



# Alkyl Amines Chemicals Limited

**A TRUSTED**



**NAME**



**IN**



**CHEMICALS**



**ANNUAL REPORT  
2015 - 16**

## FINANCIAL HIGHLIGHTS

₹ in Lakhs

| Year Ending                         | 31.03.2011 | 31.03.2012 | 31.03.2013 | 31.03.2014 | 31.03.2015 | 31.03.2016       |
|-------------------------------------|------------|------------|------------|------------|------------|------------------|
| Gross Revenue                       | 26,058.24  | 31,836.94  | 40,667.01  | 49,443.03  | 53,011.13  | <b>53,651.18</b> |
| Revenue Growth %                    | 9.77%      | 22.18%     | 27.74%     | 21.58%     | 7.22%      | <b>1.21%</b>     |
| EBDITA                              | 3,309.74   | 4,473.11   | 5,890.03   | 8,660.55   | 8,848.96   | <b>9,340.63</b>  |
| % EBIDITA to Gross Revenue          | 12.70%     | 14.05%     | 14.48%     | 17.52%     | 16.69%     | <b>17.41%</b>    |
| EBDITA Growth (%)                   | -9.24%     | 35.15%     | 31.68%     | 47.04%     | 2.18%      | <b>5.56%</b>     |
| Profit before Tax                   | 1,360.68   | 2,368.25   | 3,592.82   | 6,462.41   | 6,690.81   | <b>7,248.06</b>  |
| PBT Growth (%)                      | -14.42%    | 74.05%     | 51.71%     | 79.87%     | 3.53%      | <b>8.33%</b>     |
| Profit After Tax                    | 1,040.49   | 1,716.38   | 2,393.20   | 4,288.06   | 4,542.13   | <b>4,985.48</b>  |
| PAT Growth (%)                      | 3.67%      | 64.96%     | 39.43%     | 79.18%     | 5.93%      | <b>9.76%</b>     |
| Gross Fixed Assets                  | 20,344.44  | 21,913.58  | 23,576.45  | 26,764.49  | 30,410.00  | <b>33,744.73</b> |
| Net Fixed Assets                    | 12,120.15  | 12,798.36  | 13,503.01  | 15,738.84  | 18,161.09  | <b>20,327.66</b> |
| Net Current Assets                  | 7,637.33   | 8,941.49   | 12,095.22  | 13,968.15  | 12,879.91  | <b>11,962.62</b> |
| Equity Share Capital                | 1,020.61   | 1,020.61   | 1,020.61   | 1,020.61   | 1,020.61   | <b>1,020.61</b>  |
| Reserve & Surplus                   | 8,199.97   | 9,535.58   | 11,492.20  | 15,098.19  | 18,538.53  | <b>21,790.31</b> |
| Book Value per share of ₹ 5/-       | 45.21      | 51.76      | 61.35      | 79.03      | 95.90      | <b>111.84</b>    |
| Earning per Share of ₹ 5/-          | 5.10       | 8.42       | 11.73      | 21.02      | 22.27      | <b>24.44</b>     |
| Equity Dividend (%)                 | 30.00      | 40.00      | 50.00      | 80.00      | 80.00      | <b>200.00</b>    |
| Net Sales to Gross Fixed Assets (%) | 113.96     | 128.46     | 152.26     | 164.50     | 153.89     | <b>140.05</b>    |
| Return on Capital Employed (%)      | 18.29      | 25.43      | 29.29      | 37.49      | 33.42      | <b>32.98</b>     |
| Return on Net worth (%)             | 11.28      | 16.26      | 19.13      | 26.60      | 23.22      | <b>21.86</b>     |
| PAT to Net Sales (%)                | 4.49       | 6.10       | 6.67       | 9.74       | 9.71       | <b>10.55</b>     |

