>2.06</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>26,09,11,994</b>	<b>61,19,834</b>	<b>26,70,31,828</b>	<b>100</b>	<b>26,18,59,214</b>	-	<b>26,70,31,828</b>	<b>100</b>	-

### (ii) Shareholding of Promoters:

Details of Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% shares pledged/encumbered to total shares	
1.	Chirayu Amin*	86,92,930	3.26	-	86,92,930	3.26	-	Nil
2.	Malika Amin	60,11,460	2.25	-	60,11,460	2.25	-	Nil
3.	Udit Amin	20,13,960	0.75	-	20,13,960	0.75	-	Nil

\* 21,46,500 Equity Shares held in the name of Chirayu Ramanbhai Amin in representative capacity of Karta of Chirayu Ramanbhai Amin HUF.

Details of Shareholding of persons and entities of promoter group:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% shares pledged/encumbered to total shares	
1.	Nirayu Private Limited	3,80,15,263	14.24	-	10,97,90,783	41.11	-	26.88#
2.	Shreno Limited	3,67,37,560	13.76	-	3,67,37,560	13.76	-	Nil
3.	Whitefield Chemtech Private Limited	3,65,70,460	13.70	-	0.00	0.00	-	(13.70)#



## ANNEXURE E

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% shares pledged/encumbered to total shares	
4.	Sierra Investments Private Limited	3,43,35,340	12.86	-	0.00	0.00	-	(12.86)#
5.	Pranav Amin	20,19,600	0.76	-	20,19,600	0.76	-	Nil
6.	Shaunak Amin	20,13,960	0.75	-	20,13,960	0.75	-	Nil
7.	Vidyanidhi Trust	16,19,100	0.61	-	16,19,100	0.61	-	Nil
8.	Arogyavardhini Society	5,61,900	0.21	-	5,61,900	0.21	-	Nil
9.	Utkarsh Vidyakendra	2,92,500	0.11	-	2,92,500	0.11	-	Nil
10.	Ujjwal Vidyalaya	1,24,500	0.05	-	1,24,500	0.05	-	Nil
11.	Naintara Amin	60,000	0.02	-	60,000	0.02	-	Nil
12.	Samira Amin	60,000	0.02	-	60,000	0.02	-	Nil
13.	Ranvir Amin	60,000	0.02	-	30,000	0.02	-	Nil
14.	Quick Flight Limited	3,50,000	0.13	-	0.00	0.00	-	(0.13)
15.	Inaaya Amin	60,000	0.02	-	60,000	0.02	-	Nil
16.	Viramya Packlight LLP	1,800	0.00	-	1,800	0.00	-	Nil
17.	Paushak Limited	1,710	0.00	-	1,710	0.00	-	Nil
18.	Laburnum Family Trust	200	0.00	-	200	0.00	-	Nil
19.	Virsad Family Trust	200	0.00	-	200	0.00	-	Nil

# Pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench dated 1<sup>st</sup> December, 2017 in the matter of the Scheme of Arrangement in the nature of amalgamation of Sierra Investments Private Limited and Whitefield Chemtech Private Limited with Nirayu Private Limited, the shares held by Sierra Investments Private Limited and Whitefield Chemtech Private Limited of the Company are transferred to Nirayu Private Limited.

**(iii) Change in Promoter's 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	17,56,28,823	65.77	17,56,28,823	65.77
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for the increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)				
	11.09.2017 (Reclassification of Shares from Promoter to Public)	(60,26,380)	(2.26)	16,96,02,443	63.51
	18.08.2017 (Purchase)	40,000	0.01	16,96,42,443	63.53
	08.12.2017 (Purchase)	1,00,000	0.04	16,97,42,443	63.57
	22.12.2017 (Purchase)	3,79,720	0.14	17,01,22,163	63.71
	At the end of the year	17,01,22,163	63.71	17,01,22,163	63.71

## ANNEXURE E

(v) **Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

SI No.	Name	Shareholding at the beginning (01.04.2017)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Nirayu Private Limited	3,80,15,263	14.24	During the financial year	7,17,75,520	Increase	10,97,90,783	41.12
2	Shreno Limited	3,67,37,560	13.76	During the financial year	-	No change during the year	3,67,37,560	13.76
3	SBI Small and Midcap Fund	0	0	During the financial year	1,21,73,065	Increase	1,21,73,065	4.56
4	Pranav Amin	20,19,600	0.76	During the financial year	-	No change during the year	20,19,600	0.76
5	IL & FS Trust Company Limited - Forefront Alternative Investment Trust - Forefront Alternative Equity Scheme	0	0	During the financial year	19,23,790	Increase	19,23,790	0.72
6	Vidyanidhi Trust	16,19,100	0.61	During the financial year	-	No change during the year	16,19,100	0.61
7	Yeraben Amin	16,61,830	0.62	During the financial year	-	Increase	15,61,830	0.58
8	Shreya Mukherjee	17,43,150	0.65	During the financial year	(1,00,000)	Decrease	13,63,430	0.51
9	Shaunak Amin	20,13,960	0.75	During the financial year	-	No change during the year	20,13,960	0.75
10	Emerging Markets Core Equity Portfolio	6,81,203	0.26	During the financial year	3,60,541	Increase	10,41,744	0.39
11	Lotus Global Investment(*)	71,69,712	2.69	During the financial year	-	Decrease	0	0
12	Elara India Opportunities Fund Limited(*)	56,22,003	2.11	During the financial year	(71,69,712)	Decrease	0	0
13	Whitefield Chemtech Pvt. Ltd.(#)	3,65,70,460	13.70	During the financial year	-	Increase	0	0
14	Sierra Investments Pvt. Ltd.(#)	3,43,35,340	12.86	During the financial year	(3,65,70,460)	Decrease	0	0
					3,50,000	Increase	0	0
					(3,46,85,340)	Decrease		

\*Ceased to be a top ten shareholder as on 31<sup>st</sup> March, 2018.

# Pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench dated 1<sup>st</sup> December, 2017 in the matter of the Scheme of Arrangement in the nature of amalgamation of Sierra Investments Private Limited and Whitefield Chemtech Private Limited with Nirayu Private Limited, the shares held by Sierra Investments Private Limited and Whitefield Chemtech Private Limited of the Company are transferred to Nirayu Private Limited.

**Note:**

- The above information is based on the weekly beneficiary positions received from Depositories.
- The details of holding has been clubbed based on PAN.

## ANNEXURE E

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

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		*Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning/ end of the year				
1.	Mr. Chirayu Amin, Chairman	86,92,930	3.26	86,92,930	3.26
2.	Mrs. Malika Amin, Managing Director & CEO	60,11,460	2.25	60,11,460	2.25
3.	Mr. Udit Amin, Director	20,13,960	0.75	20,13,960	0.75
4.	Mr. Sameer Khera, Independent Director	-	-	2,000	0.00

\*There is no change in the shareholding at the end of the year.

Mr. Rasesh Shah, CFO and Mr. Drigesh Mittal, Company Secretary of the Company does not hold any shares in the Company. None of the other Directors hold any shares in the Company.

### V. INDEBTEDNESS:

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

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD
		Malika Amin
1.	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	132.27
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	0.40
	(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	-
5.	Others, please specify	-
	<b>Total (A)</b>	<b>132.67</b>
	Ceiling as per the Act	410.56

#### B. Remuneration to other Directors:

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Milin Mehta	R. C. Saxena	C. P. Buch	Sameer Khera	Chirayu Amin	Udit Amin	Abhijit Joshi	
1.	Independent Directors								
	· Fee for attending board/ committee	2.90	2.40	2.90	1.30	-	-	-	9.50
	· Commission	-	-	-	-	-	-	-	-
	· Others, Please specify	-	-	-	-	-	-	-	-
	<b>Total (I)</b>	<b>2.90</b>	<b>2.40</b>	<b>2.90</b>	<b>1.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.50</b>

## ANNEXURE E

2.	Other Non-Executive Directors								
	· Fee for attending board/committee	-	-	-	-	1.30	1.60	1.20	4.10
	· Commission	-	-	-	-	-	110.00*	-	110.00*
	· Others, Please	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	<b>1.30</b>	<b>111.60</b>	<b>1.20</b>	<b>114.10</b>
	<b>Total Managerial Remuneration (1 + 2)</b>	<b>2.90</b>	<b>2.40</b>	<b>2.90</b>	<b>1.30</b>	<b>1.30</b>	<b>111.60</b>	<b>1.20</b>	<b>123.60</b>
	Overall Ceiling as per the Act								410.56

\* Subject to approval from members at the 111<sup>th</sup> Annual General Meeting

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Malika Amin CEO	Drigesh Mittal Company Secretary	Rasesh Shah CFO	Total
1.	Gross Salary	Covered at point VI – A above			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		9.21	39.87	49.08
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961		-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	-	<b>9.21</b>	<b>39.87</b>	<b>49.08</b>

**Note:** The above stated figures for remuneration are extracted from Form-16 of the individual Managerial Personnel and Key Managerial Personnel for the F.Y. 2017-18. Whereas the figures for the managerial remuneration in Corporate Governance Report are prepared on the basis of accrual accounting principle and hence are not comparable.

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There has been no penalty or punishment or compounding of offences against/by the Company, Directors and Other Officers in default under the provisions of the Companies Act, 2013 during the F.Y. 2017-18.

For and on behalf of the Board of Directors,

Sd/-

**Chirayu Amin**  
Chairman

Date: 17<sup>th</sup> May, 2018

Place: Vadodara

## ANNEXURE F

**Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

**(A) Conservation of Energy:**

1) **Steps taken for conservation of energy (figures below are, on a full production-load basis):**

- (i) Provision of VFD in air blower to save power.
- (ii) Replacement of old membrane with new one for potable RO to save power.
- (iii) Replacement of old PL lights with LED light fittings to save power.

2) **Steps taken for utilizing alternate sources of energy:**

- (i) The Company has since long installed wind mills and they are operating well.

3) **Steps taken for utilizing energy from new technology machines:**

- (i) Optimum utilization of Power, Steam & Chilled Water from Gas Base Tri Generation plant.
- (ii) Installed Energy Efficient Vapor Compression Chiller of 300 TR (Make – Trane)

**(B) Technology Absorption:**

- 1) The Company is currently operating at the same operational level and there is no significant matter which is to be reported.
- 2) **Information regarding technology imported, during the last 3 years:** Nil
- 3) **Expenditure incurred on Research and Development:**

(₹ in Lacs)

	Particulars	2018	2017
a)	Capital	46.69	Nil
b)	Recurring	67.21	66.59
c)	Total	113.91	66.59
d)	Total R&D expenditure as a percentage of total turnover	0.91%	0.46%

**(C) Foreign Exchange Earnings and Outgo:**

(₹ in Lacs)

For the period ended on 31st March,	2018	2017
<b>Income</b>		
Export (FOB basis)	194.02	103.93
<b>Expenditure</b>		
Raw Material (CIF basis)	2633.49	3561.54
Packing Material, Components and Spare parts (CIF basis)	-	-
Professional and Consultancy fees	-	-
Others	4.85	5.34

For and on behalf of the Board of Directors,

Sd/-

**Chirayu Amin**

Chairman

(DIN: 00242549)

## ANNEXURE G

**As per the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company are required to disclose following information in the Board's Report.**

Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year	
Name	Ratio to Employees
Malika Amin – Managing Director & CEO	1 : 0.2246

Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	
Name	% Increase
Malika Amin – Managing Director & CEO	0.26
Rasesh Shah – CFO	14.79
Drigesh Mittal – Company Secretary	16.23

Percentage increase in the median remuneration of employees in the financial year	3.35%
Number of permanent employees on the rolls of company	316

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	7.89% (Non-Managerial Personnel) 0.26% (Managerial Personnel)
--	--

We affirm that the remuneration paid to the Managerial and Non-Managerial Personnel is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors,

Sd/-

**Chirayu Amin**

Chairman

(DIN: 00242549)

## ANNEXURE H

### Details of Unclaimed Suspense Account as per the provisions of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	No. of shareholders : 4773 Outstanding shares : 20,12,101
Number of shareholders who approached the company for transfer of shares from suspense account during the year	No. of shareholders : 37 No. of Shares : 32,450
Number of shareholders to whom shares were transferred from suspense account during the year	No. of shareholders : 25 No. of Shares : 16,410  No. of shareholders : 3003 (to IEPF) No. of Shares : 11,69,940 (to IEPF)
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	No. of shareholders : 1745 Outstanding shares : 8,25,751

For and on behalf of the Board of Directors,

Sd/-

**Chirayu Amin**

Chairman

(DIN: 00242549)

# Report on Corporate Governance

## 1 Company's Philosophy

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of corporate governance. This improves the understanding of the structure, activities and policies of the organization and enhances the trust and confidence of the stakeholders.

The Company has always been committed to the principles of good corporate governance.

## 2 Board of Directors

### • Composition of the Board

The Board of Directors consist of 1 Executive Promoter Director (women director), 2 Non-Executive Promoter Directors, 1 Non-Executive Non-Independent Director and 4 Independent Directors. The Chairman of the Board is a Non-Executive Promoter Director. As on 31st March, 2018 and on the date of this report, the Board meets the requirement of having at least one woman director and not less than 50% of the Board strength comprising of Non-Executive Directors as 4 out of 8 Directors are Non-Executive Independent Directors.

### • Number of Board Meetings held and the dates of the Board Meetings

Four (4) Meetings of Board of Directors were held during the year ended 31st March, 2018 on 9th May, 2017, 28th July, 2017, 30th October, 2017 and 23rd January, 2018. The time gap between any two meetings was not exceeding one hundred and twenty days.

### • Details of composition and category of Directors, attendance at the Board Meetings, Annual General Meeting and shareholding of each Director:

Name of the Director	Category	No. of Board Meetings held & attended during the Financial Year	Attendance at the last AGM	No. of Equity shares held in the Company #
Mr. Chirayu Amin Chairman	Promoter Non-Executive	4 out of 4	Yes	86,92,930 ^
Mrs. Malika Amin Managing Director and CEO	Promoter Executive	4 out of 4	Yes	60,11,460
Mr. Udit Amin Director	Promoter Non-Executive	4 out of 4	Yes	20,13,960
Mr. Milin Mehta	NED (I)*	4 out of 4	Yes	Nil
Mr. C. P. Buch	NED (I)*	4 out of 4	Yes	Nil
Mr. R. C. Saxena	NED (I) *	4 out of 4	Yes	Nil
Mr. Sameer Khara	NED (I) *	4 out of 4	Yes	2,000
Mr. Abhijit Joshi	Non-Executive Non-Independent	4 out of 4	Yes	Nil

# The Company has not issued any convertible instruments.

^ 21,46,500 Equity Shares held in the name of Chirayu Ramanbhai Amin in representative capacity of Karta of Chirayu Ramanbhai Amin HUF.

\* NED (I) means Non-Executive Director (Independent).



# Report on Corporate Governance

- **Number of other board of directors or committees in which a Director is a director / member / chairperson**

Name of the Director	No. of Directorships		No. of Committee Memberships		No. of Committee Chairmanships	
	In all other Companies	Excl. Pvt. Ltd.,* Foreign & Sec. 8 Companies	All committees	Only Audit & Stakeholders Relationship Committee	All Committees	Only Audit & Stakeholders Relationship Committee
Mr. Chirayu Amin	5	4	7	1	4	1
Mrs. Malika Amin	1	1	Nil	Nil	Nil	Nil
Mr. Udit Amin	1	1	1	Nil	Nil	Nil
Mr. Milin Mehta	8	3	7	4	4	3
Mr. C. P. Buch	Nil	Nil	Nil	Nil	Nil	Nil
Mr. R. C. Saxena	Nil	Nil	2	1	Nil	Nil
Mr. Sameer Khera	3	Nil	Nil	Nil	Nil	Nil
Mr. Abhijit Joshi	1	1	1	1	Nil	Nil

\* Includes directorship in private companies that are either holding or subsidiary company of a public company.

Pursuant to the provisions of Section 165(1) the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors holds Directorships in more than 20 Companies (Public or Private), 10 Public Companies, Membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairmanship of Board Committee in excess of 5. None of the Directors serve as Independent Director in more than 7 listed Companies. None of the Director who serves as Whole Time Director in any listed Company serve as Independent Director in more than 3 listed Companies.

- **Disclosure of relationships between directors inter-se**

Mr. Chirayu Amin, Chairman is the spouse of Mrs. Malika Amin, Managing Director & CEO of the Company and the father of Mr. Udit Amin, Non-Executive Director of the Company. None of the other Directors are related to each other.

- **Familiarisation Programmes for Independent Directors**

The Company has conducted the familiarisation programme for Independent Directors during the year. The details for the same have been disclosed on the website of the Company at the following web-link:

<http://www.alembiclimited.com/Familiarization-Program.htm>

## 3 Audit Committee

- **Composition, Name of Chairman and Members & Terms of Reference**

The Audit Committee comprises of 3 Independent Non-Executive Directors viz. Mr. Milin Mehta, Mr. R. C. Saxena and Mr. C. P. Buch. Mr. Milin Mehta is Chairman of the Audit Committee. The terms of reference of the Committee cover the matters specified for Audit Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

The Statutory Auditors, Internal Auditors, Cost Auditors and other relevant Senior Management Persons of the Company are invited to attend the Meetings of Audit Committee. The Company Secretary of the Company acts as Secretary to the Committee. Mr. Milin Mehta, Chairman of the Audit Committee was present at the last Annual General Meeting held on 28th July, 2017.

# Report on Corporate Governance

- Meetings and the attendance during the year**

There were Four (4) meetings of the Audit Committee held during the year ended 31st March, 2018 on 9th May, 2017, 28th July, 2017, 30th October, 2017 and 23rd January, 2018.

The attendance of each member of the Committee is given below:

Name of Director	No. of meetings held	No. of meetings attended
Mr. Milin Mehta	4	4
Mr. C. P. Buch	4	4
Mr. R. C. Saxena	4	4

## 4 Nomination and Remuneration Committee

- Composition, Name of Chairman and Members & Terms of Reference**

The Nomination and Remuneration Committee of Directors comprises of four Directors viz. Mr. Milin Mehta, Mr. Chirayu Amin, Mr. C. P. Buch and Mr. R. C. Saxena. Mr. Milin Mehta is the Chairman of the Nomination and Remuneration Committee. The terms of reference of the Committee cover the matters specified for Nomination and Remuneration Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. Mr. Milin Mehta, Chairman of Nomination and Remuneration Committee was present at the last Annual General Meeting held on 28th July, 2017.

- Meetings and the attendance during the year**

There was one (1) meeting of the Nomination and Remuneration Committee held during the year on 9th May, 2017.

Name of Director	No. of meetings held	No. of meetings attended
Mr. Milin Mehta	1	1
Mr. Chirayu Amin	1	1
Mr. C. P. Buch	1	1
Mr. R. C. Saxena	1	1

- Performance Evaluation Criteria for Independent Directors**

The performance evaluation criteria's for Independent Directors are disclosed in the Board's Report.

## 5 Details of Remuneration paid to Directors

- Executive Directors**

The details of all elements of remuneration package i.e. salary, benefits, bonus, pension, etc. paid to the Executive Director for the financial year 2017-18 are given below:

(₹ in Lacs)

Name & Designation of the Executive Director	Fixed Salary & Perquisites	Variable Performance Bonus	Total
Mrs. Malika Amin Managing Director & CEO	132.67	-	132.67

**Notes:**

- The criteria for variable performance incentive include Company Performance, Periodical Reviews, Skills and Competence.
- The Managing Director and the Company are entitled to terminate the service contracts by giving not less than 3 months' notice in writing to the other party. There is no provision for payment of severance fees. The Company does not have any Stock Options Scheme.

# Report on Corporate Governance

## • Non-Executive Directors

The Non-Executive Directors are paid ₹ 30,000/- as sitting fees for attending Board Meetings, ₹ 25,000/- for Audit Committee Meetings and ₹ 10,000/- for other Committee Meetings.

The details of payment made to Non-Executive Directors during the financial year 2017-2018 are as under:

(₹ in Lacs)

Name of Director	Sitting Fees for Board Meetings	Sitting Fees for Committee Meetings	Total Fees Paid
Mr. Chirayu Amin	1.20	0.10	1.30
Mr. Udit Amin	1.20	0.40	1.60
Mr. Milin Mehta	1.20	1.70	2.90
Mr. C. P. Buch	1.20	1.70	2.90
Mr. R. C. Saxena	1.20	1.20	2.40
Mr. Sameer Khera	1.20	0.10	1.30
Mr. Abhijit Joshi	1.20	-	1.20

The Board has proposed payment of commission to Mr. Udit Amin, Non-Executive Director of upto 3% of the net profits of the Company. The same is subject to approval of the members at the ensuing Annual General Meeting.

The remuneration to Non-Executive Directors is based on the Nomination and Remuneration Policy of the Company.

None of the Non-Executive Independent Directors has any pecuniary relationship or transactions with the Company and its Associates except:

- (1) Mr. Milin Mehta: where other companies under same management have paid a total of ₹ 6.78 Lacs to M/s. K. C. Mehta & Co. Chartered Accountants as fees for professional services provided by the firm to those Companies. Mr. Milin Mehta is partner of the said firm.
- (2) Mr. R. C. Saxena: where the Company and other companies under same management have paid a total of ₹ 3.45 Lacs to M/s. Trivedi & Gupta, Advocates, as fees for professional services provided by the law firm. Mr. R. C. Saxena is partner of the said firm.