## MANAGEMENT TEAM

*Chairman & Managing Director*  
**Yogesh M. Kothari**

*Executive Director*  
**Kirat Patel**

*Executive Director*  
**Suneet Y. Kothari**

*Vice President (Technical)*  
**Sameer S. Katdare**

*Vice President (Manufacturing)*  
**R. N. Iyer**

*Vice President (Operations)*  
**Milind Deshmukh**

*General Manager (P & A)*  
**S. S. Khade**

*General Manager  
(Technology Development)*  
**S. Saimani**

*General Manager (Marketing)*  
**Girish Naik**

*General Manager  
(R&D & Business Dev.)*  
**Dr. Prasanna Somalwar**

*General Manager  
(Finance & Accounts)*  
**Pravin Tawle**

*General Manager (Works)*  
**R.K. Kanauje**

*General Manager (Works)*  
**Sagar Jadhav**

*General Manager (Commercial)*  
**Sameer Deshpande**

*General Manager (Projects)*  
**R. K. Shah**

*General Manager  
(Secretarial & Legal)*  
**K. P. Rajagopalan**

## Non-Executive Directors :

**Hemendra M. Kothari**

**Shyam B. Ghia**

**Shobhan M. Thakore**

**Dilip G. Piramal**

**Premal N. Kapadia**

**K. R. V. Subrahmanian\***

**Tarjani Vakil**

\*Mr. K. R. V. Subrahmanian expired on 05.02.2016.

## Registered Office :

401-407, Nirman Vyapar Kendra,  
Plot No. 10, Sector 17, Vashi, Navi Mumbai 400 703.  
Ph. 67946618 • Fax : 67946666 • Email : legal@alkylamines.com

## Plants :

### Patalganga Plant

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

### Kurkumbh Plant :

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

## Auditors

Messrs Bansi S. Mehta & Co.

## Bankers

State Bank of India  
Axis Bank Ltd.  
Standard Chartered Bank

## Registrar & Transfer Agents

### Sharex Dynamic (India) Pvt. Ltd.

Unit No. 1, Luthra Ind. Premises, 1st Floor,  
44-E, M. Vasanji Marg, Andheri Kurla Road,  
Safed Pool, Andheri (E), Mumbai - 400 072  
Ph.: 28515606, 28515644 • Fax : 022 2851 2885  
Email : sharexindia@vsnl.com • Website : www.sharexindia.com

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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 36th Annual General Meeting of ALKYL AMINES CHEMICALS LIMITED will be held at Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703 on Friday, July 29, 2016 at 2.30 PM to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt:
  - (a) the audited financial statements of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2016.
2. To confirm the payment of Interim Dividend of ₹ 10/- per equity share of ₹ 5/- each (which was paid in March 2016) as final dividend for the financial year ended March 31, 2016.
3. To appoint a Director in place of Mr. Hemendra Kothari (holding DIN 00009873), who retires by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.
4. To re-appoint Statutory Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following as an Ordinary Resolution:

**“RESOLVED THAT** M/s. Bansi S. Mehta & Co., Chartered Accountants (Firm Registration No. 100991W), be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at such remuneration as shall be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS:

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Hemant Shah & Associates, Cost Accountants, (Firm Registration No. 394), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2017 be paid remuneration, as set out in the Statement annexed to the Notice convening the Meeting.

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

### NOTES :

1. An Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out all material facts relating to Business at Item Nos. 3 and 5 is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
3. The Register of members and Share Transfer Books will remain closed from Friday, July 22, 2016 to Friday, July 29, 2016 (both days inclusive) for the purpose of Annual General Meeting.
4. (a) Please note that pursuant to Section 205C of the Companies Act, 1956 all unclaimed/unpaid dividends up to 2007-08 have been transferred to the Account of Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on July 7, 2015 (date of last Annual General Meeting) on the website of the Company ([www.alkylamines.com](http://www.alkylamines.com)), as also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).
- (b) 24190 equity shares are lying in the unclaimed suspense account. Concerned shareholders have been again reminded to claim their shares.
5. We have been offering the facility of electronic credit of dividend directly to the respective bank accounts of our shareholders, through National Automated Clearing House (NACH). This is in addition to the Bank mandate facility that already exists whereby bank account details are printed on the dividend warrants. Shareholders who would like to avail of the ECS facility or the Bank mandate facility (if not done earlier) are requested to complete and submit the ECS/Bank Mandate Form that is also

sent with this Annual Report to the Company's Registrar and Transfer Agents. Kindly note that shareholders holding shares in dematerialised form would receive their future dividends directly to the bank account nominated by them to their Depository Participant, as per SEBI directives.