The Board does not consider the above referred firms' association with the Company and its Associates to be of a material nature so as to affect independence of judgment of Mr. Milin Mehta and Mr. R. C. Saxena as Independent Directors of the Company.

## 6 Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of 3 Directors viz. Mr. C. P. Buch, Mr. Milin Mehta and Mr. Udit Amin. Mr. C. P. Buch, Independent Non-Executive Director is Chairman of the Stakeholders' Relationship Committee. Mr. C. P. Buch was present at the last Annual General Meeting held on 28th July, 2017.

Mr. Drigesh Mittal, Company Secretary is the Compliance Officer of the Company.

No. of Shareholders' complaints received so far: 12 (Twelve)

No. of complaints not solved to the satisfaction of shareholders: Nil

No. of pending complaints: Nil

### • Meetings and the attendance during the year

Four (4) meetings of the Stakeholders' Relationship Committee were held during the year ended 31st March, 2018 on 9th May, 2017, 28th July, 2017, 30th October, 2017 and 23rd January, 2018.

# Report on Corporate Governance

The attendance of each member of the Committee is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. C. P. Buch	4	4
Mr. Milin Mehta	4	4
Mr. Udit Amin	4	4

## 7 General Body Meetings

The details of the location and time where the last three Annual General Meetings (AGMs) were held are as under:

Year	Location	Date	Time	No. of Special Resolutions passed
2014-15	"Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara 390 003.	12th August, 2015	12.30 p.m.	1
2015-16	"Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara 390 003.	10th August, 2016	12.30 p.m.	1
2016-17	"Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara 390 003.	28th July, 2017	12.30 p.m.	2

\* Whether any special resolution passed last year through postal ballot: Yes

\* Whether any special resolution is proposed to be conducted through postal ballot: No

## 8 Means of Communication

Quarterly Results	The results will be published in the newspapers having wide coverage
Which Newspapers wherein results normally published	Will be published normally in- The Indian Express (English) The Financial Express (Gujarati) or any other leading newspaper
Any website, where displayed	www.alembiclimited.com
Whether it also displays official news releases; and	Yes
The presentations made to institutional investors or to the analysts	No

## 9 General Shareholder Information

a	Annual General Meeting Date, Time and Venue	Tuesday, 7 <sup>th</sup> August, 2018 at 12:30 p.m. "Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara 390 003.
b	Financial Year	2017 – 2018
c	Dividend Payment Date	On or before 10 <sup>th</sup> August, 2018
d	Listing on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.

# Report on Corporate Governance

e	Stock Code	The Equity Shares of the Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with security ID/symbol of ALEMBICLTD. ISIN: INE426A01027
f	Market price data – high, low during each month in last financial year	Please see Annexure 'A'
g	Share Performance of the Company in comparison to BSE Sensex	Please see Annexure 'B'
h	In case the securities are suspended from trading, the directors report shall explain the reason thereof	Not applicable
i	Registrar and Share Transfer Agents	Link Intime India Pvt. Limited B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020 Tel: +91 265 2356573, 2356794 Email Id: vadodara@linkintime.co.in
j	Share Transfer System	Share transfers will be registered and returned within a period of fifteen days from the date of receipt, if documents are accurate in all respects.  Stakeholders' Relationship Committee has delegated powers to Registrar and Share Transfer Agents to effect transfer/transmission, name deletion, renewal of shares, duplicate, etc.  Total number of shares transferred in physical form during the year were 40,755 (previous year 1,26,235).
k	Distribution of Shareholding/ Shareholding Pattern as on 31 <sup>st</sup> March, 2018	Please see Annexure 'C'
l	Dematerialization of Shares and Liquidity	As on 31 <sup>st</sup> March, 2018, 26,18,59,214 shares (98.06%) are held in dematerialised form by the shareholders.  Trading in shares is permitted only in dematerialized form as per notification issued by the SEBI.
m	Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity	Not applicable
n	Commodity price risk or foreign exchange risk and hedging activities	The Company's API products (both finished goods as well as raw materials) are subject to commodity price risks. The Company does not have any hedging activities for the same.  The Company does not have much forex transactions and it does not have any hedging activities.
o	Plant Locations	1. Alembic Road, Vadodara -390 003, Gujarat. 2. Wind Mills at village Ukharla/Trambak, Taluka-Ghoga, Dist. Bhavnagar, Gujarat. 3. Construction projects: Chhani, Vadodara and Gorwa, Vadodara.

# Report on Corporate Governance

p	Address for Correspondence / Investor Correspondence	<ol style="list-style-type: none"> <li>1. Company Secretary &amp; Compliance Officer Alembic Limited Alembic Road, Vadodara-390003. Tel: +91 265 2280550, Fax: +91 265 2282506 Email Id: alembic.investors@alembic.co.in</li> <li>2. Link Intime India Private Ltd B-102 &amp; 103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Radha Krishna Char Rasta, Akota - Vadodara - 390020 Tel: +91 265 2356573, 2356794 Email Id: vadodara@linkintime.co.in</li> </ol>
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## 10 Other Disclosures

### (i) Related Party Transactions:

There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under Listing Regulations is as under:

<http://www.alembiclimited.com/AL-RPT%20Policy.pdf>

### (ii) Compliance:

There was no non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

### (iii) Whistle Blower Policy:

The Company has established vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethical policy.

The Whistle Blower Policy is placed on the website of the Company and weblink to the same is as under:

<http://www.alembiclimited.com/AL-Whistle%20Blower%20Policy.pdf>

The Company has provided opportunities to encourage employees to become whistle blowers. It has also ensured a mechanism within the same framework to protect them from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

### (iv) Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements:

#### Mandatory requirements:

The Company complies with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance.

#### Non-Mandatory requirements:

- a) Office for non-executive Chairman at company's expense: Not Applicable
- b) Half-yearly declaration of financial performance to each household of shareholders: Not complied
- c) Modified opinion(s) in Audit Report: Complied as there is no modified opinion in Audit Report
- d) Separate posts of Chairman & CEO: Complied
- e) Reporting of Internal Auditors directly to Audit Committee: Complied

# Report on Corporate Governance

**(v) Disclosure of commodity price risks and commodity hedging activities:**

The Company's API products (both finished goods as well as raw materials) are subject to commodity price risks. The Company does not have any hedging activities for the same.

**(vi) Disclosure of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), 2015:**

Regulation No.	Particulars	Compliance Status (Yes or No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	N.A.
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the Company	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

**(vii) Independent Directors' Meeting:**

The Independent Directors met on 17th May, 2018 to carry out the evaluation for the financial year 2017-18 and inter alia, discussed the following:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of quality, content and timelines of flow of information between the Management and the Board is necessary for the Board to effectively and reasonable perform its duties.

All Independent Directors were present at the Meeting.

**(viii) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year, no complaint was received by the Company.

# Report on Corporate Governance

## Annexure – A

Market price data of the Company's shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) during the financial year 2017-18:

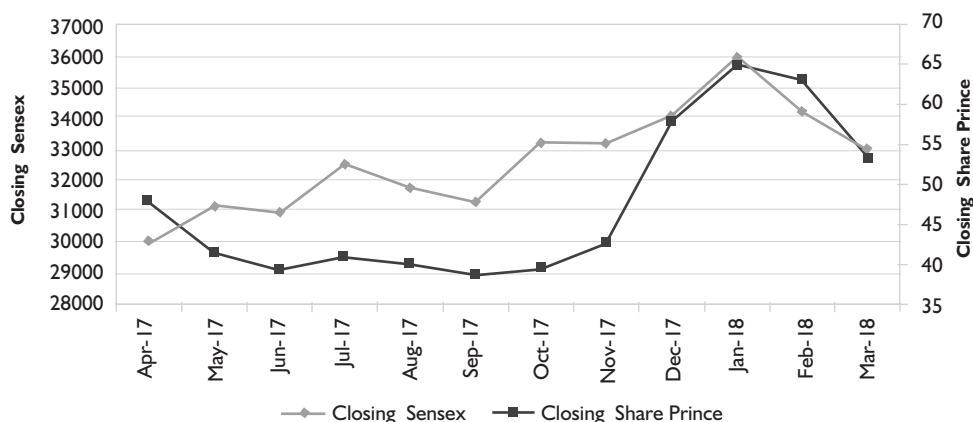
(Amount in ₹)

Month - Year	BSE		NSE	
	High Price	Low Price	High Price	Low Price
April - 2017	51.65	36.20	51.70	36.10
May - 2017	50.05	39.60	50.15	39.75
June - 2017	43.45	37.35	43.50	37.25
July - 2017	45.25	38.55	45.30	38.70
August - 2017	41.90	33.85	41.90	33.65
September - 2017	44.6	37.70	44.70	37.60
October - 2017	40.75	38.05	40.80	38.00
November - 2017	44.45	37.80	44.30	38.50
December - 2017	62.40	39.50	62.50	39.40
January - 2018	72.00	56.10	71.80	55.90
February - 2018	65.10	57.20	65.25	57.10
March - 2018	63.80	52.20	63.90	52.45

On 28th March 2018, (last trading day of the financial year) the closing price of the shares of the Company on BSE was ₹ 53.30 and on NSE was ₹ 53.30

## Annexure – B

Share Performance of the Company in comparison to BSE Sensex:





# Report on Corporate Governance

## Annexure - C

The distribution of shareholdings as on 31st March, 2018 is as under:

Number of Share of Face Value	Number of Shareholders	% of total Shareholders	Number of Shares	% of total Shares
1	2	3	4	5
1-500	48,504	71.16	89,79,590	3.36
501-1000	8,792	12.90	72,25,477	2.71
1001-2000	4,620	6.78	73,69,004	2.76
2001-3000	2,824	4.14	73,27,660	2.74
3001-4000	884	1.30	31,90,754	1.19
4001-5000	626	0.92	29,78,837	1.12
5001-10000	1,011	1.48	74,70,602	2.80
10001 and above	898	1.32	22,24,89,904	83.32
<b>TOTAL</b>	<b>68,159</b>	<b>100.00</b>	<b>26,70,31,828</b>	<b>100.00</b>

Shareholding pattern as on 31st March, 2018:

Sr. No.	Category	No. of Shares Held	% of Voting Strength
(A)	Shareholding of Promoter & Promoter Group	17,01,22,163	63.71
(1)	Indian	17,01,22,163	63.71
(2)	Foreign	-	-
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>17,01,22,163</b>	<b>63.71</b>
(B)	Public Shareholding		
(1)	Institutions	1,73,78,460	6.51
(2)	Central Government/ State Government(s)/ President of India	17,92,914	0.67
(3)	Non-institutions	7,77,38,291	29.11
	<b>Total Public Shareholding</b>	<b>9,69,09,665</b>	<b>36.29</b>
(C)	Shares held by Custodians and against which Depository Receipts have been issued		
(1)	Promoter and Promoter Group	-	-
(2)	Public	-	-
	<b>Total Shareholding of Custodians and against which Depository Receipts have been issued</b>	<b>-</b>	<b>-</b>
	<b>Total (A) + (B) + (C)</b>	<b>26,70,31,828</b>	<b>100.00</b>

For and on behalf of the Board of Directors,

Sd/-  
**Chirayu Amin**  
 Chairman  
 (DIN: 00242549)

# Report on Corporate Governance

## CODE OF CONDUCT

The Board has adopted code of conduct for all Board Members and Senior Management Personnel of the Company and the said code of conduct is posted on the web site of the Company ([www.alembiclimited.com](http://www.alembiclimited.com)). A declaration signed by the CEO on behalf of the Board of Directors is given below:

"We hereby confirm that:

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct of the Company for the year ended 31st March, 2018 and the copy of the code of conduct is put on the website of the Company at [www.alembiclimited.com](http://www.alembiclimited.com).

On behalf of the Board of Directors,

Sd/-  
**Malika Amin**  
Managing Director & CEO  
(DIN: 00242613)

# Report on Corporate Governance

## CORPORATE GOVERNANCE CERTIFICATE

### To the Members of Alembic Limited

We have examined the compliance of the conditions of Corporate Governance by Alembic Limited for the year ended March 31, 2018 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We state that in respect of investor grievances received during the year ended March 31, 2018, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

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

Sd/-  
**S. Samdani**  
Partner

**Samdani Shah & Kabra**  
Company Secretaries  
FCS No.: 3677; CP No.: 2863  
Vadodara, April 18, 2018

# Independent Auditor's Report

## To the Members of ALEMBIC LIMITED

### Report on the Standalone Indian Accounting Standard (Ind AS) Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of ALEMBIC LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended and a summary of the Significant Accounting Policies and Other Explanatory Information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting 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 and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 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 aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

# Independent Auditor's Report

## 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows 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 Indian Accounting Standards prescribed under Section 133 of the Act.
  - (e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements- Refer Note 32 (B) 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.

**For C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101961W/W-100036

**Himanshu Kishnadwala**  
Partner  
Membership No.37391

Place: Vadodara  
Date: 17th May, 2018

# Annexure "A" to the Independent Auditor's Report

**Referred to in Para I 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Ind AS Financial Statements for the year ended March 31, 2018.**

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.
- (b) As informed to us, the Company has a phased programme of physical verification of its fixed assets so as to cover all assets once in three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- II. As per the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification.
- III. According to the information and explanations given to us, 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. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- V. In our opinion and as explained to us, the Company has not accepted any deposits during the year and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable to the Company.
- VI. We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub section (I) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- VII. According to the information and explanations given to us, in respect of statutory dues:
  - a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax (GST), service tax, custom duty, excise-duty, value added tax (VAT), cess and other statutory dues and there are no undisputed statutory dues outstanding as at March 31, 2018, for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us and the records examined by us, there are no dues of income tax, sales tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax or cess that has not been deposited on account of disputes except the following:

Name of the statute	Nature of dues	Amounts (₹)	Period to which the amounts relates	Forum where dispute is pending
Central Sales Tax Act	Central Sales Tax (Including interest and penalty thereon)	80,16,782	2000-01	Joint Commissioner Appeals
Central Sales Tax Act	Central Sales Tax( Including interest and penalty thereon)	14,42,264	2011-12	Joint Commissioner Appeals
Central Sales Tax Act	Central Sales Tax (Including interest and penalty thereon)	17,30,797	2012-13	Joint Commissioner Appeals

# Annexure "A" to the Independent Auditor's Report

Name of the statute	Nature of dues	Amounts (₹)	Period to which the amounts relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty (Including interest and penalty thereon)	32,52,319	2001-02, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2014-15, 2015-16, 2016-17	Commissioner of Appeals
Central Excise Act, 1944	Excise duty (Including interest and penalty thereon)	44,106	2011-12	CESTAT
Central Excise Act, 1944	Excise duty (Including interest and penalty thereon)	83,24,612	1989-1999	Supreme Court
Central Excise Act, 1944	Excise duty (Including interest and penalty thereon)	35,21,786	2003-04	Supreme Court

- VIII. Based on our audit procedure and according to the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks, Government or dues to debenture holders.
- IX. According to the information and explanations given to us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and no term loans were obtained during the year.
- X. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management.
- XI. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII. In our opinion and according to the information and explanation given to us, the provisions related to Nidhi Company are not applicable.
- XIII. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XV. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him / her. Hence, the provisions of Section 192 of the Act are not applicable.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

**Himanshu Kishnadwala**

Partner

Membership No.37391

Place: Vadodara

Date: 17th May, 2018

# Annexure “B” to the Independent Auditor’s Report

## **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 **ALEMBIC LIMITED** (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors’ Responsibility**

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

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

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

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

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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.



# Annexure “B” to the Independent Auditor’s Report

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements of the Company and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Place: Vadodara

Date: 17th May, 2018

**Himanshu Kishnadwala**

Partner

Membership No.37391

# Balance Sheet

₹ In Lakhs

Particulars	Notes No.	As at 31st March, 2018	As at 31st March, 2017
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipments	3	13,222.65	14,759.96
(b) Capital Work-in-Progress	3	-	16.48
(c) Investment Property	4	4,681.49	2,381.24
(d) Financial Assets			
(i) Investments	5	15,595.95	8,375.87
(ii) Loans	6	26.94	21.93
(iii) Others	7	-	114.83
(e) Other non-current assets-Capital Advances		-	68.68
<b>(2) Current Assets</b>			
(a) Inventories	8	3,240.69	5,060.91
(b) Financial Assets			
(i) Investments	9	11,984.74	10,476.33
(ii) Trade Receivables	10	2,528.86	2,160.28
(iii) Cash and cash equivalents	11	44.17	192.15
(iv) Bank balances other than (iii) above	12	37.32	39.49
(v) Others	13	124.47	20.12
(c) Other Current Assets	14	576.51	1,178.25
(d) Assets held for sale		132.47	-
<b>TOTAL ASSETS</b>		<b>52,196.26</b>	<b>44,866.51</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	15	5,340.64	5,340.73
(b) Other Equity	16	39,528.09	31,431.03
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Other Financial Liabilities	17	412.02	177.70
(b) Provisions	18	80.10	78.11
(c) Deferred Tax Liability (Net)	19	922.98	1,004.96
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	20	1,641.55	1,476.25
(ii) Other Financial Liabilities	21	1,495.20	1,069.10
(b) Other Current Liabilities	22	1,686.32	2,850.52
(c) Provisions	23	1,065.21	1,258.23
(d) Current Tax Liabilities (Net)		24.15	179.87
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>52,196.26</b>	<b>44,866.51</b>
<b>Significant Accounting Policies and Other Explanatory Notes and Informations</b>	<b>I, 2 and 32</b>		

Note: The accompanying notes referred to above which form an integral part of the financial statements

As per our report of even date

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Chirayu Amin**

Chairman

DIN: 00242549

**Malika Amin**

Managing Director & CEO

DIN: 00242613

**Udit Amin**

Director

DIN: 00244235

**Milin Mehta**

Director

DIN: 01297508

For and on behalf of the Board

**C. P. Buch**

Director

DIN: 05352912

**Himanshu Kishnadwala**

Partner

Membership No. 37391

Vadodara : 17th May, 2018

**R. C. Saxsena**

Director

DIN: 06681691

**Abhijit Joshi**

Director

DIN: 06568584

**Rasesh Shah**

Chief Financial Officer

**Drigesh Mittal**

Company Secretary

Vadodara : 17th May, 2018

# Statement of Profit and Loss

₹ In Lakhs

Particulars	Notes No	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>I. Revenue from Operations</b>	<b>24</b>	<b>12,529.52</b>	14,716.35
<b>II. Other Income</b>	<b>25</b>	<b>3,701.27</b>	3,096.85
<b>III. Total Income (I+II)</b>		<b>16,230.79</b>	17,813.20
<b>IV. Expenses</b>			
Cost of Materials Consumed	<b>26</b>	<b>3,985.68</b>	5,097.26
Cost of Construction	<b>27</b>	<b>3,077.57</b>	4,730.41
Changes in Inventories of Finished Goods and Work-in-Progress	<b>28</b>	<b>809.49</b>	(882.02)
Employee Benefit Expenses	<b>29</b>	<b>2,074.20</b>	2,283.45
Finance Costs		<b>16.94</b>	15.83
Depreciation and Amortisation expense	<b>3, 4</b>	<b>377.51</b>	508.72
Other Expenses	<b>30</b>	<b>1,472.03</b>	2,815.45
<b>Total Expenses (IV)</b>		<b>11,813.42</b>	14,569.11
<b>V. Profit Before Exceptional Items and Tax (III-IV)</b>		<b>4,417.37</b>	3,244.08
<b>VI. Exceptional Items - Voluntary Retirement Settlement Payments</b>		-	581.00
<b>VII. Profit Before tax (V-VI)</b>		<b>4,417.37</b>	2,663.09
<b>VIII. Tax Expense</b>			
Current Tax		<b>430.67</b>	38.59
Deferred Tax		<b>30.40</b>	(124.49)
Short / (Excess) provision of tax in respect of earlier years		<b>(221.64)</b>	-
<b>IX. Profit for the year (VII-VIII)</b>		<b>4,177.94</b>	2,748.99
<b>X. Other Comprehensive Income</b>	<b>31</b>		
(A) (i) Items that will not be reclassified to profit or loss		<b>4,443.27</b>	(372.49)
(ii) Income tax relating to items that will not be reclassified to profit or loss		<b>114.22</b>	85.69
(B) (i) Items that will be reclassified to profit or loss		-	(77.73)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	25.70
<b>XI. Total Comprehensive Income for the period (IX + X)</b>		<b>8,735.44</b>	2,410.16
<b>XII. Earning per equity share (FV ₹ 2/- per share) (Refer Note No 32 (G))</b>			
Basic & Diluted ( In ₹)		<b>1.56</b>	1.03
<b>Significant Accounting Policies and Other Explanatory Notes and Information</b>	<b>1, 2 and 32</b>		

Note: The accompanying notes referred to above which form an integral part of the financial statements

As per our report of even date  
**For C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

**Chirayu Amin**  
Chairman  
DIN: 00242549

**Malika Amin**  
Managing Director & CEO  
DIN: 00242613

**Udit Amin**  
Director  
DIN: 00244235

For and on behalf of the Board  
**Milind Mehta**  
Director  
DIN: 01297508  
**C. P. Buch**  
Director  
DIN: 05352912

**Himanshu Kishnadwala**  
Partner  
Membership No. 37391  
Vadodara : 17th May, 2018

**R. C. Saxena**  
Director  
DIN: 06681691

**Abhijit Joshi**  
Director  
DIN: 06568584

**Rasesh Shah**  
Chief Financial Officer  
**Drigesh Mittal**  
Company Secretary

Vadodara : 17th May, 2018

# Statement of Changes in Equity

## A. Equity Share Capital

Particulars	Nos.	₹ In Lakhs
Equity Shares of ₹ 2/- each issued, subscribed and fully paid		
Balance as at 1st April, 2017	267,031,828	5,340.64
Equity Shares Forfeited of ₹ 2/- each	9,365	0.09
Changes in equity share capital during the year	(9,365)	(0.09)
Balance as at 31st March, 2018	267,031,828	5,340.64

## B. Other Equity - Attributable to Owners

₹ In Lakhs

Particulars	Reserve and Surplus				FVOCI Equity Investments Reserve	FVOCI Debt Investments Reserve	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings			
Balance as at 1st April, 2017 (I)	35.00	100.22	17,908.78	7,798.63	5,176.28	412.12	31,431.03
Profit for the year	-	-	-	4,177.94	-	-	4,177.94
Re-measurement of post employment benefit obligation (net of tax)	-	-	-	(6.79)	-	-	(6.79)
Other Comprehensive Income	-	-	-	4.32	4,976.40	(412.12)	4,568.60
Total Comprehensive Income for the year (II)	-	-	-	4,175.47	4,976.40	(412.12)	8,739.75
Equity Dividend (including tax thereon)	-	-	-	(642.79)	-	-	(642.79)
Transfer of amount of Share forfeiture to Capital Reserve	0.09	-	-	-	-	-	0.09
Transaction for the year (III)	0.09	-	-	(642.79)	-	-	(642.70)
Balance as at 31st March, 2018 (I+II+III)	35.09	100.22	17,908.78	11,331.31	10,152.68	-	39,528.09

As per our report of even date

For C N K &amp; Associates LLP

Chartered Accountants

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Malika Amin

Managing Director &amp; CEO

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Rasesh Shah

Chief Financial Officer

Drigesh Mittal

Company Secretary

Vadodara : 17th May, 2018

# Cash Flow Statement

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	4,417.37	2,663.09
Add:		
Depreciation	380.29	512.32
Interest charged	16.94	15.83
(Gain) / Loss on sale of Property, Plant and Equipments	(320.16)	(36.86)
Other Non cash items	(493.93)	36.67
Less:		
Interest Income	(20.63)	(88.61)
Dividend Income	(2,446.45)	(2,525.53)
Operating Profit before change in working capital	1,533.43	576.91
Working capital changes:		
Add / (Less) :		
(Increase) / Decrease in Inventories	1,820.23	2,428.92
(Increase) / Decrease in Trade Receivables	(368.58)	638.69
(Increase) / Decrease in Loans Current Financial Asset	-	510.00
(Increase) / Decrease in Non Current Asset	68.68	(68.68)
(Increase) / Decrease in Other Current Financial Asset	(104.35)	195.07
(Increase) / Decrease in Other Current Asset	601.75	(116.79)
(Increase) / Decrease in Loans Non Current Financial Asset	(5.02)	(4.43)
(Increase) / Decrease in Other Non Current Financial Asset	114.83	(7.66)
Increase / (Decrease) in Trade Payables	165.29	(159.79)
Increase / (Decrease) in Other Current Financial Liabilities	427.61	160.32
Increase / (Decrease) in Other Current Liabilities	(1,319.25)	1,025.09
Increase / (Decrease) in Current Provisions	(193.02)	33.76
Increase / (Decrease) in Non Current Provisions	(6.64)	(28.37)
Cash generated from operations	2,734.96	5,183.04
Add / (Less) :		
Direct taxes paid (Net of refunds)	(364.08)	(20.41)
Net cash inflow from operating activities (A)	2,370.88	5,162.63
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Add:		
Proceeds from sale of Property, Plant and Equipments	1,507.14	49.56
Proceeds from sale / redemption of Investment	6,575.79	3,579.42
Interest received	20.63	88.61
Dividend received	2,446.45	2,525.53
Less:	10,550.01	6,243.12
Purchase of Property, Plant & Equipments /increase in Capital Work in Progress	2,446.36	1,431.98
Purchase of Investments (Net)	10,358.47	9,480.61
	12,804.83	10,912.59
Net cash inflow from Investing activities (B)	(2,254.82)	(4,669.46)

# Cash Flow Statement

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Add:</b>		
Proceeds from Long Term Liabilities	234.32	5.37
<b>Less:</b>		
Dividends paid (including distribution tax)	483.59	485.13
Interest and other finance costs	16.94	15.83
	500.53	500.96
<b>Net cash inflow from Financing activities (C)</b>	<b>(266.21)</b>	<b>(495.59)</b>
<b>I. Net (decrease) / Increase in cash and cash equivalents (A+B+C)</b>	<b>(150.15)</b>	<b>(2.43)</b>
<b>II. Add: Cash and cash equivalents at the beginning of the period</b>	<b>192.15</b>	<b>191.73</b>
<b>Other Bank Balances</b>	<b>39.49</b>	<b>42.35</b>
	<b>231.64</b>	<b>234.08</b>
<b>III. Cash and cash equivalents at the end of the period</b>	<b>44.17</b>	<b>192.15</b>
<b>Other Bank Balances</b>	<b>37.32</b>	<b>39.49</b>
	<b>81.49</b>	<b>231.64</b>

Note: The accompanying notes referred to above which form an integral part of the financial statements

As per our report of even date

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Chirayu Amin**

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**Rasesh Shah**

Chief Financial Officer

**Drigesh Mittal**

Company Secretary

Vadodara : 17th May, 2018

## I Company Overview and Significant Accounting Policies:

### I.1 Description of Business

The Company is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Alembic Road, Vadodara 390003, Gujarat. The Company is dealing in Active Pharmaceutical Ingredient (API) Business and Real Estate Business.

### I.2 Basis of Preparation

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Effective April 1, 2016, the Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

### I.3 Composition of Financial Statements

The financial statements are drawn up in INR, the functional currency of the Company, and in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity
- Statement of Cash Flow
- Notes to Financial Statements

### I.4 Significant Accounting Policies and Other Explanatory Notes

#### I Significant Accounting Policies

##### a) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sales are disclosed inclusive of excise duty, but net of sales returns, service tax, value added tax, central sales tax and Goods and Service Tax(GST).

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Income from operations includes revenue earned on account of job work income and rent income which is accounted as per the terms agreed with the customers, Export benefits available under prevalent schemes are accounted to the extent considered receivable.

# Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

Revenue from Real Estate Projects is recognized based on sold areas as per the percentage completion method. The stage of completion is determined as per the proportion of the cost of construction and development actually incurred till reporting date and the total estimated cost of construction and development of the project. The total estimated cost of the project is estimated based on the technical and other estimates of saleable areas, costs, etc. The estimates of costs are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined.

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease. Revenue from lease rentals is disclosed net of indirect taxes, if any.

Revenue from Project Management and Consultancy services is recognized based on the terms and conditions set out in the agreement executed with the service receiver. The revenue is based on one or both of the following components; i.e., at a fixed percentage of total invoicing done by the service receiver and a fixed percentage of the total direct and indirect expenses incurred by the service receiver.

Income from Sale of Wind Operated Power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board as per the agreement.

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on foreign currency transactions. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

## b) Foreign Currency Transactions

Transactions in foreign currencies are initially recorded by the Company at the rate of exchange prevailing on the date of the transaction.

Monetary assets and monetary liabilities denominated in foreign currencies remaining unsettled at the end of the year are converted at the exchange rate prevailing on the reporting date.

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

## c) Employee Benefits

### (i) Defined Benefit Obligation Plans:

#### Gratuity

The Company operates a defined benefit gratuity plan which requires contributions to be made to a separately administered fund by the Life Insurance Corporation of India (LIC) and HDFC Standard Life Insurance Company Limited.

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 remeasurement as result of the actual experience and the assumed parameters and changes in the assumptions used for valuation are recognised in the Other Comprehensive Income (OCI).

#### Provident Fund

The Company's contribution to provident fund, administered through a Company managed trust, is recognised as an expense in the Statement of Profit and Loss.



# Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

## Compensated absences

The Company has a policy to allow accumulation of leave by employees up to certain days. The excess leave will either be encashed or funded by the Company to LIC for and on behalf of employees. Accordingly, the excess leave liability is discharged by the Company upon such funding to LIC. Remaining accumulated leave liability (other than sick leave) as at the year end is provided as per actuarial valuation. Accumulated sick leave is provided for at actual in the Statement of Profit and Loss.

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

Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognizes these actuarial gains and losses in the Statement of Profit and Loss, as income or expense.

## (ii) Defined Contribution Plan:

Superannuation fund is administered by the HDFC Standard Life Insurance Company Limited. The contribution to Superannuation fund, Contribution to pension fund, ESIC and Labour Welfare Fund are recognised as an expense in the Statement of Profit and Loss.

## d) Property, Plant and Equipments

Property, plant and equipments are recorded at cost of acquisition / construction less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price net of creditable Cenvat, Service Tax, Value Added Tax/Goods and services tax if any, and any attributable cost of bringing the assets to its working condition for its intended use.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipments. Otherwise, such items are classified as inventory.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

## e) Assets held for sale

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques which includes unobservable inputs.

## f) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties are depreciated using the straight-line method over their estimated useful lives. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. The Company has used government registration rates for the purpose of determining fair value of Land and Buildings.

## g) Depreciation / Amortisation on Property, Plant & Equipments and Investment Properties

Depreciation on property, plant & equipments and investment properties is provided on Straight Line Basis as per the useful life prescribed in schedule II of the Companies Act 2013. Depreciation on these assets have been provided on the net restated book value prospectively over the remaining useful life as per Schedule II of Companies Act 2013. Freehold land is not depreciated.

# Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

## h) Capital Work-in-Progress

Projects under construction wherein assets are not ready for use in the manner as intended by the management are shown as Capital Work-In-Progress.

## i) Leases

### (i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charge to profit / loss accounts as are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### (ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on transaction value as the lease receipts are structured to increase in line with expected general Inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet as investment property.

## j) Fair Value Measurement

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.

## k) Impairments of Non-Current Assets

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## l) Inventories

All Inventories are valued at the lower of cost and net realisable value.

Raw materials, Stores and Spares and Packing Materials are valued at lower of cost determined on weighted average basis and net realisable value.

Work in process is valued at cost plus appropriate share of labour and manufacturing overheads.

Finished Goods are valued at cost plus appropriate share of labour, manufacturing overheads and excise duty thereon.

Construction work in progress is valued at cost and net realisable value whichever is lower. The cost is determined considering proportionate, cost of value of land, direct construction cost, development expenses and attributable indirect expenses.

# Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**m) Trade Receivables**

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. Provision for allowances 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 Statement of Profit and Loss Account.

**n) Cash and Cash equivalents**

Cash and cash equivalents include cash at bank and cash in hand and highly liquid interest-bearing securities with maturities of three months or less from the date of inception/acquisition.

**Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from the operating, investing and financing activities of the Company are segregated.

In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

**o) Borrowing Costs**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**p) Taxation**

**i) Current Income Tax**

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously

**ii) Deferred Tax**

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 assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The benefit of credit against the payment made towards Minimum Alternate Tax (MAT) for the earlier years is available in accordance with the provisions of the section 115J (AA) of income tax act 1961

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

over the period of subsequent 15 assessment year and it is recognised to the extent of probability of its utilization in future and to the extent of Deferred Tax Liability (DTL).

**q) Financial Instruments**

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

**(i) Financial Assets**

**(a) 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 or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e, the date that the Company commits to purchase or sell the asset.

**(b) Subsequent measurement**

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

**- Financial Assets 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.

**- 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.

**(c) De-recognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

**(d) Impairment**

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through Profit and Loss / OCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is treated as an impairment gain or loss in Statement of Profit and Loss.

# Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

## (ii) Financial Liabilities

### (a) Initial recognition and measurement

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

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

### (b) 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.

### (c) De-recognition

A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

## r) Segment reporting

Operating Segments are identified based on monitoring of operating results by the Chief Operating Decision Maker (CODM) separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the Company.

## s) Provisions, Contingent liabilities and Assets

### (i) 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

### (ii) 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.

### (iii) Contingent Assets:

Contingent Assets are not recognised but are disclosed in the notes to the financial statements.

# Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

## t) 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 are 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. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## 1.5 Key Accounting Judgments, Estimates and Assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

## 2 Recent Accounting Pronouncements:

### Ind AS 115. Revenue from contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs (MCA), has notified the Ind AS 115, Revenue from contracts with Customers. The core principal of new standard is that an Entity should recognise the revenue to depict the transfer of promised goods or services to Customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flow arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018 using cumulative catchup transition method and accordingly comparative for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 on the operation of the Company is being assessed by the Company.

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**3 Property, Plant and Equipments (PPE):**

₹ In Lakhs

Particulars	Free Hold Land	Buildings	Employees Quarters	Plant and Equipments	Wind Mill	Furniture and Fixtures	Office Equipments	Vehicles	Total	Capital work in progress
Gross Carrying amount as at 1 April, 2017	11,751.63	411.59	1.91	3,307.37	294.92	41.27	20.73	3.97	15,833.40	16.48
Additions	-	10.85	-	47.96	-	8.19	0.70	65.77	133.48	33.85
Disposals *	-	(48.75)	-	(1,490.47)	-	-	-	-	(1,539.21)	-
Transfer	-	-	-	-	-	-	-	-	-	(50.33)
Gross Carrying amount as at 31 March, 18	11,751.63	373.69	1.91	1,864.86	294.92	49.46	21.43	69.75	14,427.66	-
Accumulated Depreciation as at 1 April, 17	-	46.70	0.46	953.94	34.87	25.75	10.25	1.46	1,073.44	-
Depreciation charge for the year #	-	19.85	0.23	305.47	17.44	5.51	0.17	2.68	351.35	-
Disposals *	-	(2.39)	-	(217.38)	-	-	-	-	(219.77)	-
Accumulated Depreciation as at 31 March, 18	-	64.16	0.69	1,042.03	52.31	31.26	10.42	4.14	1,205.02	-
Net Carrying Amount as at 31 March, 18	11,751.63	309.53	1.22	822.83	242.61	18.20	11.01	65.61	13,222.65	-
Net Carrying Amount as at 1 April, 17	11,751.63	364.89	1.45	2,353.42	260.04	15.52	10.49	2.51	14,759.96	16.48

Note:

- Property, Plant and Equipments as recognized in financial statements as at the date of transition to Ind ASs measured as per the previous GAAP and use that as its deemed cost as at the date of transition and accordingly, Presentation has been made during the year (with corresponding restatement of comparative amounts).
  - Sales proceeds are deducted from gross cost where cost is unascertainable.
  - Buildings: include ₹ 0.025 Lakhs being cost of bonds of Morning Star Co-Operative Housing Society Limited.
- # Of the above ₹ 2.78 Lakhs (₹ 3.60 Lakhs) has been transferred to Cost of Construction in the Statement of Profit and Loss.
- \* Disposal includes net block of ₹ 132.47 lakhs transferred to Assets held for sale at lower of its carrying amount and fair value less cost to sale.

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**4 Investment Property :**

₹ In Lakhs

Particulars	Free Hold Land	Buildings	Plant and Equipments	Capital work in progress	Total
<b>Gross Carrying amount as at 1 April, 2017</b>	<b>725.95</b>	<b>785.60</b>	<b>93.18</b>	<b>834.28</b>	<b>2,439.01</b>
Additions	-	-	-	2,329.36	2,329.36
Transfer to Stock in trade	(0.17)	-	-	-	(0.17)
<b>Gross Carrying amount as at 31 March, 18</b>	<b>725.79</b>	<b>785.60</b>	<b>93.18</b>	<b>3,163.64</b>	<b>4,768.20</b>
<b>Accumulated Depreciation as at 1 April, 17</b>	<b>-</b>	<b>29.09</b>	<b>28.68</b>	<b>-</b>	<b>57.77</b>
Depreciation charge for the year	-	14.60	14.34	-	28.94
<b>Accumulated Depreciation as at 31 March, 18</b>	<b>-</b>	<b>43.69</b>	<b>43.02</b>	<b>-</b>	<b>86.71</b>
<b>Net Carrying Amount as at 31 March, 18</b>	<b>725.79</b>	<b>741.91</b>	<b>50.16</b>	<b>3,163.64</b>	<b>4,681.49</b>
<b>Net Carrying Amount as at 1 April, 17</b>	<b>725.95</b>	<b>756.51</b>	<b>64.50</b>	<b>834.28</b>	<b>2,381.24</b>

**Note:**

- Investment Properties as recognized in financial statements as at the date of transition to Ind ASs measured as per the previous GAAP and use that as its deemed cost as at the date of transition and accordingly, Presentation has been made during the year (with corresponding restatement of comparative amounts).
- Refer Note No. 32 (P) for other disclosures.

**Non-Current Financial Assets****5 Investments:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>(A) Investment at fair value through Other Comprehensive Income (fully paid)</b>		
<b>(a) Equity Shares (Fully paid up):</b>		
<b>Quoted:</b>		
- Jyoti Limited (CY & PY : 84,900 Nos. Equity Shares)	<b>55.99</b>	43.21
- Panasonic Energy India Company Limited (CY & PY: 72,824 Nos. Equity Shares)	<b>252.70</b>	208.39
- Kerbs Biochemicals Limited ( CY & PY: 100 Nos. Equity Shares)	<b>0.17</b>	0.09
- Paushak Limited ( CY & PY: 6,10,615 Nos. Equity Shares)	<b>7,901.36</b>	3,536.38
	<b>8,210.22</b>	3,788.06
<b>Unquoted:</b>		
- Alembic Employees Co-op. Supply Society Limited ( CY & PY: 100 Nos. Equity Shares)	<b>0.01</b>	0.01
- Co-Operative Bank of Baroda Limited ( CY & PY: 100 Nos. Equity Shares)	<b>0.03</b>	0.03
- Gujarat Export Corporation Limited ( CY & PY: 12,210 Nos. Equity Shares)	<b>1.14</b>	1.14
- Pran Agro Services Private Limited ( CY & PY: 18 Nos. Equity Shares) #	<b>0.00</b>	0.00
- Pragati Sahakari Bank Limited ( CY & PY: 500 Nos. Equity Shares)	<b>0.05</b>	0.05
- Baroda Industrial Development Corporation Limited ( CY & PY: 6 Nos. Equity Shares)	<b>0.06</b>	0.06
- Ganesh Co-op Housing Society Limited ( CY & PY: 2 Nos. Equity Shares) #	<b>0.00</b>	0.00



## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
- Gujarat Urban Housing Company ( CY & PY: 10 Nos. Equity Shares)	0.01	0.01
- Morning Star Co-op. Housing Society Limited ( CY & PY: 1 Nos. Equity Shares) #	0.00	0.00
- Shreno Limited ( CY 10,16,732 & PY: 7,62,549 Nos. Equity Shares) - (Note 1)	3,513.99	2,613.01
- Sierra Investments Private Limited ( CY NIL & PY: 100 Nos. Equity Shares)	-	0.24
	3,515.29	2,614.55
<b>(b) Preference Shares (Fully paid up):</b>		
<b>Unquoted:</b>		
- 5% Non-Cumulative Redeemable Preference Share of Pran	0.50	0.50
Agro Services Private Limited (CY 100 & PY : 100 Nos. Preference Shares)		
Less: Provision for diminution in value of Investment	-	(0.50)
- 1% Optionally Convertible Preference Shares (OCPS) of Shreno Limited	-	871.00
(CY NIL & PY : 762,549 Nos. Preference Shares) - (Note 1)		
	0.50	871.00
<b>(B) Investment valued at Cost</b>		
<b>(a) Equity Shares (Fully paid up):</b>		
<b>In Associate Companies</b>		
<b>Quoted:</b>		
- Alembic Pharmaceuticals Limited (CY 5,55,00,000 & PY: 5,50,00,000 Nos. Equity Shares) - (Note 2)	3,859.87	1,100.00
<b>Unquoted:</b>		
- Alembic Exports Limited (PY: 22,500 Nos. Equity Shares) - (Note 3)	-	2.25
<b>In Subsidiary Company</b>		
<b>Unquoted:</b>		
- Alembic City Limited (CY 50,000 Nos. Equity Shares) - (Note 3)	10.07	-
(Earlier known as Alembic Exports Limited)		
<b>Total Investments</b>	<b>15,595.95</b>	<b>8,375.87</b>
<b>Aggregate amount of quoted investments</b>	<b>12,070.09</b>	<b>4,888.06</b>
<b>Aggregate market value of quoted investments</b>	<b>310,685.22</b>	<b>334,393.06</b>
<b>Aggregate amount of unquoted investments</b>	<b>3,525.86</b>	<b>3,487.81</b>

# Amount less than Rupees One Thousand.

Note 1 :- During the year, 1% OCPS of Shreno Limited (7,62,549 nos) were converted into Equity Shares (2,54,183 nos) upon exercise of option by the Company.