6. The members are requested to notify change of address, if any, to the Company's Registrar and Transfer Agent.
7. The shareholders holding shares in physical form are once again advised to seek their shareholding changed to dematerialised form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded on the Stock Exchanges.
8. The members may note that the Company's Equity Shares are listed on the Bombay Stock Exchange and National Stock Exchange and the listing fees to the Stock Exchanges have been paid.
9. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for 2016 is being sent in the permitted mode.
10. Members may also note that this Notice and the Annual Report for 2016 will also be available on the Company's website [www.alkylamines.com](http://www.alkylamines.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [legal@alkylamines.com](mailto:legal@alkylamines.com)
11. Voting through electronic means
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is providing the e-voting facility to its Members holding shares in physical or dematerialized form, as on the cut-off date, being Thursday, July 21, 2016, to exercise their right to vote at the 36th Annual General Meeting (AGM) by electronic means on any or all of the businesses specified in the Notice (the "Remote e-voting"), and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). The Remote e-voting commences on Monday, July 25, 2016 (9:00 A.M.) and ends on Thursday, July 28, 2016 (5:00 P.M.). Details of the process and manner of Remote e-voting along with the User ID and Password are given in the attached sheet.
  - II. The Company is also offering the facility for voting by way of physical ballot at the AGM. The Members attending the meeting should note that those members who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote at the AGM through ballot for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, July 21, 2016.
  - III. The Company has appointed M/s. V. Sundaram & Co., Practising Company Secretaries, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - IV. The Scrutinizer shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will make, within a period not exceeding 48 hours from the conclusion of the meeting, a Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company.
  - V. The results shall be declared within 48 hours of the conclusion of the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.alkylamines.com](http://www.alkylamines.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and NSE Limited.
12. All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

By order of the Board

**K. P. RAJAGOPALAN**  
General Manager (Secretarial & Legal)  
& Company Secretary

**Registered Office :**

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

CIN: L99999MH1979PLC021796

**Dated:** May 20, 2016

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT AS REQUIRED UNDER CORPORATE GOVERNANCE AND SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM 3

Mr. H.M. Kothari retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for reappointment.

Mr. H.M. Kothari, aged 69 years, has been on our Board since October 18, 1980. Mr. H.M. Kothari, Ex-Chairman of DSP Merrill Lynch Limited, the leading Investment Bankers in India, is also Chairman of DSP Blackrock Investment Managers Pvt. Ltd.

At present, he is on the Board of the following Companies:

1. DSP BlackRock Investment Managers Pvt. Ltd.
2. DSP BlackRock Pension Fund Managers Pvt. Ltd.
3. Shuko Real Estate Pvt Ltd.
4. Arko Dealers Pvt. Ltd.
5. Arko Enterprises Pvt. Ltd.
6. Bestow Contractors and Developers Pvt. Ltd.
7. DSP HMK Holdings Pvt. Ltd.
8. DSP Investment Pvt. Ltd.
9. DSP ADIKO Holdings Pvt. Ltd.
10. HEMKO Patents Development Pvt. Ltd.
11. MVL Realty Pvt. Ltd.
12. Foodworld Supermarkets Pvt. Ltd.
13. Health & Glow Retailing Pvt. Ltd.

With his vast experience in the business, it will be in the interest of the Company that Mr. H.M. Kothari continues as Director of the Company.

Mr. H.M. Kothari is the brother of Mr. Yogesh M. Kothari, Chairman & Managing Director and uncle of Mr. Suneet Kothari, Executive Director.

Mr. H.M. Kothari alongwith his relatives and entities controlled by them hold 7566394 equity shares (constituting 74.193% of the equity capital) of the company.

#### ITEM 5

At the last Annual General Meeting, the shareholders had approved appointment and payment of remuneration to Messrs. Hemant Shah & Associates for the year ended March 31, 2016. The Board of Directors has reappointed them to conduct cost audit for the year ending March 31, 2017. The remuneration as recommended by the Audit Committee and approved by the Board of Directors is ₹1,25,000/- (exclusive of Service Tax) plus out-of-pocket expenses not exceeding ₹10,000/-. The members are requested to pass the resolution for appointment and remuneration payable to M/s. Hemant Shah & Associates, as set out at item No. 5 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