Note 2 :- During the year, the Company has acquired additional 5,00,000 shares at a cost of ₹ 2,759.87 lakhs.

Note 3 :- During the year, the Company acquired 55% of Equity Shares of Alembic City Limited ( Earlier known as Alembic Exports Limited) resulting into it becoming a wholly owned subsidiary of the Company.

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**6 Loans: (Unsecured, considered good)**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Security Deposits	26.94	21.93
	<b>26.94</b>	<b>21.93</b>

**7 Other Financial Assets:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Term Deposits	-	114.73
Deferred Expenses	-	0.10
	<b>-</b>	<b>114.83</b>

**8 Inventories: (Basis of valuation - Refer Note No. 1.4 (I) I)**

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Raw Materials *	307.79	416.50
(b) Raw Materials in Transit	-	11.25
(c) Packing Materials	5.88	10.71
(d) Finished Goods *	1,095.80	1,905.29
(e) Stores and spares	315.08	208.19
<b>Real Estate</b>		
(f) Construction Project Work-in-Progress	1,516.14	2,508.96
	<b>3,240.69</b>	<b>5,060.91</b>

\* The cost of inventory recognised as an expense during the year was ₹ 213.94 Lakhs ( PY NIL ).

**Current Financial Assets****9 Investments:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Investment in Mutual Funds at Fair Value through Profit or Loss</b>		
<b>Mutual Funds (Quoted)</b>		
- Debt Funds	11,488.56	10,476.33
- Equity Funds	496.18	-
	<b>11,984.74</b>	<b>10,476.33</b>

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**10 Trade Receivables: (Unsecured)**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Considered Good</b>		
- Receivable from Related Parties (Refer note no 32 (D))	685.61	983.39
- Others	1,843.25	1,176.89
	2,528.86	2,160.28
<b>Considered doubtful</b>	13.86	23.54
Less : Allowance for Doubtful debts - (Expected Credit Loss Allowance)	(13.86)	(23.54)
	2,528.86	2,160.28

**11 Cash and Cash Equivalents:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance with banks	42.96	190.97
Cash on hand	1.22	1.18
	44.17	192.15

**12 Bank Balances:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Other Bank Balances</b>		
- Bank deposits	0.80	1.47
In earmarked accounts		
- Balances held in unpaid dividend accounts	36.52	38.02
	37.32	39.49

**13 Others:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Term Deposits	122.97	-
Balance with Gratuity Fund	-	18.12
Others	1.50	2.00
	124.47	20.12

**14 Other Current Assets:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance to Employees	2.66	5.22
Advance to Suppliers	186.05	346.52
Balance with Government authorities	321.01	636.53
Prepaid Expenses	30.38	27.89
Others Receivables	36.40	162.09
	576.51	1,178.25

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**15 Equity Share Capital:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>a) Authorized</b>		
30,00,00,000 - Equity shares of ₹ 2/- each	<b>6,000.00</b>	6,000.00
	<b>6,000.00</b>	6,000.00
<b>b) Shares issued, subscribed and fully paid</b>		
26,70,41,193 - Equity shares of ₹ 2/- each	<b>5,340.82</b>	5,340.82
	<b>5,340.82</b>	5,340.82
<b>c) Shares fully paid</b>		
26,70,31,828 - Equity shares of ₹ 2/- each	<b>5,340.64</b>	5,340.64
9,365 - Forfeited Equity shares of ₹ 2/- each (Refer below note 1)	-	0.09
	<b>5,340.64</b>	5,340.73

**Note 1:-** The balance lying to the credit of Share forfeiture account was pertaining to shares forfeited more than 10 years back. The Company does not have any intention of re-issuing these shares and hence during the year the balance is transferred to Capital Reserve.

**d) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.**

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
At the beginning of the period	<b>267,031,828</b>	<b>5,340.64</b>	267,031,828	5,340.64
At the end of the period	<b>267,031,828</b>	<b>5,340.64</b>	267,031,828	5,340.64

**e) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital;**

The Company is having only one class of shares i.e Equity carrying a nominal value of ₹ 2/- 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 the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

The Company declares and pays dividend as approved by the shareholders at the Annual General Meeting. During the year ended 31st March, 2018 an amount of ₹ 0.20 of dividend per equity share was paid for Financial Year 2016-17.

**f) Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held**

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Numbers	% held	Numbers	% held
Nirayu Private Limited	<b>109,790,733</b>	<b>41.12%</b>	38,015,263	14.24%
Shreno Limited	<b>36,737,560</b>	<b>13.76%</b>	36,737,560	13.76%
Whitefield Chemtech Private Limited	-	-	36,570,460	13.70%
Sierra Investments Private Limited	-	-	34,335,340	12.86%

**g) Shares allotted as fully paid up (during 5 years preceeding March 31, 2018)**

In the Financial Year 2013-14, the Company has allotted 13,35,15,914 equity shares as fully paid up bonus shares by capitalisation of General Reserves ₹ 2,670.32 lakhs.

**h) Buy-back of Shares**

The Board of Directors of the Company had approved the proposal for Buy-back of Equity Shares at its meeting held on 23rd January, 2018. The same was approved by the members through Postal Ballot, the result of which was declared on 12th March, 2018. In furtherance to the said approval, the Company has completed the settlement for Buy-back of 1,02,50,000 Equity Shares of ₹ 2/-

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

each (representing 3.84 % of total pre Buy-back paid up Equity Capital) from the shareholders on a proportionate basis by way of a tender offer at a price of ₹ 80/- per Equity Share for an aggregate amount of ₹ 82 crores, on 9th May, 2018 in accordance with the provisions of the Companies Act, 2013 and the SEBI (Buy Back of Securities) Regulations, 1998.

**16 Other Equity:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>a) Capital Reserve</b>		
Balance as per the last financial statements	35.00	1,628.72
Addition during the year (Refer Note 15 (c )(I))	0.09	-
Transfer to General Reserve	-	(1,593.72)
	35.09	35.00
<b>b) Capital Redemption Reserve</b>		
Balance as per the last financial statements	100.22	100.22
	100.22	100.22
<b>c) Business Restructuring Reserve</b>		
Balance as per the last financial statements	-	8,996.94
Adjustment on account of profit on sale of assets devalued earlier	-	10.07
Inter Reserve Transfer (Refer Note 32 (O))	-	(9,007.00)
	-	-
<b>d) General Reserve</b>		
Balance as per the last financial statements	17,908.78	7,308.06
Transferred from Capital Reserve	-	1,593.72
Transferred from Business Restructuring Reserve (Refer Note 32 (O))	-	9,007.00
	17,908.78	17,908.78
<b>e) Retained Earnings</b>		
Balance as per the last financial statements	7,798.63	5,565.26
Profit for the year	4,177.94	2,748.99
Items of Other Comprehensive Income		
Remeasurements of post-employment benefit obligation, net of tax	(6.79)	(33.52)
Others	4.32	-
Less: Appropriations		
- Equity Dividend including tax thereon (CY ₹ 0.20 per share)	(642.79)	(482.09)
(PY: ₹ 0.15 per share)		
	11,331.31	7,798.63
<b>f) FVOCI - Investment Reserve</b>		
Balance as per the last financial statements	5,588.40	5,893.71
Changes in fair value of FVOCI instruments (net of tax)	4,564.28	(305.31)
	10,152.68	5,588.40
<b>Total</b>	<b>39,528.09</b>	<b>31,431.03</b>

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**17 Non Current - Other Financial Liabilities:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Security Deposits</b>		
- From related parties (Refer note no 32 (D))	21.42	5.36
- From others	230.13	136.66
	251.55	142.02
<b>Deferred Income Liability</b>	160.47	35.69
	412.02	177.70

**18 Non Current Provisions:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Provision for employee benefits</b>		
- Provision for Compensated absences	80.10	78.11
	80.10	78.11

**19 Deferred Tax Liability (Net):**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Deferred Tax Liabilities</b>		
- Depreciation	517.31	532.32
- Financial Assets at FVOCI	922.98	1,035.36
- Financial Assets at FVTPL	134.47	-
<b>Sub Total (a)</b>	1,574.76	1,567.68
<b>Deferred Tax Assets</b>		
- Provision for doubtful debts	(4.04)	(7.78)
- Deferred Revenue Expenses	(129.04)	(200.56)
- Unused Tax credit (MAT)	(185.19)	-
- Others	(333.51)	(354.37)
<b>Sub Total (b)</b>	(651.78)	(562.71)
<b>Total (a+b)</b>	922.98	1,004.96

**Current Financial Liabilities****20 Trade Payables:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Total outstanding due to Micro and Small Enterprises (Refer Note no 32 (J))	-	-
Total outstanding due to other than Micro and Small Enterprises	1,641.55	1,476.25
	1,641.55	1,476.25

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NOTES FORMING PART OF FINANCIAL STATEMENTS

**21 Other Financial Liabilities:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Book Overdraft with Banks	214.68	-
Unpaid Dividend	36.52	38.02
<b>Security Deposits</b>		
- from related parties (Refer note no 32 (D))	1,238.97	955.32
- from others	5.04	75.76
	<b>1,495.20</b>	<b>1,069.10</b>

**22 Other Current Liabilities:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Statutory Liabilities	237.82	72.40
Others Liabilities	315.93	319.64
Advance from customers	1,132.57	2,458.49
	<b>1,686.32</b>	<b>2,850.52</b>

**23 Current Provisions:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Provision for employee benefits</b>		
- Provision for gratuity	15.50	-
- Provision for Compensated absences	23.39	25.37
- Others	35.05	41.05
	<b>73.95</b>	<b>66.42</b>
<b>Others</b>	<b>991.26</b>	<b>1,191.81</b>
	<b>1,065.21</b>	<b>1,258.23</b>

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**24 Revenue From Operations:**

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>Sale of products</b>		
- Domestic *	5,428.85	5,917.38
- Exports	198.90	123.78
- Real Estate Development	3,867.07	5,670.40
<b>Export Incentives</b>	6.62	3.14
<b>Sale of Services</b>		
- Job Work Income	425.84	697.44
- Rent	1,378.97	1,122.80
<b>Other Operating Revenues</b>		
- Project Management Consultancy Income	627.00	613.13
- Others	596.27	568.28
<b>Total Revenue from Operations</b>	<b>12,529.52</b>	<b>14,716.35</b>

\* With effect from 1st July, 2017 Goods and Service Tax (GST) was introduced and hence, the revenue from operations for the period 01.07.17 to 31.03.18 is net of GST. However, the revenue from operations for the period of 01.04.17 to 30.06.17 includes excise duty recovered on sales of ₹ 178.17 lakhs and for the year ended 31st March, 2017 includes excise duty recovered on sales of ₹ 584.54 lakhs.

**25 Other Income:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Interest Income	20.63	88.61
Dividend Income	2,446.45	2,525.53
Fair Value change of investment held for trading	493.93	(37.69)
Profit / (Loss) on sale of Investments (Net)	138.85	169.88
<b>Other Non Operating Income</b>		
- Net gain on Foreign Currency Transactions	32.58	38.61
- Gain on sale of Property, Plant and Equipments (Net)	320.16	36.86
- Others	248.67	275.04
	<b>3,701.27</b>	<b>3,096.85</b>

**26 Cost of Material Consumed:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Inventory at the beginning of the year	427.21	1,252.47
Add : Purchases	3,872.14	4,272.00
	<b>4,299.35</b>	<b>5,524.47</b>
Less: Inventory at the end of the year	313.67	427.21
	<b>3,985.68</b>	<b>5,097.26</b>



## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**27 Cost of Construction:**

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Opening Construction Work-in-Progress	2,508.96	4,819.25
Add : Construction Expenses incurred during the year	2,084.74	2,420.12
Less : Closing Construction Work-in-Progress	1,516.14	2,508.96
<b>Cost of Construction</b>	<b>3,077.57</b>	<b>4,730.41</b>

**28 Changes in Inventories of Finished Goods /Work in Progress:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>Inventory at the end of the year</b>		
- Work in Progress	-	-
- Finished Goods	1,095.80	1,905.29
<b>(a)</b>	<b>1,095.80</b>	<b>1,905.29</b>
<b>Inventory at the beginning of the year</b>		
- Work in Progress	-	10.65
- Finished Goods	1,905.29	1,012.63
<b>(b)</b>	<b>1,905.29</b>	<b>1,023.27</b>
<b>(b-a)</b>	<b>809.49</b>	<b>(882.02)</b>

**29 Employee Benefits Expenses:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Salary, Wages, Bonus and Others etc. (Refer Note 32 (U))	1,946.00	2,154.12
Contribution to Provident and other funds	77.90	87.30
Staff Welfare	50.30	42.03
	<b>2,074.20</b>	<b>2,283.45</b>

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**30 Other Expenses:**

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Consumption of Stores, spares, laboratory material and Analytical Expenses	131.96	281.77
Power and Fuel (Net)	110.98	546.27
<b>Repairs and Maintenance</b>		
- Machinery	191.07	262.21
- Building	35.59	36.56
- Others	249.59	130.47
Marketing, Publicity Expenses and Selling Commission	33.63	89.60
Excise Duty (Including excise duty on opening/closing Stock)	(22.38)	687.52
Rent	23.05	38.82
Rates and Taxes	240.60	214.33
Insurance	51.30	50.50
Travelling Expense	19.70	79.89
Legal & Professional Fees	219.74	251.59
Payment to Auditors (Refer note no 32 (F))	15.03	13.35
Bad Debts written off	-	3.31
Provision for Bad Debts/written back	(2.42)	14.63
Contribution for CSR related activities (Refer note no 32 (E))	16.14	24.44
Miscellaneous Expenses	158.45	90.19
	<b>1,472.03</b>	<b>2,815.45</b>

**31 Other Comprehensive Income:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>Items that will not be reclassified to Profit and Loss</b>		
Changes in fair value of FVOCI instruments	4,451.90	(330.38)
Income Tax relating to this item	112.38	77.10
Re-measurements of post-employment benefit obligations	(8.63)	(42.11)
Income Tax relating to this item	1.84	8.59
<b>(a)</b>	<b>4,557.50</b>	<b>(286.80)</b>
<b>Items that will be reclassified to Profit and Loss</b>		
Changes in fair value of FVOCI instruments	-	(77.73)
Income Tax relating to this item	-	25.70
<b>(b)</b>	<b>-</b>	<b>(52.03)</b>
<b>(a + b)</b>	<b>4,557.50</b>	<b>(338.83)</b>

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**32 Other Explanatory Notes & Informations:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>A Commitments</b>		
<b>a) Capital Commitments</b>		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
- Property, Plant and Equipments	-	5.64
- Investment Property	504.00	1,121.61
	504.00	1,127.25
<b>B Contingent Liabilities</b>		
a) Wage revision and reinstatement of employees and other demands	Unascertained	Unascertained
b) Letter of Credit, Guarantees and counter guarantees	256.48	507.59
c) Liabilities Disputed in appeals:		
- Excise Duty	152.98	471.71
- Sales Tax	123.76	150.34
- Income Tax	703.72	704.83
- Green Cess	19.29	19.29
d) Claims against the Company not acknowledged as debt	6,949.12	6,145.92

**C Disclosure pursuant to Ind AS 17 - Leases:**

The Company has obtained premises for its business operations under operating lease or leave and license agreements. These are not non-cancellable and are renewable by mutual consent on mutually agreeable terms.

Lease payments are recognised in Statement of Profit and Loss under the head "Rent Expense" in note no 30.

**D Related Party Disclosures:**

List of Related Parties with whom the Company has entered into transactions during the year.

(a) **Controlling Companies** : There is no Controlling Company

(b) **Subsidiary and Fellow Subsidiary: Alembic City Limited (Earlier known as Alembic Exports Limited)**

(c) **Associate Companies**

1. Alembic Pharmaceuticals Limited

2. Alembic City Limited ((Earlier known as Alembic Exports Limited) upto 20.07.2017)

(d) **Other Related Parties:**

1. Shreno Limited

5. Whitefield Chemtech Private Limited (Upto 12.12.2017)

2. Nirayu Private Limited

6. Sierra Investments Private Limited (Upto 12.12.2017)

3. Paushak Limited

7. Sierra Healthcare Limited (Upto 09.05.2017)

4. Shreno Publications Limited

8. Quick Flight Limited (Upto 09.05.2017)

# Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**(e) Key Managerial Personnel**

1. Shri Chirayu Amin	Chairman
2. Smt. Malika Amin	Managing Director and Chief Executive Officer
3. Shri Udit Amin	Non-Executive Director (Managing Director upto 31st January, 2017)
4. Shri Milin Mehta	Independent Director
5. Shri C.P. Buch	Independent Director
6. Shri R.C.Saxena	Independent Director
7. Shri Sameer Khara	Independent Director
8. Shri Abhijit Joshi	Director
9. Shri Rasesh Shah	Chief Financial Officer
10. Shri Drigesh Mittal	Company Secretary

**(f) Relatives of Key Managerial Personnel**

1. Shri Pranav Amin
2. Shri Shaunak Amin

**(g) Key Managerial Personnel Compensation**

₹ In Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Short-term employee benefits	293.58	289.23
Terminal Benefits	15.54	5.02
Other Benefits	13.60	9.50
<b>Total Compensation</b>	<b>322.72</b>	<b>303.75</b>

**(h) Transactions with Related Parties**

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business

<b>Subsidiary - Alembic City Limited (Earlier known as Alembic Exports Limited)</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
i) Rent Income	0.46	-
ii) Investments in Equity Shares	7.82	-
<b>Associate - Alembic Pharmaceuticals Limited</b>	<b>For the year ended 31st March, 2018</b>	<b>For the year ended 31st March, 2017</b>
i) Purchase of Goods	213.96	290.99
ii) Sale of Goods	5,005.71	5,411.42
iii) Sale of Property, Plant and Equipments	-	6.49
iv) Rendering of services	772.16	318.39
v) Reimbursement of Expenses	78.09	90.95
vi) Rent Income	617.91	513.80
vii) Dividend Income	2,200.00	2,200.00
viii) Security Deposit Received	284.10	88.20
ix) Investment in Equity Shares	2,759.87	-

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Key Managerial Personnel and their relatives	Name of Parties	For the year ended 31st March, 2018	For the year ended 31st March, 2017
i) Managerial Remuneration			
	Smt. Malika Amin	144.37	21.46
	Shri Udit Amin [Refer Note 32(U)]	110.00	229.34
	Shri Rasesh Shah	44.48	34.92
	Shri Drigesh Mittal	10.26	8.53
ii) Dividend Paid			
	Shri Chirayu Amin	17.39	13.04
	Smt. Malika Amin	12.02	9.02
	Others	12.10	9.07
iii) Sitting Fees			
	Shri Chirayu Amin	1.30	1.00
	Smt. Malika Amin	-	1.00
	Shri Udit Amin	1.60	-
	Shri Milin Mehta	2.90	1.70
	Shri C.P.Buch	2.90	2.50
	Shri R.C.Saxena	2.40	1.90
	Shri Sameer Khera	1.30	0.60
	Shri Abhijit Joshi	1.20	0.80

## Significant Transactions with Other Related Parties

Other Related Parties	Name of Parties	For the year ended 31st March, 2018	For the year ended 31st March, 2017
i) Purchase of Goods			
	Paushak Limited	7.95	6.60
	Sierra Investment Private Limited	0.11	7.73
	Others	0.38	-
ii) Sale of Goods			
	Paushak Limited	14.03	9.88
	Shreno Limited	0.11	1.55
	Nirayu Private Limited	-	27.08
iii) Sale of Property, Plant and Equipments			
	Paushak Limited	17.59	53.17

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Other Related Parties	Name of Parties	For the year ended 31st March, 2018	For the year ended 31st March, 2017
iv) Rendering of services			
	Shreno Limited	1,159.51	1,096.87
	Paushak Limited	41.30	40.25
v) Receiving of services			
	Shreno Publications Limited	7.56	-
	Trivedi Gupta & Associates	0.70	2.15
vi) Rent Paid			
	Paushak Limited	21.11	20.69
	Shreno Limited	3.29	5.63
vii) Rent Income			
	Sierra Investment Private Limited	142.78	117.84
	Shreno Publications Limited	42.62	-
	Nirayu Private Limited	64.85	-
	Paushak Limited	16.32	21.47
	Others	5.08	3.66
viii) Dividend Paid			
	Nirayu Private Limited	76.03	52.92
	Shreno Limited	73.48	55.11
	Whitefield Chemtech Private Limited	73.14	54.86
	Sierra Investment Private Limited	69.37	51.50
ix) Dividend Income			
	Shreno Limited	82.05	-
	Paushak Limited	18.32	18.32
x) Security Deposit Received			
	Nirayu Private Limited	15.89	-
xi) Redemption of Investments in Preference Shares			
	Shreno Limited	871.00	-

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

## Outstanding Balances

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Subsidiary-Alembic City Limited</b>		
1. Investments in Equity Shares	10.07	-
<b>Associate-Alembic Pharmaceuticals Limited</b>		
1. Trade Receivable	585.61	928.94
2. Deposits Payable	1,238.97	954.87
3. Investment in Equity Shares	3,859.87	1,100.00
<b>Other Related Parties</b>		
1. Trade Receivable	100.00	54.45
2. Deposits Payable	26.45	10.56
3. Investments	11,415.35	6,151.88
<b>Key Managerial Personnel</b>		
1. Commission Payable	110.00	-

**E Corporate Social Responsibility (CSR):**

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The details of amount required to be spent and actual expenses spent during the year is as under:

- (a) Gross amount required to be spent by the Company during the year: ₹ 16.14 lakhs (Previous Year ₹ 24.44 lakhs)
- (b) Amount spent during the year on:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>1. Construction / Acquisition of Assets</b>		
- In cash	-	-
- Yet to be paid in cash	-	-
<b>2. On purpose other than (1) above</b>		
- In cash *	16.14	24.44
- Yet to be paid	-	-

\* Contributed for CSR activities in the area of healthcare, rural development and education through implementing agency - Alembic CSR Foundation.

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**F Payment to Auditors:**

₹ In Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>Statutory Auditors</b>		
Audit Fees ( Including Limited Review)	9.67	10.00
Fees for other services	1.50	-
Reimbursement of expenses	0.46	-
<b>Cost Auditor</b>		
As Cost Auditors and Compliance Certificate	0.50	0.50
<b>Tax Auditor</b>		
Tax Audit Fee	1.60	1.10
<b>Secretarial Auditor</b>		
Secretarial Audit, Corporate Governance and Annual Return	1.30	1.75
	<b>15.03</b>	<b>13.35</b>

**G Earnings Per Share (EPS):**

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit / (Loss) after Tax available for equity shareholders	4,177.94	2,748.99
Weighted Average number of equity shares	267,031,828	267,031,828
Basic and Diluted Earnings per share (Face value per share ₹ 2/- each)	1.56	1.03

**H Defined benefit plans / compensated absences - As per actuarial valuation:**

₹ In Lakhs

Particulars	Gratuity Funded	
	31.03.2018	31.03.2017
<b>Expense recognised in the Statement of Profit &amp; Loss Account</b>		
Current Service Cost	28.33	30.17
Net Interest Cost	(2.24)	0.04
Total Charge to Profit & Loss Account	26.08	30.20
<b>Total amount recognised in Other Comprehensive Income</b>		
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	(8.67)	12.28
Due to experience adjustments	20.24	33.68
Return on plan assets excluding amounts included in interest income	(2.94)	(3.85)
Amounts recognised in Other Comprehensive Income	8.63	42.11
<b>Net Asset / (Liability) recognised</b>		



## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	Gratuity Funded	
	31.03.2018	31.03.2017
<b>Change in Obligation</b>		
Present value of Defined Benefit Obligations at the beginning of the year	262.87	524.36
Current Service Cost	28.33	30.17
Interest Cost	15.68	32.09
Actuarial (Gains) / Losses due to change in financial assumptions	(8.67)	12.28
Actuarial Loss / (Gain) due to experience adjustments	20.24	33.68
Benefits Payments	(43.74)	(369.70)
Present value of Defined Benefit Obligations at the end of the year	274.71	262.87
<b>Change in Assets</b>		
Plan assets at the beginning of the year	280.99	508.82
Interest Income	17.93	32.05
Return on plan assets excluding amounts included in interest income	2.94	3.85
Contributions by Employer	1.09	105.97
Actual benefits paid	(43.74)	(369.70)
Plan assets at the end of the year	259.20	280.99
<b>Actuarial Assumptions:</b>		
Discount Rate	7.40%	6.95%
Expected rate of return on plan assets	7.40%	6.95%
Mortality pre retirement	*LIC Rates	*LIC Rates
Mortality post retirement	NA	NA
Turnover rate	5% to 1%	5% to 1%
Medical premium inflation	NA	NA
Rate of escalation in salary (p.a)	4.75%	4.75%
* Indian Assured Lives Mortality (2006-08) Ult.		
<b>Sensitivity Analysis:</b>		
Delta Effect of +0.5% Change in Rate of Discounting	(3.16%)	(2.80%)
Delta Effect of -0.5% Change in Rate of Discounting	3.36%	2.98%
Delta Effect of +0.5% Change in Rate of Salary growth	3.43%	3.00%
Delta Effect of -0.5% Change in Rate of Salary growth	(3.26%)	(2.85%)
Delta Effect of +0.5% Change in Rate of Withdrawal	0.23%	0.15%
Delta Effect of -0.5% Change in Rate of Withdrawal	(0.24%)	(0.16%)

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Particulars	Leave Encashment Not Funded	
	31.03.2018	31.03.2017
<b>Expense recognised in the Statement of Profit &amp; Loss Account</b>		
Current Service Cost	21.07	25.74
Net Interest Cost	5.94	6.03
Net Value of re-measurements on the obligation and plan assets	(22.53)	48.65
Total expense	4.47	80.42
Actuarial loss / (gain) due to change in financial assumptions	(3.87)	5.80
Actuarial loss / (gain) due to change in experience assumptions	(18.67)	42.85
Net Actuarial Loss / (Gain)	(22.53)	48.65
<b>Net Asset / (Liability) recognised in the Balance Sheet</b>		
Opening Defined Benefit Obligation	92.76	90.30
Current Service Cost	21.07	25.74
Interest Cost	5.94	6.03
Actuarial loss / (gain) due to change in financial assumptions	(3.87)	5.80
Actuarial loss / (gain) due to change in experience assumptions	(18.67)	42.85
Benefits Paid	(5.07)	(77.96)
<b>Closing Defined Benefit Obligation</b>	<b>92.17</b>	<b>92.76</b>

**I Details of Hypothecation of Assets:**

Inventory and Debtors are Hypothecated as security for working capital borrowings.

**J Disclosure related to Micro, Small & Medium Enterprises:**

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, there is no principal or interest remaining unpaid to any Micro, Small & Medium Enterprise Suppliers.

**K SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015:**

Disclosures are required under Regulation 34 (3) read with schedule V of the SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015 have not been given as there are no such transactions with any such party.

**L Information on Dividend for the year ended March 31, 2018:**

Dividends proposed or declared after the balance sheet date but before the financial statements have been approved by the Board of Director for issue are not recognised as a liability at the balance sheet date.

The Board of Director recommended final dividend of ₹ 0.20 per equity share for the financial year ended on March 31, 2018. The payment is subject to approval of share holder in ensuing Annual General Meeting of the Company. (Previous year ₹ 0.20 per equity share).

**M Disclosure pursuant to Ind AS 11 Construction Contracts:**

Particulars	For the Year		Year to date	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
i) Contract costs incurred	7,274.30	1,222.50	23,717.79	16,443.49
Recognised profit less recognised losses	1,411.62	557.89	9,274.19	7,862.57
Total	8,685.92	1,780.39	32,991.98	24,306.06

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

ii) Particulars	As at 31st March, 2018	As at 31st March, 2017
Gross amount due from customers disclosed as assets	651.08	1,000.57
Gross amount due to customers disclosed as Liability	1,110.10	2,005.19
Advances Received	52.80	31.01
Retentions	251.11	261.09

**N Taxes Reconciliation:****(i) Income Tax Expense**

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a) Income tax expense		
i. <b>Current Tax</b>		
Current tax expense	430.67	38.59
ii. <b>Deferred Tax</b>		
Decrease/ (Increase) in deferred tax assets *	(89.07)	(102.83)
(Decrease)/ Increase in deferred tax liabilities	119.46	(21.65)
Total Deferred tax expenses (Benefits)	30.40	(124.49)
Total Income tax expenses (i + ii) **	461.07	(85.90)
* includes recognition of Minimum Alternate Tax credit	185.19	-
**excludes below tax impact on Other Comprehensive Income		
Tax Benefit on Actuarial	1.84	8.59
Tax Benefit / (Expenses) due to Fair Value of Investments	112.39	102.80

**(ii) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before Income tax expense	4,417.37	2,663.09
Tax at the Indian Tax Rate #	942.74	542.97
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</b>		
Dividend Income	(522.11)	(514.93)
Expenditure related to exempt Income	1.27	0.93
Others (including deferred tax)	39.17	(114.87)
<b>Income Tax Expense</b>	<b>461.07</b>	<b>(85.90)</b>

# The Company falls under the provisions of Minimum Alternate Tax u/s 115JB and the applicable Indian statutory tax rate for year ended March 31, 2018 is 21.34% and for March 31, 2017 it is 20.39%.

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

## (iii) Current Tax (Liabilities) / Assets

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	(179.87)	(170.28)
Income Tax Paid	364.08	20.41
Current Income Tax for the year	(430.00)	(30.00)
Current Income Tax provision for earlier year	221.64	-
Net Current Income Tax Asset / (Liability) at the end	(24.15)	(179.87)

## O Inter Reserve transfer:

In previous year, ₹ 9,007.00 Lakhs were transferred from Business Restructuring Reserve to General Reserve as permitted in the scheme of arrangement in respect of losses of Vadodara undertaking of the Company.

## P Investment Property:

(i) Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Amount recognised in statement of profit or loss for investment properties Rental Income*	1,378.97	1,122.80
Direct operating expenses from property that generated rental income	(267.89)	(208.93)
Depreciation	(28.94)	(28.83)
Profit from Investment Property	1,082.14	885.04

(ii) Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Fair Value</b>		
Investment properties	11,882.32	11,735.78
Add: Investment Property under Construction	3,163.64	834.28
Total	15,045.96	12,570.05

Estimation of fair value: Method of Estimation

In the absence of valuation reports, the Company has used the government registration rates for the purpose of determining the fair value of Land and Buildings.

There are no contractual obligations to purchase, construct or develop investment property.

\* Includes Rental Income of ₹ 38.23 Lakhs of the premises for which completion certificate is yet to be received from requisite authority.

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**Q Financial instruments:****i) Fair value measurement hierarchy**

₹ In Lakhs

Particulars	As at 31st March, 2018				As at 31st March, 2017			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>At Fair Value through Profit and Loss</b>								
Mutual Funds	11,984.74	11,984.74	-	-	10,476.33	10,476.33	-	-
<b>At FVTOCI</b>								
Investment in Equity instruments	15,595.45	12,070.09	11.37	3,513.99	7,504.87	4,888.06	3.78	2,613.01
Investment in Debt instruments	0.50	-	0.50	-	871.00	-	-	871.00
<b>At Amortised cost</b>								
Trade Receivables	2,528.86	-	-	-	2,160.28	-	-	-
Cash and cash equivalents	44.17	-	-	-	192.15	-	-	-
Bank balances other than above	37.32	-	-	-	39.49	-	-	-
Loans	26.94	-	-	-	21.93	-	-	-
Others	124.47	-	-	-	134.95	-	-	-
<b>Total</b>	<b>30,342.46</b>	<b>24,054.84</b>	<b>11.87</b>	<b>3,513.99</b>	<b>21,400.99</b>	<b>15,364.39</b>	<b>3.78</b>	<b>3,484.02</b>
<b>Financial liabilities</b>								
Trade Payables	1,641.55	-	-	-	1,476.25	-	-	-
Security Deposit	1,656.03	-	-	-	1,208.78	-	-	-
Other Financial liabilities	251.20	-	-	-	38.02	-	-	-
<b>Total</b>	<b>3,548.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,723.06</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

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

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

**ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

## iii) Fair value measurements using significant unobservable inputs (level 3)

The following table represents the changes in level 3 items for the period ended March 31, 2018 & March 31, 2017.

## Unquoted Equity Shares/Preference shares

Particulars	₹ In Lakhs
As on April 1, 2017	3,484.02
Acquisitions	-
Gains / (Losses) recognized in other comprehensive income	29.97
As on March 31, 2018	3,513.99

## iv) Valuation inputs and relationships to fair value

₹ In Lakhs

Particulars	Fair value as at		Significant Observable Inputs	Probable - weighted range		Sensitivity
	31.03.2018	31.03.2017		31.03.2018	31.03.2017	
Unquoted Equity Shares/ Preference Shares	3,513.99	3,484.02	Earnings Growth Rate	2.00%	2.00%	2018: Increased earnings growth factor (+20bps) and lower discount rate (-20bps) would increase Fair Value by ₹ 82.23 Lakhs; lower growth factor (-20bps) and higher discount rate (+20bps) would decrease Fair Value by ₹ 78.79 Lakhs
			Free Cash discount rate	9.35%	9.46%	2017: Increased earnings growth factor (+20bps) and lower discount rate (-20bps) would increase Fair Value by ₹ 97.12 Lakhs; lower growth factor (-20bps) and higher discount rate (+20bps) would decrease Fair Value by ₹ 93.09 Lakhs

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**v) Valuation Processes**

Valuation of unquoted equity shares/preference shares is done by an external valuation agency.

The main level 3 inputs for unlisted equity securities used by the Company are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period.

**R Financial Risk Management:**

The Company has exposure to credit risk, liquidity risk and market risk arising from financial instruments.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities.

The Company monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

**a. Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. Credit risk is managed through continuous monitoring of receivables and follow up for overdues.

**Investments**

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter parties, and does not have any significant concentration of exposures to specific industry sector or specific country risks.

**Trade Receivables**

The Company has used Expected Credit Loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data to credit losses from various customers.

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	23.54	8.91
Provision made during the year	-	14.63
Provision reversed during the year	(9.68)	-
Balance at the end of the year	13.86	23.54

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

**b. Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions.

## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**Maturities of Financial Liabilities**

The table herewith analyse the Company's Financial Liabilities into relevant maturity groupings based on there contractual maturities for:

The amount disclosed in the table are the contractual undiscounted cash flows. Balance dues within the 12 months equal there carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities**

₹ In Lakhs

Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31st March, 2018</b>			
<b>Non-derivatives</b>			
Other financial liabilities	1,495.20	412.02	1,907.22
Trade payables	1,641.55	-	1,641.55
<b>Total Non-derivative liabilities</b>	<b>3,136.75</b>	<b>412.02</b>	<b>3,548.77</b>

<b>As at 31st March, 2017</b>			
<b>Non-derivatives</b>			
Other financial liabilities	1,069.10	177.70	1,246.80
Trade payables	1,476.25	-	1,476.25
<b>Total Non-derivative liabilities</b>	<b>2,545.35</b>	<b>177.70</b>	<b>2,723.06</b>

**c. Market Risk****1. Price Risk**

The Company is mainly exposed to the price risk due to its investment in equity instruments and equity and debt mutual fund. The price risk arises due to unascertainty about the future market value of these investments.

**Management Policy**

The Company maintains its portfolio in accordance with framework set by risk management policies.

**2. Currency Risk**

The Company has no significant exposure to export revenue and import of raw material and property, plant and equipments so the Company is not subject to significant risk that changes in foreign currency value impact.

**S Capital Management:****Risk management**

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Company funds its operations through internal accruals. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.



## Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

**T Segment Reporting:****Primary Segment**

The Company has identified “Active Pharmaceutical Ingredient (API)” and “Real Estate” as the primary reportable segment.

**Part-I**

₹ In Lakhs

Particulars	API		Real Estate		Total	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>Segment Revenue</b>						
Revenue from Operations	6,060.20	6,741.74	5,246.04	6,793.20	11,306.24	13,534.93
Other Operating Income	576.13	565.04	647.15	616.38	1,223.28	1,181.41
Total Revenue from Operations	6,636.34	7,306.77	5,893.19	7,409.57	12,529.52	14,716.35
<b>Segment Result</b>						
Profit before exceptional items and tax	26.45	(594.44)	1,319.48	1,148.45	1,345.93	554.01
Less: Exceptional Items	-	581.00	-	-	-	581.00
<b>Profit before tax</b>	26.45	(1,175.44)	1,319.48	1,148.45	1,345.93	(26.99)
Add: Unallocated Income					3,088.38	2,705.91
Less: Finance Cost					16.94	15.83
Less: Tax Expense					461.07	(85.90)
Less: Short/(Excess) Provision of earlier years					(221.64)	-
<b>Net Profit after tax</b>					4,177.94	2,748.99
Other Comprehensive Income					4,557.50	(338.83)
<b>Total Comprehensive Income for the period</b>					8,735.44	2,410.16

**Part-II**

Particulars	API		Real Estate		Total	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
<b>Segment Assets and Liabilities</b>						
Segment Assets	17,189.10	19,328.21	7,426.45	6,571.26	24,615.55	25,899.47
Segment Liabilities	2,071.06	2,649.85	4,309.34	4,260.06	6,380.41	6,909.90
Add: Unallocable Assets					27,580.71	18,967.02
Less: Unallocable Liabilities					947.13	1,184.83
Capital Employed	15,118.04	16,678.36	3,117.11	2,311.20	44,868.73	36,771.75
Addition to Non-Current Assets	(1,562.31)	102.35	2,240.11	883.36	677.80	985.71

**Part-III**

Amount of revenue from major external customer of API Division ₹ 5,777.87 Lakhs (Previous year ₹ 5,736.73 Lakhs)

**U Commission to Director:**

Managerial Remuneration of ₹ 110.00 lakhs to the Non-Executive Director is subject to approval of the Company in ensuing General Meeting and will be paid on obtaining of the said approval.

**V** The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

**W** These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 17<sup>th</sup> May, 2018.

As per our report of even date

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Chirayu Amin**

Chairman

DIN: 00242549

**Malika Amin**

Managing Director & CEO

DIN: 00242613

**Udit Amin**

Director

DIN: 00244235

**Milin Mehta**

Director

DIN: 01297508

For and on behalf of the Board

**C. P. Buch**

Director

DIN: 05352912

**Himanshu Kishnadwala**

Partner

Membership No. 37391

Vadodara : 17<sup>th</sup> May, 2018

**R. C. Saxsena**

Director

DIN: 06681691

**Abhijit Joshi**

Director

DIN: 06568584

**Rasesh Shah**

Chief Financial Officer

**Drigesh Mittal**

Company Secretary

Vadodara : 17<sup>th</sup> May, 2018

# Independent Auditor's Report

## To the Members of ALEMBIC LIMITED

### Report on the Consolidated Indian Accounting Standard (Ind AS) Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **ALEMBIC LIMITED** (hereinafter referred to as "the Holding Company"), and its subsidiary company (the Holding Company and its subsidiary company together referred to as "the Group") its associate, which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended and a summary of the Significant Accounting Policies and Other Explanatory Information (hereinafter referred to as "the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("hereinafter referred to as the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity of the Company and consolidated cash flows in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The respective Board of Directors of the Companies and its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

# Independent Auditor's Report

## 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 including the Ind AS, of the consolidated state of affairs (financial position) of the Group, its associate as at March 31, 2018, its consolidated profit (financial performance including other comprehensive income), consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

## Other Matters

We did not audit the financial statements of one subsidiary company, whose financial statements reflect total assets of ₹ 14.57 lakhs as at March 31, 2018 and total revenue of ₹ 1.03 lakhs for the year ended on that date, as considered in the Consolidated Ind-AS financial statements. The consolidated financial statements also include share of net profit of ₹ 12,119.75 lakhs for the year ended March 31, 2018, as considered in the consolidated financial results, of one associate, whose financial statements have not been audited by us.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our report on the consolidated financial results, in so far as it relates to the aforesaid subsidiary and associate is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. 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 purposes 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 the preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) on the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and associate company, incorporated in India, none of the directors of the Group Companies, its associate company incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary company and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

# Independent Auditor's Report

- i. The consolidated Ind AS financial statements disclosed the impact of pending litigations on its consolidated financial position - Refer Note 33 (C) to the consolidated Ind AS financial statements.
- ii. The Group 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 Group Company and its Associate.

**For C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101961W/W-100036

**Himanshu Kishnadwala**  
Partner  
Membership No.37391

Place: Vadodara  
Date: 17th May, 2018

# Annexure “A” to the Independent Auditor’s Report

## **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 **ALEMBIC LIMITED** (“the Holding Company”) and in respect of its subsidiary and associate companies wherein such audit of internal financial controls over financial reporting was carried out by other Auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as on March 31, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors’ Responsibility**

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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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.

# Annexure "A" to the Independent Auditor's Report

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

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company and its associate company has, in all material respects, an internal financial controls with reference to financial statements of the company and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## **Other Matters**

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and the operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary and associate companies, which are incorporated in India, are based on the corresponding reports of the auditors of such companies incorporated in India.

Our Opinion is not modified in respect of above matter.