By order of the Board

**K. P. RAJAGOPALAN**

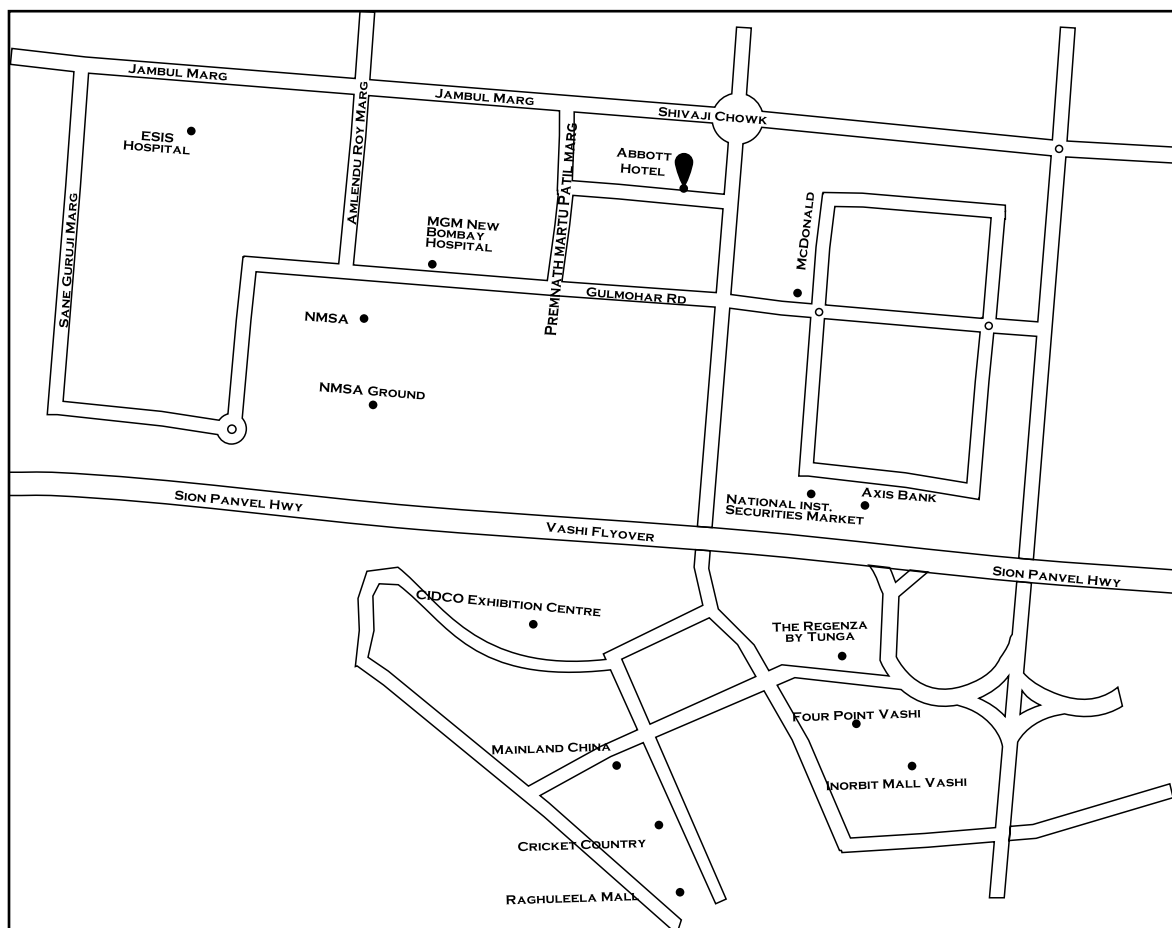
General Manager (Secretarial & Legal)  
& Company Secretary

#### Registered Office :

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

**Dated:** May 20, 2016

## ROUTE MAP OF Annual General Meeting venue



## DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders,

Your Directors take pleasure in presenting the 36th Annual Report on the business and operations of your Company together with Audited Statement of Accounts for the financial year ended March 31, 2016.

### 1. FINANCIAL RESULTS:

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

|                                                                       | 2015-16<br>₹ In Lakhs | 2014-15<br>₹ In Lakhs |
|-----------------------------------------------------------------------|-----------------------|-----------------------|
| Total Revenue (including Excise & Sales tax)                          | 53651                 | 53011                 |
| Total Revenue (net of taxes)                                          | 48455                 | 47822                 |
| Profit before interest, depreciation & taxation                       | 9340                  | 8849                  |
| Interest & financial expenses                                         | 803                   | 1023                  |
| Depreciation                                                          | 1289                  | 1135                  |
| Profit before tax                                                     | 7248                  | 6691                  |
| Provision for tax                                                     | 2263                  | 2149                  |
| Net Profit after tax                                                  | 4985                  | 4542                  |
| Add: balance profit brought forward                                   | 11511                 | 8405                  |
| Profit available for appropriation                                    | 16496                 | 12947                 |
| Transfer to General Reserve                                           | 0                     | 454                   |
| Interim Equity Dividend paid which is being treated as final dividend | 2040                  | 816                   |
| Tax on dividends                                                      | 415                   | 166                   |
| Balance profit carried to balance sheet                               | 14041                 | 11511                 |

### 2. PERFORMANCE HIGHLIGHTS:

During the year under review, total Income (gross) increased to ₹ 53651 Lakhs from ₹ 53011 Lakhs of the previous year, which is an increase of 1.2%. However compared to the previous year, total sales in volume increased by 12%.