**For C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101961W/W-100036

**Himanshu Kishnadwala**  
Partner  
Membership No.37391

Place: Vadodara  
Date: 17th May, 2018

# Consolidated Balance Sheet

₹ In Lakhs

Particulars	Notes No	As at 31st March, 2018	As at 31st March, 2017
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipments	3	13,222.65	14,759.96
(b) Capital Work-in-Progress	3	-	16.48
(c) Investment Property	4	4,681.49	2,381.24
(d) Goodwill	5	5.07	-
(e) Financial Assets			
(i) Investments	6	11,726.00	7,273.61
(ii) Investments accounted using Equity Method	6	67,559.07	55,473.56
(iii) Loans	7	26.94	21.93
(iv) Others	8	12.12	114.83
(f) Other non-current assets-Capital Advances		-	68.68
<b>(2) Current Assets</b>			
(a) Inventories	9	3,240.69	5,060.91
(b) Financial Assets			
(i) Investments	10	11,984.74	10,476.33
(ii) Trade Receivables	11	2,528.86	2,160.28
(iii) Cash and cash equivalents	12	46.26	192.15
(iv) Bank balances other than (iii) above	13	37.32	39.49
(v) Others	14	124.47	20.12
(c) Other Current Assets	15	576.72	1,178.25
Assets held for sale		132.47	-
<b>TOTAL ASSETS</b>		<b>115,904.87</b>	<b>99,237.81</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	16	5,340.64	5,340.73
(b) Other Equity	17	103,236.71	85,802.34
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Other Financial Liabilities	18	412.02	177.70
(b) Provisions	19	80.10	78.11
(c) Deferred Tax Liability (Net)	20	922.98	1,004.96
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	21	1,641.55	1,476.25
(ii) Other Financial Liabilities	22	1,495.20	1,069.10
(b) Other Current Liabilities	23	1,686.32	2,850.52
(c) Provisions	24	1,065.33	1,258.23
(d) Current Tax Liabilities (Net)		24.01	179.87
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>115,904.87</b>	<b>99,237.81</b>
<b>Significant Accounting Policies and Other Explanatory Notes and Informations</b>	<b>I, 2 and 33</b>		

Note: The accompanying notes referred to above which form an integral part of the financial statements

As per our report of even date

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Chirayu Amin**

Chairman

DIN: 00242549

**Malika Amin**

Managing Director & CEO

DIN: 00242613

**Udit Amin**

Director

DIN: 00244235

**Milin Mehta**

Director

DIN: 01297508

For and on behalf of the Board

**C. P. Buch**

Director

DIN: 05352912

**Himanshu Kishnadwala**

Partner

Membership No. 37391

Vadodara : 17th May, 2018

**R. C. Saxsena**

Director

DIN: 06681691

**Abhijit Joshi**

Director

DIN: 06568584

**Rasesh Shah**

Chief Financial Officer

**Drigesh Mittal**

Company Secretary

Vadodara : 17th May, 2018



# Consolidated Statement of Profit and Loss

₹ In Lakhs

Particulars	Notes No	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>I. Revenue from Operations</b>	<b>25</b>	<b>12,529.52</b>	14,716.35
<b>II. Other Income</b>	<b>26</b>	<b>3,701.84</b>	3,096.85
<b>III. Total Income (I+II)</b>		<b>16,231.36</b>	17,813.20
<b>IV. Expenses</b>			
Cost of Materials Consumed	<b>27</b>	<b>3,985.68</b>	5,097.26
Cost of Construction	<b>28</b>	<b>3,077.57</b>	4,730.41
Changes in Inventories of Finished Goods and Work-in-Progress	<b>29</b>	<b>809.49</b>	(882.02)
Employee Benefit Expenses	<b>30</b>	<b>2,074.20</b>	2,283.45
Finance Costs		<b>16.94</b>	15.83
Depreciation and Amortisation expense	<b>3, 4</b>	<b>377.51</b>	508.72
Other Expenses	<b>31</b>	<b>1,472.34</b>	2,815.45
<b>Total Expenses (IV)</b>		<b>11,813.74</b>	14,569.11
<b>V. Profit Before Exceptional Items and Tax (III-IV)</b>		<b>4,417.63</b>	3,244.08
<b>VI. Exceptional Items - Voluntary Retirement Settlement Payments</b>		-	581.00
<b>VII. Profit Before tax (V-VI)</b>		<b>4,417.63</b>	2,663.09
<b>VIII. Tax Expense</b>			
Current Tax		<b>430.74</b>	38.59
Deferred Tax		<b>30.40</b>	(124.49)
Short / (Excess) provision of tax in respect of earlier years		<b>(221.66)</b>	-
<b>IX. Profit for the year (VII-VIII)</b>		<b>4,178.15</b>	2,748.99
<b>X. Share of Associate's Profit</b>		<b>12,119.75</b>	11,790.04
<b>XI. Profit after Tax and Share of Associate's Profit (IX+X)</b>		<b>16,297.90</b>	14,539.03
<b>XII. Other Comprehensive Income</b>	<b>32</b>		
(A) (i) Items that will not be reclassified to profit or loss		<b>4,324.63</b>	(451.51)
(ii) Income tax relating to items that will not be reclassified to profit or loss		<b>138.66</b>	102.57
(B) (i) Items that will be reclassified to profit or loss		-	(77.73)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	25.70
<b>XIII. Total Comprehensive Income for the period (XI + XII)</b>		<b>20,761.19</b>	14,138.06
<b>XIV. Earning per equity share (FV ₹ 2/- per share) (Refer Note No 33 (G))</b>			
Basic & Diluted (In ₹)		<b>6.10</b>	5.44
<b>Significant Accounting Policies and Other Explanatory Notes and Information</b>	<b>1,2 &amp; 33</b>		

Note: The accompanying notes referred to above which form an integral part of the financial statements

As per our report of even date  
**For C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

**Chirayu Amin**  
Chairman  
DIN: 00242549

**Malika Amin**  
Managing Director & CEO  
DIN: 00242613

**Udit Amin**  
Director  
DIN: 00244235

For and on behalf of the Board  
**C. P. Buch**  
Director  
DIN: 05352912

**Himanshu Kishnadwala**  
Partner  
Membership No. 37391  
Vadodara : 17th May, 2018

**R. C. Saxsena**  
Director  
DIN: 06681691

**Abhijit Joshi**  
Director  
DIN: 06568584

**Rasesh Shah**  
Chief Financial Officer

**Drigesh Mittal**  
Company Secretary

Vadodara : 17th May, 2018

# Consolidated Statement of Changes in Equity

## A. Equity Share Capital

Particulars	Nos.	₹ In Lakhs
<b>Equity Shares of ₹ 2/- each issued, subscribed and fully paid</b>		
<b>Balance as at 1st April, 2017</b>	267,031,828	<b>5,340.64</b>
Equity Shares Forfeited of ₹ 2/- each	9,365.00	0.09
Changes in equity share capital during the year	(9,365.00)	(0.09)
<b>Balance as at 31st March, 2018</b>	<b>267,031,828</b>	<b>5,340.64</b>

## B. Other Equity - Attributable to Owners

₹ In Lakhs

Particulars	Reserve and Surplus				FVOCI Equity Investments Reserve	FVOCI Debt Investments Reserve	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings			
<b>Balance as at 1st April, 2017 (I)</b>	<b>35.00</b>	<b>100.22</b>	<b>26,489.19</b>	<b>53,589.52</b>	<b>5,176.28</b>	<b>412.12</b>	<b>85,802.34</b>
Profit for the year	-	-	-	16,297.90	-	-	16,297.90
Re-measurement of post employment benefit obligation (net of tax)	-	-	-	(101.00)	-	-	(101.00)
Other Comprehensive Income	-	-	-	4.32	4,976.40	(412.12)	4,568.60
<b>Total Comprehensive Income for the year (II)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,201.22</b>	<b>4,976.40</b>	<b>(412.12)</b>	<b>20,765.50</b>
Share of Associate in Surplus	-	-	(22.29)	(2,666.15)	-	-	(2,688.43)
Equity Dividend (including tax thereon)	-	-	-	(642.79)	-	-	(642.79)
Transfer of amount of Share forfeiture to Capital Reserve	0.09	-	-	-	-	-	0.09
<b>Transaction for the year (III)</b>	<b>0.09</b>	<b>-</b>	<b>(22.29)</b>	<b>(3,308.93)</b>	<b>-</b>	<b>-</b>	<b>(3,331.13)</b>
<b>Balance as at 31st March, 2018 (I+II+III)</b>	<b>35.09</b>	<b>100.22</b>	<b>26,466.91</b>	<b>66,481.82</b>	<b>10,152.68</b>	<b>-</b>	<b>103,236.71</b>

As per our report of even date  
**For C N K & Associates LLP**  
 Chartered Accountants  
 Firm Registration No.: 101961W/W-100036

**Chirayu Amin**  
 Chairman  
 DIN: 00242549

**Malika Amin**  
 Managing Director & CEO  
 DIN: 00242613

**Udit Amin**  
 Director  
 DIN: 00244235

For and on behalf of the Board  
**C. P. Buch**  
 Director  
 DIN: 01297508

**Himanshu Kishnadwala**  
 Partner  
 Membership No. 37391  
 Vadodara : 17th May, 2018

**R. C. Saxsena**  
 Director  
 DIN: 06681691

**Abhijit Joshi**  
 Director  
 DIN: 06568584

**Rasesh Shah**  
 Chief Financial Officer  
**Drigesh Mittal**  
 Company Secretary

Vadodara : 17th May, 2018

# Consolidated Cash Flow Statement

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	4,417.63	2,663.09
Add:		
Depreciation	380.29	512.32
Interest charged	16.94	15.83
(Gain) / Loss on sale of Property, Plant and Equipments	(320.16)	(36.86)
Other Non cash items	(493.93)	36.67
Less:		
Interest Income	(21.66)	(88.61)
Dividend Income	(2,446.45)	(2,525.53)
Operating Profit before change in working capital	1,532.66	576.91
Working capital changes:		
Add / (Less) :		
(Increase) / Decrease in Inventories	1,820.23	2,428.92
(Increase) / Decrease in Trade Receivables	(368.58)	638.69
(Increase) / Decrease in Loans Current Financial Asset	-	510.00
(Increase) / Decrease in Non Current Asset	68.68	(68.68)
(Increase) / Decrease in Other Current Financial Asset	(104.35)	195.07
(Increase) / Decrease in Other Current Asset	601.53	(116.79)
(Increase) / Decrease in Loans Non Current Financial Asset	(5.02)	(4.43)
(Increase) / Decrease in Other Non Current Financial Asset	102.71	(7.66)
Increase / (Decrease) in Trade Payables	165.29	(159.79)
Increase / (Decrease) in Other Current Financial Liabilities	427.61	160.32
Increase / (Decrease) in Other Current Liabilities	(1,319.25)	1,025.09
Increase / (Decrease) in Current Provisions	(192.90)	33.76
Increase / (Decrease) in Non Current Provisions	(6.64)	(28.37)
Cash generated from operations	2,721.95	5,183.04
Add / (Less) :		
Direct taxes paid (Net of refunds)	(364.25)	(20.41)
Net cash inflow from operating activities (A)	2,357.69	5,162.63
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Add:		
Proceeds from sale of Property, Plant and Equipments	1,507.14	49.56
Proceeds from sale / redemption of Investment	6,575.79	3,579.42
Interest received	21.66	88.61
Dividend received	2,446.45	2,525.53
Less:	10,551.04	6,243.12
Purchase of Property, Plant & Equipments /increase in Capital Work in Progress	2,446.36	1,431.98
Purchase of Investments (Net)	10,344.24	9,480.61
	12,790.59	10,912.59
Net cash inflow from Investing activities (B)	(2,239.55)	(4,669.46)

# Consolidated Cash Flow Statement

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Add:</b>		
Proceeds from Long Term Liabilities	234.32	5.37
<b>Less:</b>		
Dividends paid (including distribution tax)	483.59	485.13
Interest and other finance costs	16.94	15.83
	500.53	500.96
<b>Net cash inflow from Financing activities (C)</b>	<b>(266.21)</b>	<b>(495.59)</b>
<b>I. Net (decrease) / Increase in cash and cash equivalents (A+B+C)</b>	<b>(148.07)</b>	<b>(2.43)</b>
<b>II. Add: Cash and cash equivalents at the beginning of the period</b>	<b>192.15</b>	<b>191.73</b>
<b>Other Bank Balances</b>	<b>39.49</b>	<b>42.35</b>
	231.64	234.08
<b>III. Cash and cash equivalents at the end of the period</b>	<b>46.26</b>	<b>192.15</b>
<b>Other Bank Balances</b>	<b>37.32</b>	<b>39.49</b>
	83.57	231.64

Note: The accompanying notes referred to above which form an integral part of the financial statements

As per our report of even date

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Chirayu Amin**

Chairman

DIN: 00242549

**Malika Amin**

Managing Director & CEO

DIN: 00242613

**Udit Amin**

Director

DIN: 00244235

For and on behalf of the Board

**Milin Mehta**

Director

DIN: 01297508

**C. P. Buch**

Director

DIN: 05352912

**Himanshu Kishnadwala**

Partner

Membership No. 37391

Vadodara : 17th May, 2018

**R. C. Saxena**

Director

DIN: 06681691

**Abhijit Joshi**

Director

DIN: 06568584

**Rasesh Shah**

Chief Financial Officer

**Drigesh Mittal**

Company Secretary

Vadodara : 17th May, 2018

## I Group Overview and Significant Accounting Policies:

### I.1 Description of Business

Alembic Limited ('the Company') is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Alembic Road, Vadodara 390003, Gujarat. The Company is dealing in Active Pharmaceutical Ingredient (API) Business and Real Estate Business.

Alembic Limited ('the Company'), its subsidiary and its associate collectively referred to as "Group".

### I.2 Basis of Preparation

- (a) The Financial Statement of the subsidiary and associate used in the consolidation are drawn up to the same reporting date as that of the Alembic Limited ("the Company"), i.e. March 31, 2018.

The Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Effective April 1, 2016, the Group has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

#### (b) Principles of Consolidation

The Consolidated Financial Statements consist of Alembic Limited ("the Company") and its subsidiary and associate (collectively referred to as "the Group") . The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.

Associates are entities over which the Group has significant influence but not control. Investments in associate is accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

#### Goodwill on Consolidation

The excess of cost of investment in the subsidiary, over group's share in the net assets at the date of acquisition of shares / stake in the subsidiary is recognised as Goodwill in the consolidated financial statements.

### I.3 Composition of Financial Statements

The financial statements are drawn up in INR, the functional currency of the group, and in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity
- Statement of Cash Flow
- Notes to Financial Statements

### I.4 Significant Accounting Policies

The Significant Accounting Policies of the Company and that of its Subsidiary and associate are similar – Refer Note No. I.4 (I) of Standalone Financial Statements.

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**2 Recent Accounting Pronouncements:****Ind AS 115. Revenue from contracts with Customers**

On March 28, 2018, Ministry of Corporate Affairs (MCA), has notified the Ind AS 115, Revenue from contracts with Customers. The core principal of new standard is that an Entity should recognise the revenue to depict the transfer of promised goods or services to Customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flow arising from the entity's contracts with customers. The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018. The Group will adopt the standard on April 1, 2018 using cumulative catchup transition method and accordingly comparative for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 on the operation of the Group is being assessed by the Group.

**3 Property, Plant and Equipments (PPE):**

₹ In Lakhs

Particulars	Free Hold Land	Buildings	Employees Quarters	Plant and Equipments	Wind Mill	Furniture and Fixtures	Office Equipments	Vehicles	Total	Capital work in progress
Gross Carrying amount as at 1 April, 2017	11,751.63	411.59	1.91	3,307.37	294.92	41.27	20.73	3.97	15,833.40	16.48
Additions	-	10.85	-	47.96	-	8.19	0.70	65.77	133.48	33.85
Disposals *	-	(48.75)	-	(1,490.47)	-	-	-	-	(1,539.21)	-
Transfer	-	-	-	-	-	-	-	-	-	(50.33)
Gross Carrying amount as at 31 March, 18	11,751.63	373.69	1.91	1,864.86	294.92	49.46	21.43	69.75	14,427.66	-
Accumulated Depreciation as at 1 April, 17	-	46.70	0.46	953.94	34.87	25.75	10.25	1.46	1,073.44	-
Depreciation charge for the year #	-	19.85	0.23	305.47	17.44	5.51	0.17	2.68	351.35	-
Disposals *	-	(2.39)	-	(217.38)	-	-	-	-	(219.77)	-
Accumulated Depreciation as at 31 March, 18	-	64.16	0.69	1,042.03	52.31	31.26	10.42	4.14	1,205.02	-
Net Carrying Amount as at 31 March, 18	11,751.63	309.53	1.22	822.83	242.61	18.20	11.01	65.61	13,222.65	-
Net Carrying Amount as at 1 April, 17	11,751.63	364.89	1.45	2,353.42	260.04	15.52	10.49	2.51	14,759.96	16.48

**Note:**

- Property, Plant and Equipments as recognized in financial statements as at the date of transition to Ind ASs measured as per the previous GAAP and use that as its deemed cost as at the date of transition and accordingly, Presentation has been made during the year (with corresponding restatement of comparative amounts).
- Sales proceeds are deducted from gross cost where cost is unascertainable.
- Buildings: include ₹ 0.025 Lakhs being cost of bonds of Morning Star Co-Operative Housing Society Limited.
- # Of the above ₹ 2.78 Lakhs (₹ 3.60 Lakhs) has been transferred to Cost of Construction in the Statement of Profit and Loss.
- \* Disposal includes net block of ₹ 132.47 lakhs transferred to Assets held for sale at lower of its carrying amount and fair value less cost to sale.

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**4 Investment Property:**

₹ In Lakhs

Particulars	Free Hold Land	Buildings	Plant and Equipments	Capital work in progress	Total
<b>Gross Carrying amount as at 1 April, 2017</b>	<b>725.95</b>	<b>785.60</b>	<b>93.18</b>	<b>834.28</b>	<b>2,439.01</b>
Additions	-	-	-	2,329.36	2,329.36
Transfer to Stock in trade	(0.17)	-	-	-	(0.17)
<b>Gross Carrying amount as at 31 March, 18</b>	<b>725.79</b>	<b>785.60</b>	<b>93.18</b>	<b>3,163.64</b>	<b>4,768.20</b>
<b>Accumulated Depreciation as at 1 April, 17</b>	<b>-</b>	<b>29.09</b>	<b>28.68</b>	<b>-</b>	<b>57.77</b>
Depreciation charge for the year	-	14.60	14.34	-	28.94
<b>Accumulated Depreciation as at 31 March, 18</b>	<b>-</b>	<b>43.69</b>	<b>43.02</b>	<b>-</b>	<b>86.71</b>
<b>Net Carrying Amount as at 31 March, 18</b>	<b>725.79</b>	<b>741.91</b>	<b>50.16</b>	<b>3,163.64</b>	<b>4,681.49</b>
<b>Net Carrying Amount as at 1 April, 17</b>	<b>725.95</b>	<b>756.51</b>	<b>64.50</b>	<b>834.28</b>	<b>2,381.24</b>

**Note:**

- Investment Properties as recognized in financial statements as at the date of transition to Ind ASs measured as per the previous GAAP and use that as its deemed cost as at the date of transition and accordingly, Presentation has been made during the year (with corresponding restatement of comparative amounts).
- Refer Note No. 33 (L) for other disclosures.

**5 Goodwill:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Goodwill	5.07	-
	5.07	-

Note :- During the year, the Company acquired 55% of Equity Shares of Alembic City Limited ( Earlier known as Alembic Exports Limited) resulting into it becoming a wholly owned subsidiary of the Company.

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## Non-Current Financial Assets

## 6 Investments:

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>(A) Investment at fair value through Other Comprehensive Income (fully paid)</b>		
<b>(a) Equity Shares (Fully paid up):</b>		
<b>Quoted:</b>		
- Jyoti Limited (CY & PY : 84,900 Nos. Equity Shares)	55.99	43.21
- Panasonic Energy India Company Limited (CY & PY: 72,824 Nos. Equity Shares)	252.70	208.39
- Kerbs Biochemicals Limited ( CY & PY: 100 Nos. Equity Shares)	0.17	0.09
- Paushak Limited ( CY & PY: 6,10,615 Nos. Equity Shares)	7,901.36	3,536.38
	8,210.22	3,788.06
<b>Unquoted:</b>		
- Alembic Employees Co-op. Supply Society Limited (CY & PY: 100 Nos. Equity Shares)	0.01	0.01
- Co-Operative Bank of Baroda Limited ( CY & PY: 100 Nos. Equity Shares)	0.03	0.03
- Gujarat Export Corporation Limited ( CY & PY: 12,210 Nos. Equity Shares)	1.14	1.14
- Pran Agro Services Private Limited ( CY & PY: 18 Nos. Equity Shares) #	0.00	0.00
- Pragati Sahakari Bank Limited ( CY & PY: 500 Nos. Equity Shares)	0.05	0.05
- Baroda Industrial Development Corporation Limited ( CY & PY: 6 Nos. Equity Shares)	0.06	0.06
- Ganesh Co-op Housing Society Limited ( CY & PY: 2 Nos. Equity Shares) #	0.00	0.00
- Gujarat Urban Housing Company ( CY & PY: 10 Nos. Equity Shares)	0.01	0.01
- Morning Star Co-op. Housing Society Limited ( CY & PY: 1 Nos. Equity Shares) #	0.00	0.00
- Shreno Limited ( CY 10,16,732 & PY: 7,62,549 Nos. Equity Shares) - (Note 1)	3,513.99	2,613.01
- Sierra Investments Private Limited ( CY NIL & PY: 100 Nos. Equity Shares)	-	0.24
	3,515.29	2,614.56
<b>(b) Preference Shares (Fully paid up):</b>		
<b>Unquoted:</b>		
- 5% Non-Cumulative Redeemable Preference Share of Pran	0.50	0.50
Agro Services Private Limited (CY 100 & PY : 100 Nos. Preference Shares)		
Less: Provision for diminution in value of Investment	-	(0.50)
- 1% Optionally Convertible Preference Shares (OCPS) of Shreno Limited	-	871.00
(CY NIL & PY : 762,549 Nos. Preference Shares) - (Note 1)		
	0.50	871.00
<b>(a)</b>	<b>11,726.00</b>	<b>7,273.61</b>
<b>(B) Investment valued at Cost</b>		
<b>(a) Equity Shares (Fully paid up):</b>		
<b>In Associate Companies</b>		
<b>Quoted:</b>		
- Alembic Pharmaceuticals Limited (CY 5,55,00,000 & PY: 5,50,00,000 Nos. Equity Shares) - (Note 2)	3,859.87	1,100.00
- Share in post acquisition profit (net of losses)	63,699.19	54,367.15
<b>Unquoted:</b>		
- Alembic Exports Limited (PY: 22,500 Nos. Equity Shares)	-	2.25
- Share in post acquisition profit (net of losses)	-	4.16
<b>(b)</b>	<b>67,559.07</b>	<b>55,473.56</b>
<b>Total Investments (a+b)</b>	<b>79,285.07</b>	<b>62,747.17</b>
<b>Aggregate amount of quoted investments</b>	<b>75,769.29</b>	<b>59,255.21</b>
<b>Aggregate market value of quoted investments</b>	<b>310,685.22</b>	<b>334,393.06</b>
<b>Aggregate amount of unquoted investments</b>	<b>3,525.86</b>	<b>3,485.56</b>

# Amount less than Rupees One Thousand.

Note 1 :- During the year, 1% OCPS of Shreno Limited (7,62,549 nos) were converted into Equity Shares (2,54,183 nos) upon exercise of option by the Company.

Note 2 :- During the year, the Company has acquired additional 5,00,000 shares at a cost of ₹ 2,759.87 lakhs.



## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**7 Loans: (Unsecured, considered good)**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Security Deposits	26.94	21.93
	<b>26.94</b>	<b>21.93</b>

**8 Other Financial Assets:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Term Deposits	12.12	114.73
Deferred Expense	-	0.10
	<b>12.12</b>	<b>114.83</b>

**9 Inventories: (Basis of valuation - Refer Note No. 1.4 (I) I)**

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Raw Materials *	307.79	416.50
(b) Raw Materials in Transit	-	11.25
(c) Packing Materials	5.88	10.71
(d) Finished Goods *	1,095.80	1,905.29
(e) Stores and spares	315.08	208.19
<b>Real Estate</b>		
(f) Construction Project Work-in-Progress	1,516.14	2,508.96
	<b>3,240.69</b>	<b>5,060.91</b>

\* The cost of inventory recognised as an expense during the year was ₹ 213.94 Lakhs (PY NIL).

**Current Financial Assets****10 Investment:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Investment in Mutual Funds at fair value through Profit or Loss</b>		
<b>Mutual Funds (Quoted)</b>		
- Debt Funds	11,488.56	10,476.33
- Equity Funds	496.18	-
	<b>11,984.74</b>	<b>10,476.33</b>

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**11 Trade Receivables: (Unsecured)**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Considered Good</b>		
- Receivable from Related Parties (Refer note no 33 (E))	685.61	983.39
- Others	1,843.25	1,176.89
	2,528.86	2,160.28
<b>Considered doubtful</b>	13.86	23.54
Less : Allowance for Doubtful debts - (Expected Credit Loss Allowance)	(13.86)	(23.54)
	2,528.86	2,160.28

**12 Cash and Cash Equivalents:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance with banks	45.03	190.97
Cash on hand	1.22	1.18
	46.26	192.15

**13 Bank Balances:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Other Bank Balances</b>		
- Bank deposits	0.80	1.47
In earmarked accounts		
- Balances held in unpaid dividend accounts	36.52	38.02
	37.32	39.49

**14 Others:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Term Deposits	122.97	-
Balance with Gratuity Fund	-	18.12
Others	1.50	2.00
	124.47	20.12

**15 Other Current Assets:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance to Employees	2.66	5.22
Advance to Suppliers	186.05	346.52
Balance with Government authorities	321.01	636.53
Prepaid Expenses	30.38	27.89
Others Receivables	36.61	162.09
	576.72	1,178.25

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**16 Equity Share Capital:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>a) Authorized</b>		
30,00,00,000 - Equity shares of ₹ 2/- each	<b>6,000.00</b>	6,000.00
	<b>6,000.00</b>	6,000.00
<b>b) Shares issued, subscribed and fully paid</b>		
26,70,41,193 - Equity shares of ₹ 2/- each	<b>5,340.82</b>	5,340.82
	<b>5,340.82</b>	5,340.82
<b>c) Shares fully paid</b>		
26,70,31,828 - Equity shares of ₹ 2/- each	<b>5,340.64</b>	5,340.64
9,365 - Forfeited Equity shares of ₹ 2/- each (Refer below note I)	-	0.09
	<b>5,340.64</b>	5,340.73

**Note I:-** The balance lying to the credit of Share forfeiture account was pertaining to shares forfeited more than 10 years back. The Company does not have any intention of re-issuing these shares and hence during the year the balance is transferred to Capital Reserve.

**d) 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	
	Numbers	₹ in Lakhs	Numbers	₹ in Lakhs
At the beginning of the period	<b>267,031,828</b>	<b>5,340.64</b>	267,031,828	5,340.64
At the end of the period	<b>267,031,828</b>	<b>5,340.64</b>	267,031,828	5,340.64

**e) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital;**

The company is having only one class of shares i.e Equity carrying a nominal value of ₹ 2/- 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 the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

The Holding Company declares and pays dividend as approved by the shareholders at the Annual General Meeting. During the year ended March 31, 2018 an amount of ₹ 0.20 of dividend per equity share was paid for Financial Year 2016-17.

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

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Numbers	% held	Numbers	% held
Nirayu Private Limited	<b>109,790,733</b>	<b>41.12%</b>	38,015,263	14.24%
Shreno Limited	<b>36,737,560</b>	<b>13.76%</b>	36,737,560	13.76%
Whitefield Chemtech Private Limited	-	-	36,570,460	13.70%
Sierra Investments Private Limited	-	-	34,335,340	12.86%

**g) Shares allotted as fully paid up (during 5 years preceeding March 31, 2018)**

In the Financial Year 2013-14, the Company has allotted 13,35,15,914 equity shares as fully paid up bonus shares by capitalisation of General Reserves ₹ 2,670.32 lakhs.

**h) Buy-back of Shares**

The Board of Directors of the Company had approved the proposal for Buy-back of Equity Shares at its meeting held on 23rd January, 2018. The same was approved by the members through Postal Ballot, the result of which was declared on 12th March, 2018. In furtherance to the said approval, the Company has completed the settlement for Buy-back of 1,02,50,000 Equity Shares of ₹ 2/- each (representing 3.84 % of total pre Buy-back paid up Equity Capital) from the shareholders on a proportionate basis by way of a tender offer at a price of ₹ 80/- per Equity Share for an aggregate amount of ₹ 82 crores, on 9th May, 2018 in accordance with the provisions of the Companies Act, 2013 and the SEBI (Buy Back of Securities) Regulations, 1998.

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**17 Other Equity :**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>a) Capital Reserve</b>		
Balance as per the last financial statements	35.00	1,628.72
Addition during the year	0.09	-
Transfer to General Reserve	-	(1,593.72)
	35.09	35.00
<b>b) Capital Redemption Reserve</b>		
Balance as per the last financial statements	100.22	100.22
	100.22	100.22
<b>c) Business Restructuring Reserve</b>		
Balance as per the last financial statements	-	8,996.94
Adjustment on account of profit on sale of assets devalued earlier	-	10.07
Inter Reserve Transfer	-	(9,007.00)
	-	-
<b>d) General Reserve</b>		
Balance as per the last financial statements	26,489.19	15,922.03
Share of Associate in Surplus	(22.29)	(33.55)
Transferred from Capital Reserve	-	1,593.72
Transferred from Business Restructuring Reserve	-	9,007.00
	26,466.91	26,489.19
<b>e) Retained Earnings</b>		
Balance as per the last financial statements	53,589.52	42,430.53
Profit for the year	16,297.90	14,539.03
<b>Items of Other Comprehensive Income</b>		
Remeasurements of post-employment benefit obligation, net of tax	(101.00)	(95.67)
Others	4.32	-
Share of Associate in Surplus	(2,666.15)	(2,802.28)
<b>Less: Appropriations</b>		
- Equity Dividend including tax thereon (CY ₹ 0.20 per share) (PY: ₹ 0.15 per share)	(642.79)	(482.09)
	66,481.82	53,589.52
<b>f) FVOCI - Investment Reserve</b>		
Balance as per the last financial statements	5,588.40	5,893.71
Changes in fair value of FVOCI instruments (net of tax)	4,564.28	(305.31)
	10,152.68	5,588.40
<b>Total</b>	<b>103,236.71</b>	<b>85,802.34</b>

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**18 Non Current - Other Financial Liabilities:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Security Deposits</b>		
- From related parties (Refer note no 33 (E))	21.42	5.36
- From others	230.13	136.66
	251.55	142.02
<b>Deferred Income Liability</b>	160.47	35.69
	412.02	177.70

**19 Non Current Provisions:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Provision for employee benefits</b>		
- Provision for Compensated absences	80.10	78.11
	80.10	78.11

**20 Deferred Tax Liability (Net):**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Deferred Tax Liabilities</b>		
- Depreciation	517.31	532.32
- Financial Assets at FVOCI	922.98	1,035.36
- Financial Assets at FVTPL	134.47	-
<b>Sub Total (a)</b>	1,574.76	1,567.68
<b>Deferred Tax Assets</b>		
- Provision for doubtful debts	(4.04)	(7.78)
- Deferred Revenue Expenses	(129.04)	(200.56)
- Unused Tax credit (MAT)	(185.19)	-
- Others	(333.51)	(354.37)
<b>Sub Total (b)</b>	(651.78)	(562.71)
<b>Total (a + b)</b>	922.98	1,004.96

**Current Financial Liabilities:****21 Trade Payables:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Total outstanding due to Micro and Small Enterprises	-	-
Total outstanding due to other than Micro and Small Enterprises	1,641.55	1,476.25
	1,641.55	1,476.25

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**22 Other Financial Liabilities:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Book Overdraft with Banks	214.68	-
Unpaid Dividend	36.52	38.02
<b>Security Deposits</b>		
- from related parties (Refer note no 33 (E))	1,238.97	955.32
- from others	5.04	75.76
	<b>1,495.20</b>	<b>1,069.10</b>

**23 Other Current Liabilities:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
Statutory Liabilities	237.82	72.40
Others Liabilities	315.93	319.64
Advance from customers	1,132.57	2,458.49
	<b>1,686.32</b>	<b>2,850.52</b>

**24 Current Provisions:**

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Provision for employee benefits</b>		
- Provision for gratuity	15.50	-
- Provision for Compensated absences	23.39	25.37
- Others	35.17	41.05
	<b>74.07</b>	<b>66.42</b>
<b>Others</b>	<b>991.26</b>	<b>1,191.81</b>
	<b>1,065.33</b>	<b>1,258.23</b>

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**25 Revenue From Operations:**

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>Sale of products</b>		
- Domestic *	5,428.85	5,917.38
- Exports	198.90	123.78
- Real Estate Development	3,867.07	5,670.40
<b>Export Incentives</b>	6.62	3.14
<b>Sale of Services</b>		
- Job work income	425.84	697.44
- Rent	1,378.97	1,122.80
<b>Other Operating Revenues</b>		
- Project Management Consultancy Income	627.00	613.13
- Others	596.27	568.28
<b>Total Revenue from Operations</b>	<b>12,529.52</b>	<b>14,716.35</b>

\* With effect from 1st July, 2017 Goods and Service Tax (GST) was introduced and hence, the revenue from operations for the period 01.07.17 to 31.03.18 is net of GST. However, the revenue from operations for the period of 01.04.17 to 30.06.17 includes excise duty recovered on sales of ₹ 178.17 lakhs and for the year ended 31st March, 2017 includes excise duty recovered on sales of ₹ 584.54 lakhs.

**26 Other Income:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Interest Income	21.66	88.61
Dividend Income	2,446.45	2,525.53
Fair Value change of investment held for trading	493.93	(37.69)
Profit / (Loss) on sale of Investments (Net)	138.85	169.88
<b>Other Non Operating Income</b>		
- Net gain on Foreign Currency Transactions	32.58	38.61
- Gain on sale of Property, Plant and Equipments (Net)	320.16	36.86
- Others	248.21	275.04
	<b>3,701.84</b>	<b>3,096.85</b>

**27 Cost of Material Consumed:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Inventory at the beginning of the year	427.21	1,252.47
Add : Purchases	3,872.14	4,272.00
	<b>4,299.35</b>	<b>5,524.47</b>
Less: Inventory at the end of the year	313.67	427.21
	<b>3,985.68</b>	<b>5,097.26</b>

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**28 Cost of Construction:**

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Opening Construction Work-in-Progress	2,508.96	4,819.25
Add : Construction Expenses incurred during the year	2,084.74	2,420.12
Less : Closing Construction Work-in-Progress	1,516.14	2,508.96
<b>Cost of Construction</b>	<b>3,077.57</b>	<b>4,730.41</b>

**29 Changes in Inventories of Finished Goods / Work in Progress:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>Inventory at the end of the year</b>		
- Work in Progress	-	-
- Finished Goods	1,095.80	1,905.29
<b>(a)</b>	<b>1,095.80</b>	<b>1,905.29</b>
<b>Inventory at the beginning of the year</b>		
- Work in Progress	-	10.65
- Finished Goods	1,905.29	1,012.63
<b>(b)</b>	<b>1,905.29</b>	<b>1,023.27</b>
<b>(b-a)</b>	<b>809.49</b>	<b>(882.02)</b>

**30 Employee Benefits Expenses:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Salary, Wages, Bonus and Others etc. [Refer Note 33(R)]	1,946.00	2,154.12
Contribution to Provident and other funds	77.90	87.30
Staff Welfare	50.30	42.03
	<b>2,074.20</b>	<b>2,283.45</b>



## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**31 Other Expenses:**

₹ In Lakhs

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
Consumption of Stores, spares, laboratory material and Analytical Expenses	131.96	281.77
Power and Fuel (Net)	110.98	546.27
<b>Repairs and Maintenance</b>		
- Machinery	191.07	262.21
- Building	35.59	36.56
- Others	249.59	130.47
Marketing, Publicity Expenses and Selling Commission	33.63	89.60
Excise Duty (Including excise duty on opening/closing Stock)	(22.38)	687.52
Rent	23.05	38.82
Rates and Taxes	240.66	214.33
Insurance	51.30	50.50
Travelling Expense	19.70	79.89
Legal & Professional Fees	219.95	251.59
Payment to Auditors (Refer note no 33 (F))	15.08	13.35
Bad Debts written off	-	3.31
Provision for Bad Debts/written back	(2.42)	14.63
Contribution for CSR related activities	16.14	24.44
Miscellaneous Expenses	158.45	90.19
	<b>1,472.34</b>	<b>2,815.45</b>

**32 Other Comprehensive Income:**

Particulars	For the Year Ended on 31st March, 2018	For the Year Ended on 31st March, 2017
<b>Items that will not be reclassified to Profit and Loss</b>		
Changes in fair value of FVOCI instruments	4,451.90	(330.38)
Income Tax relating to this item	112.38	77.10
Re-measurements of post-employment benefit obligations	(8.63)	(42.11)
Income Tax relating to this item	1.84	8.59
Re-measurements of post-employment benefit obligations of Associate	(118.65)	(79.02)
Income Tax relating to this item	24.44	16.88
(a)	<b>4,463.29</b>	<b>(348.94)</b>
<b>Items that will be reclassified to Profit and Loss</b>		
Changes in fair value of FVOCI instruments	-	(77.73)
Income Tax relating to this item	-	25.70
(b)	-	(52.03)
(a+b)	<b>4,463.29</b>	<b>(400.98)</b>

# Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## 33 Other Explanatory Notes to the Consolidated Financial Statements:

### A Additional Information:

#### I The Subsidiary and Associate considered in the Consolidated Financial Statements are:

Sr. No.	Name of Company	Subsidiary / Associate	Country of Incorporation	Proportion (%) of Shareholding Year Ended	
				31st March, 2018	31st March, 2017
1	Alembic City Limited (Earlier known as Alembic Exports Limited)	Subsidiary *	India	100.00%	45.00%
2	Alembic Pharmaceuticals Limited	Associate	India	29.44%	29.18%

#### II

Particulars	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 a % of consolidated Net Assets	Amount (₹ in lakhs)	As a % of consolidated Net Assets	Amount (₹ in lakhs)	As a % of consolidated Net Assets	Amount (₹ in lakhs)	As a % of consolidated Net Assets	Amount (₹ in lakhs)
I Alembic Limited (Parent)	37.77%	41,008.84	25.63%	4,177.94	102.11%	4,557.50	42.08%	8,735.44
II Subsidiary:								
1. Foreign : NA								
2. Indian : Alembic City Limited	0.01%	9.44	0.00%	0.21	-	-	0.00%	0.21
Minority interest in all subsidiaries	-	-	-	-	-	-	-	-
III Associates:								
(Investments as per Equity method)								
I Indian:								
Alembic Pharmaceuticals Limited	62.22%	67,559.07	74.36%	12,119.75	(2.11%)	(94.21)	57.92%	12,025.54
2 Foreign : NA								
Total	100.00%	108,577.35	100%	16,297.90	100.00%	4,463.29	100.00%	20,761.19

\* During the year, the company acquired 55% of equity shares of Alembic City Limited resulting into it becoming a wholly owned subsidiary Company.

### B Commitments

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
- Property, Plant and Equipments	3,959.16	6,633.68
- Investment Property	504.00	1,121.61
	4,463.16	7,755.29

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**C Contingent Liabilities:**

₹ In Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
a) Wage revision and reinstatement of employees and other demands	<b>Unascertained</b>	Unascertained
b) Letter of Credit, Guarantees and counter guarantees	<b>2,652.34</b>	2,620.46
c) Liabilities Disputed in appeals:		
- Excise Duty	<b>327.56</b>	646.47
- Sales Tax	<b>199.43</b>	235.24
- Income Tax	<b>703.72</b>	705.70
- Green Cess	<b>19.29</b>	19.29
- Export obligation against advance licence	<b>111.58</b>	-
d) Claims against the Group not acknowledged as debt	<b>6,949.71</b>	6,156.71
e) Disputed Liability in respect of Ministry of Industry, Department of Chemicals and Petrochemicals in respect of Price of Rifampicin Allowed in formulations and landed cost of import	<b>10.30</b>	10.21

**D Disclosure pursuant to Ind AS 17 - Leases:**

The Group has obtained premises for its business operations under operating lease or leave and license agreements. These are not non-cancellable and are renewable by mutual consent on mutually agreeable terms.

Lease payments are recognised in Statement of Profit and Loss under the head "Rent Expense" in note no 31.

**E Related Party Disclosures:**

List of Related Parties with whom the Group has entered into transactions during the year.