Profit before tax registered an increase from ₹ 6691 Lakhs to ₹ 7248 Lakhs and Profit after tax increased from ₹ 4542 Lakhs to ₹ 4985 Lakhs.

Further details of operations are given in the Management Discussion and Analysis Report annexed (Annexure 1).

### 3. DIVIDENDS:

Your Directors have in March 2016 declared and paid interim dividend of ₹ 10/- on Equity Share of ₹ 5/- each for the year ended March 31, 2016 (Previous Year: final dividend of ₹ 4/- per share of ₹ 5/- each). The total amount of dividend including Income tax thereon amounted to ₹ 2455 Lakhs (Previous Year ₹ 982 Lakhs). You are requested to approve the same as final dividend. No further dividend is being recommended.

### 4. NEW PROJECTS:

#### 4.1 Project at Kurkumbh (Maharashtra) :

We had applied for environment clearance for the second phase of Acetonitrile expansion and also for enhancement of DMAHCL production capacity at Kurkumbh. We have received the Environment Clearance and Consent to Establish. We expect to get the Consent to operate shortly.

#### 4.2 New Project at Dahej (Gujarat):

As already reported, we have taken possession of land at Dahej and have also paid contribution charges for water supply. We have received Consent to Establish and also the Environment Clearance. We have started engineering work which is expected to be completed by June 2016.

#### 4.3 Solar Project at Bhoom, Dist. Osmanabad (Maharashtra)

The 2 MW solar project has been completed and commissioned and is in regular operation since July 2015. This investment is helping us to save electricity costs and contribute towards our efforts for sustainable green energy to protect environment.

### 5. ASSOCIATE/SUBSIDIARY COMPANIES

#### a. Diamines & Chemicals Limited, Vadodara:

Diamines and Chemicals Ltd., Vadodara, our associate company, has achieved a total income (net) of ₹ 3593.60 Lakhs as against ₹ 3927.64 Lakhs of the previous year. They made a profit after tax of ₹ 25.34 Lakhs as against net of loss of ₹ 155.40 Lakhs of the previous year.

#### b. Alkyl Speciality Chemicals Limited:

This company was earlier engaged in marketing of speciality chemicals. This company achieved a total income of ₹ 14.61 Lakhs (Previous Year: ₹ 31.35 Lakhs) and a profit after tax of ₹ 10.73 Lakhs as against ₹ 19.88 Lakhs of the previous year. Your Directors have decided to merge the subsidiary company with the holding company.

Pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial information of Diamines & Chemicals Limited and Alkyl Speciality Chemicals Limited.

The Annual Accounts of the Subsidiary company - Alkyl Speciality Chemicals Limited, are available for inspection by any member at the registered office during business hours. The Company will send copies thereof to the shareholders who may, if required, write to the company.

### 6. RESPONSIBLE CARE®:

Your Company has conceptualized, and is developing and supporting Nicer Globe, a Responsible Care initiative of Indian Chemical Council (ICC), along with other chemical companies. Nicer Globe is all about safe transportation of chemicals and providing proper emergency response. Responsible Care® is a wide-ranging voluntary initiative of International Council of Chemical Associations, being implemented in India by Indian Chemical Council to safely handle the products from inception in the research laboratory, through manufacture and distribution, to ultimate reuse, recycle and disposal, and to involve the public in the decision making processes. We have got our company certified for Responsible Care®. Various programs and studies related to safety, environment and health have been taken up and are being implemented, as listed hereunder:

#### 6.1. Energy Conservation and Technology Absorption:

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

#### 6.2. Safety, Health and Environment:

Keeping in line with the core values of being a responsible corporate citizen, an Integrated Management System to ensure effective Occupational Health Management has been established by your Company.

(a) **Safety** : We encourage a high level of awareness of safety issues among our employees and strive for continuous improvement. All incidents are analysed in safety committee meetings and corrective actions, wherever necessary, are taken immediately. Employees are trained in safe practices to be followed at workplace. Active participation is done in Mutual Aid scheme in the respective industrial areas. We are one of the leading members of Local and District Crisis Group and have earned reputation amongst society around and statutory authorities for prompt technical support during Disaster Management events.