**(a) Associate Companies**

- |                                    |   |
|------------------------------------|---|
| 1. Alembic Pharmaceuticals Limited | 2. Alembic City Limited<br>((Earlier known as Alembic Exports Limited) upto 20.07.2017) |
|------------------------------------|---|

**(b) Other Related Parties:**

- |                                |  |
|--------------------------------|--|
| 1. Shreno Limited              | 5. Whitefield Chemtech Private Limited (Upto 12.12.2017) |
| 2. Nirayu Private Limited      | 6. Sierra Investments Private Limited (Upto 12.12.2017)  |
| 3. Paushak Limited             | 7. Sierra Healthcare Limited (Upto 09.05.2017)           |
| 4. Shreno Publications Limited | 8. Quick Flight Limited (Upto 09.05.2017)                |

**(c) Key Managerial Personnel**

- |                         |  |
|-------------------------|--|
| 1. Shri Chirayu Amin    | Chairman   |
| 2. Smt. Malika Amin     | Managing Director and Chief Executive Officer                      |
| 3. Shri Udit Amin       | Non-Executive Director (Managing Director upto 31st January, 2017) |
| 4. Shri Milin Mehta     | Independent Director   |
| 5. Shri C.P. Buch       | Independent Director   |
| 6. Shri R.C.Saxena      | Independent Director   |
| 7. Shri Sameer Khara    | Independent Director   |
| 8. Shri Abhijit Joshi   | Director   |
| 9. Shri Rasesh Shah     | Chief Financial Officer  |
| 10. Shri Drigesh Mittal | Company Secretary  |

# Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**(d) Relatives of Key Managerial Personnel**

1. Shri Pranav Amin
2. Shri Shaunak Amin

**(e) Key Managerial Personnel Compensation**

₹ In Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Short-term employee benefits	293.58	289.23
Terminal Benefits	15.54	5.02
Other Benefits	13.60	9.50
<b>Total Compensation</b>	<b>322.72</b>	<b>303.75</b>

**(f) Transactions with Related Parties**

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business:

Associate - Alembic Pharmaceuticals Limited	For the year ended 31st March, 2018	For the year ended 31st March, 2017
i) Purchase of Goods	213.96	290.99
ii) Sale of Goods	5,005.71	5,411.42
iii) Sale of Property, Plant and Equipments	-	6.49
iv) Rendering of services	772.16	318.39
v) Reimbursement of Expenses	78.09	90.95
vi) Rent Income	617.91	513.80
vii) Dividend Income	2,200.00	2,200.00
viii) Security Deposit Received	284.10	88.20
ix) Investment in Equity Shares	2,759.87	-

Key Managerial Personnel and their relatives	Name of Parties	For the year ended 31st March, 2018	For the year ended 31st March, 2017
i) Managerial Remuneration			
	Smt. Malika Amin	144.37	21.46
	Shri Udit Amin [Refer Note 33(R)]	110.00	229.34
	Shri Rasesh Shah	44.48	34.92
	Shri Drigesh Mittal	10.26	8.53
ii) Dividend Paid			
	Shri Chirayu Amin	17.39	13.04
	Smt. Malika Amin	12.02	9.02
	Others	12.10	9.07

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

Key Managerial Personnel and their relatives	Name of Parties	For the year ended 31st March, 2018	For the year ended 31st March, 2017
iii) Sitting Fees			
	Shri Chirayu Amin	1.30	1.00
	Smt. Malika Amin	-	1.00
	Shri Udit Amin	1.60	-
	Shri Milin Mehta	2.90	1.70
	Shri C.P.Buch	2.90	2.50
	Shri R.C.Saxena	2.40	1.90
	Shri Sameer Khera	1.30	0.60
	Shri Abhijit Joshi	1.20	0.80

## Significant Transactions with Other Related Parties

Other Related Parties	Name of Parties	For the year ended 31st March, 2018	For the year ended 31st March, 2017
i) Purchase of Goods			
	Paushak Limited	7.95	6.60
	Sierra Investment Private Limited	0.11	7.73
	Others	0.38	-
ii) Sale of Goods			
	Paushak Limited	14.03	9.88
	Shreno Limited	0.11	1.55
	Nirayu Private Limited	-	27.08
iii) Sale of Property, Plant and Equipments			
	Paushak Limited	17.59	53.17
iv) Rendering of services			
	Shreno Limited	1,159.51	1,096.87
	Paushak Limited	41.30	40.25
v) Receiving of services			
	Shreno Publications Limited	7.56	-
	Trivedi Gupta & Associates	0.70	2.15
vi) Rent Paid			
	Paushak Limited	21.11	20.69
	Shreno Limited	3.29	5.63
vii) Rent Income			
	Sierra Investment Private Limited	142.78	117.84
	Shreno Publications Limited	42.62	-
	Nirayu Private Limited	64.85	-
	Paushak Limited	16.32	21.47

# Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

Other Related Parties	Name of Parties	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Others	5.08	3.66
viii) Dividend Paid			
	Nirayu Private Limited	76.03	52.92
	Shreno Limited	73.48	55.11
	Whitefield Chemtech Private Limited	73.14	54.86
	Sierra Investment Private Limited	69.37	51.50
ix) Dividend Income			
	Shreno Limited	82.05	-
	Paushak Limited	18.32	18.32
x) Security Deposit Received			
	Nirayu Private Limited	15.89	-
xi) Redemption of Investments in Preference Shares			
	Shreno Limited	871.00	-

## Outstanding Balances

Particulars	As at 31st March, 2018	As at 31st March, 2017
<b>Associate-Alembic Pharmaceuticals Limited</b>		
1. Trade Receivable	585.61	928.94
2. Deposits Payable	1,238.97	954.87
3. Investment in Equity Shares	3,859.87	1,100.00
<b>Other Related Parties</b>		
1. Trade Receivable	100.00	54.45
2. Deposits Payable	26.45	10.56
3. Investments	11,415.35	6,151.88
<b>Key Managerial Personnel</b>		
1. Commission Payable	110.00	-

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**F Payment to Auditors:**

₹ In Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>Statutory Auditors</b>		
Audit Fees ( Including Limited Review)	9.69	10.00
Fees for other services	1.52	-
Reimbursement of expenses	0.47	-
<b>Cost Auditor</b>		
As Cost Auditors and Compliance Certificate	0.50	0.50
<b>Tax Auditor</b>		
Tax Audit Fee	1.60	1.10
<b>Secretarial Auditor</b>		
Secretarial Audit, Corporate Governance and Annual Return	1.30	1.75
	15.08	13.35

**G Earnings Per Share (EPS):**

Particulars	As at 31st March, 2018	As at 31st March, 2017
a) Profit / (Loss) after Tax available for equity shareholders	16,297.90	14,539.03
b) Weighted Average number of equity shares	267,031,828	267,031,828
c) Basic and Diluted Earnings per share (Face value per share ₹ 2/- each)	6.10	5.44

**H Defined benefit plans / compensated absences - As per actuarial valuation:**

The disclosure is same as per Standalone Financial Statements - Refer Note no 32 H.

**I Information on Dividend for the year ended March 31, 2018:**

Dividends proposed or declared by the Holding company after the balance sheet date but before the financial statements have been approved by the Board of Director for issue are not recognised as a liability at the balance sheet date.

The Board of Director recommended final dividend of ₹ 0.20 per equity share for the financial year ended on March 31, 2018. The payment is subject to approval of share holder in ensuing Annual General Meeting of the Company. (Previous year ₹ 0.20 per equity share).

**J Disclosure pursuant to Ind AS 11 Construction Contracts:**

i) Particulars	For the Year		Year to date	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Contract costs incurred	7,274.30	1,222.50	23,717.79	16,443.49
Recognised profit less recognised losses	1,411.62	557.89	9,274.19	7,862.57
Total	8,685.92	1,780.39	32,991.98	24,306.06

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

ii)	Particulars	As at 31st March, 2018	As at 31st March, 2017
	Gross amount due from customers disclosed as assets	651.08	1,000.57
	Gross amount due to customers disclosed as Liability	1,110.10	2,005.19
	Advances Received	52.80	31.01
	Retentions	251.11	261.09

**K Taxes Reconciliation:****A Income Tax Expense**

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
a) Income tax expense		
i. <b>Current Tax</b>		
Current tax expense	430.74	38.59
ii. <b>Deferred Tax</b>		
Decrease/ (Increase) in deferred tax assets *	(89.07)	(102.83)
(Decrease)/ Increase in deferred tax liabilities	119.46	(21.65)
Total Deferred tax expenses (Benefits)	30.40	(124.49)
Total Income tax expenses (i + ii) **	461.14	(85.90)
* This includes recognition of MAT credit	185.19	-
** This excludes below tax impact on Other comprehensive income		
Tax Benefit on Actuarial	1.84	8.59
Tax Benefit / (Expenses) due to Fair Value of Investments	112.39	102.80

**B Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Profit before Income tax expense	4,417.63	2,663.09
Tax at the Indian Tax Rate #	942.79	542.97
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Dividend Income	(522.11)	(514.93)
Expenditure related to exempt Income	1.27	0.93
Others (including deferred tax)	39.19	(114.87)
Income Tax Expense	461.14	(85.90)

# The Company falls under the provisions of Minimum Alternate Tax u/s 115JB and the applicable Indian statutory tax rate for year ended March 31, 2018 is 21.34% and for March 31, 2017, it is 20.39%.



## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**C Current Tax (Liabilities) / Assets**

₹ In Lakhs

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening balance	(179.87)	(170.28)
Income Tax Paid	364.25	20.41
Current Income Tax for the year	(430.07)	(30.00)
Current Income Tax provision for earlier year	221.66	-
Net Current Income Tax Asset / (Liability) at the end	(24.01)	(179.87)

**L Investment Property:**

(i)	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
	Amount recognised in profit or loss for investment properties Rental Income*	1,378.97	1,122.80
	Direct operating expenses from property that generated rental income	(267.89)	(208.93)
	Depreciation	(28.94)	(28.83)
	Profit from Investment Property	1,082.14	885.04

(ii)	Particulars	As at 31st March, 2018	As at 31st March, 2017
	<b>Fair Value</b>		
	Investment properties	11,882.32	11,735.78
	Add: Investment Property under Construction	3,163.64	834.28
	Total	15,045.96	12,570.05

Estimation of fair value: Method of Estimation

In the absence of valuation reports, the Group has used the government registration rates for the purpose of determining the fair value of Land and Buildings.

There are no contractual obligations to purchase, construct or develop investment property.

\* Includes Rental Income of ₹ 38.23 Lakhs of the premises for which completion certificate is yet to be received from requisite authority.

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**M Financial instruments:****i) Fair value measurement hierarchy:**

₹ In Lakhs

Particulars	As at 31st March, 2018				As at 31st March, 2017			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>At Fair Value through Profit and Loss</b>								
Mutual Funds	11,984.74	11,984.74	-	-	10,476.33	10,476.33	-	-
<b>At FVTOCI</b>								
Investment in Equity instruments	79,284.57	75,769.28	1.30	3,513.99	61,876.17	59,255.21	7.95	2,613.01
Investment in Debt instruments	0.50	-	0.50	-	871.00	-	-	871.00
<b>At Amortised cost</b>								
Trade Receivables	2,528.86	-	-	-	2,160.28	-	-	-
Cash and cash equivalents	46.26	-	-	-	192.15	-	-	-
Bank balances other than above	37.32	-	-	-	39.49	-	-	-
Loans	26.94	-	-	-	21.93	-	-	-
Others	136.59	-	-	-	134.95	-	-	-
<b>Total</b>	<b>94,045.78</b>	<b>87,754.02</b>	<b>1.80</b>	<b>3,513.99</b>	<b>75,772.29</b>	<b>69,731.53</b>	<b>7.95</b>	<b>3,484.02</b>
<b>Financial liabilities</b>								
Trade Payables	1,641.55	-	-	-	1,476.25	-	-	-
Security Deposit	1,656.03	-	-	-	1,208.78	-	-	-
Other Financial liabilities	251.20	-	-	-	38.02	-	-	-
<b>Total</b>	<b>3,548.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,723.06</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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

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

There are no transfers between levels 1 and 2 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

**ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## iii) Fair value measurements using significant unobservable inputs (level 3)

The following table represents the changes in level 3 items for the period ended March 31, 2018 & March 31, 2017.

## Unquoted Equity Shares/Preference shares

Particulars	₹ In Lakhs
As on April 1, 2017	3,484.02
Acquisitions	-
Gains / (Losses) recognized in other comprehensive income	29.97
As on 31 March, 2018	3,513.99

## iv) Valuation inputs and relationships to fair value

₹ In Lakhs

Particulars	Fair value as at		Significant Observable Inputs	Probable - weighted range		Sensitivity
	31.03.2018	31.03.2017		31.03.2018	31.03.2017	
Unquoted Equity Shares/Preference Shares	3,513.99	3,484.02	Earnings Growth Rate	2.00%	2.00%	2018: Increased earnings growth factor (+20bps) and lower discount rate (-20bps) would increase Fair Value by ₹ 82.23 Lakhs; lower growth factor (-20bps) and higher discount rate (+20bps) would decrease Fair Value by ₹ 78.79 Lakhs
			Free Cash discount rate	9.35%	9.46%	2017: Increased earnings growth factor (+20bps) and lower discount rate (-20bps) would increase Fair Value by ₹ 97.12 Lakhs; lower growth factor (-20bps) and higher discount rate (+20bps) would decrease Fair Value by ₹ 93.09 Lakhs

## v) Valuation Processes

Valuation of unquoted equity shares/preference shares is done by an external valuation agency.

The main level 3 inputs for unlisted equity securities used by the Group are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period.

## N Financial Risk Management:

The Group has exposure to credit risk, liquidity risk and market risk arising from financial instruments.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Group's activities.

The Group monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**a. Credit Risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and investments. Credit risk is managed through continuous monitoring of receivables and follow up for overdues.

**Investments**

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter parties, and does not have any significant concentration of exposures to specific industry sector or specific country risks.

**Trade Receivables**

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data to credit losses from various customers.

₹ in Lakhs

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balance at the beginning of the year	23.54	8.91
Provision made during the year	-	14.63
Provision reversed during the year	(9.68)	-
Balance at the end of the year	13.86	23.54

Other than trade and other receivables, the Group has no other financial assets that are past due but not impaired.

**b. Liquidity Risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group ensures that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions.

**Maturities of Financial Liabilities**

The table herewith analyse the Group's Financial Liabilities into relevant maturity groupings based on there contractual maturities for:

The amount disclosed in the table are the contractual undiscounted cash flows. Balance dues within the 12 months equal there carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities**

Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31st March, 2018</b>			
<b>Non-derivatives</b>			
Other financial liabilities	1,495.20	412.02	1,907.22
Trade payables	1,641.55	-	1,641.55
<b>Total Non-derivative liabilities</b>	<b>3,136.75</b>	<b>412.02</b>	<b>3,548.77</b>

<b>As at 31st March, 2017</b>			
<b>Non-derivatives</b>			
Other financial liabilities	1,069.10	177.70	1,246.80
Trade payables	1,476.25	-	1,476.25
<b>Total Non-derivative liabilities</b>	<b>2,545.35</b>	<b>177.70</b>	<b>2,723.06</b>

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**c. Market Risk****1. Price Risk**

The Group is mainly exposed to the price risk due to its investment in equity instruments and equity and debt mutual fund. The price risk arises due to unascertainty about the future market value of these investments.

**Management Policy**

The Group maintains its portfolio in accordance with framework set by risk management policies.

**2. Currency Risk**

The Group has no significant exposure to export revenue and import of raw material and property, plant and equipments so the Group is not subject to significant risk that changes in foreign currency value impact.

**O Capital Management:****Risk management**

For the purpose of Group's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Group. The Group manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Group's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Group funds its operations through internal accruals. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

**P Segment Reporting:****Primary Segment**

The Company has identified "Active Pharmaceutical Ingredient (API)" and "Real Estate" as the primary reportable segment.

**Part-I**

₹ In Lakhs

Particulars	API		Real Estate		Total	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>Segment Revenue</b>						
Revenue from Operations	6,060.20	6,741.74	5,246.04	6,793.20	11,306.24	13,534.93
Other Operating Income	576.13	565.04	647.15	616.38	1,223.28	1,181.41
Total Revenue from Operations	6,636.34	7,306.77	5,893.19	7,409.57	12,529.52	14,716.35
<b>Segment Result</b>						
Profit before exceptional items and tax	26.45	(594.44)	1,319.48	1,148.45	1,345.93	554.01
Less: Exceptional Items	-	581.00	-	-	-	581.00
<b>Profit before tax</b>	26.45	(1,175.44)	1,319.48	1,148.45	1,345.93	(26.99)
Add: Unallocated Income					3,088.64	2,705.91
Less: Finance Cost					16.94	15.83
Less: Tax Expense					461.14	(85.90)
Less: Short/(Excess) Provision of earlier years					(221.66)	-
<b>Net Profit after tax</b>					4,178.15	2,748.99
<b>Share of Associate's Profit</b>					12,119.75	11,790.04
<b>Profit after tax and share of associate's profit</b>					16,297.90	14,539.03
Other Comprehensive Income					4,463.29	(400.98)
<b>Total Comprehensive Income for the period</b>					20,761.19	14,138.06

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## Part-II

₹ In Lakhs

Particulars	API		Real Estate		Total	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
<b>Segment Assets and Liabilities</b>						
Segment Assets	17,189.10	19,328.21	7,426.45	6,571.26	24,615.55	25,899.47
Segment Liabilities	2,071.06	2,649.85	4,309.34	4,260.06	6,380.41	6,909.90
Add: Unallocable Assets					91,289.32	73,338.33
Less: Unallocable Liabilities					947.12	1,184.83
<b>Capital Employed</b>	<b>15,118.04</b>	16,678.36	<b>3,117.11</b>	2,311.20	<b>108,577.35</b>	91,143.06
Addition to Non-Current Assets	(1,562.31)	102.35	2,240.11	883.36	677.80	985.71

## Part-III

Amount of revenue from major external customer of API Division ₹ 5,777.87 Lakhs (Previous year ₹ 5,736.73 Lakhs)

**Q Details of Hypothecation of Assets:**

Inventory and Debtors are Hypothecated as security for working capital borrowings.

**R Commission to Director:**

Managerial Remuneration of ₹ 110.00 lakhs to the Non-Executive Director is subject to approval of the company in ensuing General Meeting and will be paid on obtaining of the said approval.

**S** The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.**T** These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 17th May, 2018.

As per our report of even date

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Chirayu Amin**

Chairman

DIN: 00242549

**Malika Amin**

Managing Director &amp; CEO

DIN: 00242613

**Udit Amin**

Director

DIN: 00244235

**Milind Mehta**

Director

DIN: 01297508

For and on behalf of the Board

**C. P. Buch**

Director

DIN: 05352912

**Himanshu Kishnadwala**

Partner

Membership No. 37391

Vadodara : 17th May, 2018

**R. C. Saxena**

Director

DIN: 06681691

**Abhijit Joshi**

Director

DIN: 06568584

**Rasesh Shah**

Chief Financial Officer

**Drigesh Mittal**

Company Secretary

Vadodara : 17th May, 2018

## Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**Form AOC-I****(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

	<b>Part " A " : Subsidiary - Alembic City Limited</b>		
	<b>Part " B " : Associate - Alembic Pharmaceuticals Limited</b>		
	<b>Name</b>	<b>Alembic Pharmaceuticals Limited</b>	<b>Alembic City Limited</b>
1	Latest audited Balance Sheet Date	31-03-2018	31-03-2018
2	Date on which Associate/Subsidiary was associated or acquired	15-04-2011	20-07-2017
3	Shares held by the company on the year end		
	-No of Shares	55,500,000	50,000
	-Amount of Investment (₹ In Lakhs)	3,859.87	10.07
	-Extend of Holding %	29.44%	100.00%
4	Description of how there is significant influence	More than 20% of Holding	More than 20% of Holding
5	Reason Why the company is not consolidated	NA	NA
6	Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ In Lakhs)	67,559.07	9.44
7	Profit/(loss) for the year		
	(i) Considered for Consolidation (₹ In Lakhs)	12,119.75	0.21
	(ii) Not Considered for Consolidation (₹ In Lakhs)	-	-

**Notes:**

- Name of Subsidiary/ Associate or Joint venture which are yet to commence operations - NA.
- Name of Subsidiary/ Associate or Joint venture which have been liquidated or sold during the year - NA.

As per our report of even date

**For C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Chirayu Amin**

Chairman

DIN: 00242549

**Malika Amin**

Managing Director &amp; CEO

DIN: 00242613

**Udit Amin**

Director

DIN: 00244235

**Milind Mehta**

Director

DIN: 01297508

For and on behalf of the Board

**C. P. Buch**

Director

DIN: 05352912

**Himanshu Kishnadwala**

Partner

Membership No. 37391

Vadodara : 17th May, 2018

**R. C. Saxena**

Director

DIN: 06681691

**Abhijit Joshi**

Director

DIN: 06568584

**Rasesh Shah**

Chief Financial Officer

**Drigesh Mittal**

Company Secretary

Vadodara : 17th May, 2018

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## PROXY FORM ALEMBIC LIMITED

CIN: L26100GJ1907PLC000033

Regd. Office: Alembic Road, Vadodara - 390003

Tel: +91 265 2280550 Fax: +91 265 2282506 Website: www.alembiclimited.com,

Email Id: alembic.investors@alembic.co.in

<b>Name of the Member(s):</b>	
<b>Registered Address:</b>	
<b>Email Id:</b>	
<b>Folio No./DP ID:</b>	
<b>Client ID:</b>	

I/We, being the member(s) of ..... Shares of the above named company, hereby appoint

1. Name: .....  
 Address: .....  
 Email Id : .....  
 Signature: .....or failing him
2. Name: .....  
 Address: .....  
 Email Id : .....  
 Signature: .....or failing him
3. Name: .....  
 Address: .....  
 Email Id : .....  
 Signature: .....

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 111th Annual General Meeting of the Company, to be held on the Tuesday, 7th August, 2018 at 12.30 p.m. at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara – 390 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business</b>	
1	Adoption of Financial Statements for the year ended 31st March, 2018.
2	Declaration of dividend on Equity Shares of the Company.
3	Re-appointment of Mr. Udit Amin (DIN: 00244235), who retires by rotation.
4	Revision in term of appointment of Statutory Auditors of the Company.
<b>Special Business</b>	
5	Payment of commission to Mr. Udit Amin, Non-Executive Director of the Company.
6	Re-appointment of Mr. Milin Mehta (DIN: 01297508) as an Independent Director of the Company.
7	Re-appointment of Mr. C. P. Buch (DIN: 05352912) as an Independent Director of the Company.
8	Amendment to the Memorandum of Association of the Company.
9	Adoption of new set of Articles of Association of the Company.
10	Ratification of Remuneration to the Cost Auditor for the F.Y. 2018-19.

Signed this..... day of..... 2018

Signature of Member(s) .....

Signature of Proxy holder(s) .....

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. Please complete all details including details of member(s) before submission.

Affix  
Revenue  
Stamp



**ALEMBIC LIMITED**

CIN: L26100GJ1907PLC000033

Regd. Office: Alembic Road, Vadodara – 390003

Tel: +91 265 2280550 Fax: +91 265 2282506, Website: www.alembiclimited.com

Email Id: alembic.investors@alembic.co.in

**ATTENDANCE SLIP**

Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall

Name of the Member(s) / Proxy* (in Block Letters)	
Folio No.	
DP ID	
Client ID	
No. of Shares held	

I hereby record my presence at the 111th Annual General Meeting (AGM) of the Company held on Tuesday, 7th August, 2018 at 12:30 p.m. at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara – 390 003.

\_\_\_\_\_  
Signature of Member(s) / Proxy\*

**Notes:**

- Members are requested to bring their copies of Annual Report at the AGM.
- \*Please strike off whichever is not applicable.



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