External safety audit is carried out by outside agencies and the audit recommendations are being implemented.

Safety promotional activities such as celebration of national safety week, world environment day, fire service day, and participation in regional safety competition are done regularly.

The Company conducted Mock drill for onsite emergency scenario in presence of Observers from Directorate of Industrial Safety and Health and experts from other industries. The systematic mitigation actions were appreciated by the observers. To strengthen the Emergency Response, the company has conducted Truncated drills and Table top exercises and assessed performance of emergency responders. Daily tool box talks, safety talks to officers and contractors are done by the company staff.

The Company has a Disaster Management Plan within the Company and for surrounding industry, either in the form of providing risk information to the community or responding in case of any emergency, as a part of its social responsibility.

Online deviation reporting system has been installed with access to all employees including contract employees. The deviations recorded are promptly corrected by Area in-charge and closed. Employees are rewarded for good suggestions. This system encourages involvement of employees at all levels.

In addition to the above we have introduced an award for Safe employee and Safe contractor of the year in 2015/16. The awards were distributed accordingly and the practice will be continued.

Based on Operational Hazards, we have provided adequate levels of protections through scientific safety studies.

- (b) **Health :** Health of employees is of utmost importance. Periodic check up of all employees is done to monitor their health. Regular work area monitoring to check concentration of chemicals, noise level, and quality of ambient air is done. We also have well equipped Occupation Health Centers with a full time Doctor, appropriate staff and own AMBULANCE Vehicle at both manufacturing sites at Patalganga and Kurkumbh. We have team of employees trained as FIRST AIDERS who contribute their skills while on duty as well as away from duties to serve the society. Occupational Health and Safety issues are continuous focus points for your Company. Both sites are certified to OHSAS 18001:2007.

New employees undergo medical check up before they join duty. Training programs are arranged on lifestyle diseases by eminent doctors. Health camps (including blood donation camps) are arranged. Drivers are provided training on health issues. Occupational health Centres have been upgraded and modern equipments are provided. Health promotional activities, such as celebrating International Yoga day at all our sites and conducting Yoga training of all our employees and contractors were done.

(c) **Environment:**

In line with our IMS Policy, we give utmost importance to Environment protection and adherence to pollution control norms. Environmental Management System at Patalganga and Kurkumbh has been certified to ISO 14001:2004. We have successfully completed the surveillance audits that take place from time to time.

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

- i) Air Emissions – We monitor regularly emissions from various sources and are very particular about compliance with statutory requirement. Projects are undertaken for reduction of emissions.
- ii) Liquid Waste Treatment – We have integrated Effluent Treatment Plants and we maintain outlet standards within the prescribed limits. Continuous efforts are made by improving the internal processes to minimize the quantity of effluent generated and feasibility of recycling of treated effluent is being studied. The company has planned substantial investment for expanding as well as upgrading its effluent treatment capacity to meet long term requirements. Our Company is also a member of the CETP located at Patalganga and Kurkumbh. Pilot Plant trials of RO system were conducted to confirm the suitability of RO process for recovering water from treated effluent and recycle it for process use. The ETP has been up-graded and is performing satisfactorily.
- iii) Solid Waste Management – Solid wastes are either incinerated or disposed of to secured landfill. The manufacturing sites at Patalganga and Kurkumbh are members of the Authorized Common Hazardous Waste Transport, Storage & Disposal Facility namely; Mumbai Waste Management Limited, Taloja, and Maharashtra Enviro Power Limited, Ranjangaon respectively. We have a programme in place for waste management using reduction / recycle / reused / recovery techniques. These programmes are continuously reviewed for monitoring their progress and effectiveness.
- iv) Green belt – Tree plantation inside and outside the factory premises is given utmost importance. So far we have planted nearly 8320 trees in and around our plant sites.
- v) Non conventional Renewable Energy and Natural Resource conservation – We use Solar Water heaters at the staff colony. Measures like gravitational water supply, Sewage water gardening, Rain water harvesting, and number of GO GREEN activities are also undertaken at the staff colony.
- vi) Our 2MW Solar Power Project at Bhoom has been commissioned and is working satisfactorily
- vii) Possibility of contaminating the storm water due to heavy rains, has been eliminated by improving the effluent collection system. Transfer of effluent through pipelines has been implemented.
- viii) Turbo Ventilators have been installed in all warehouses to minimize exposures and maintain fresh air at the work place.

## 7. CORPORATE SOCIAL RESPONSIBILITY:

Your Company works with a deep sense of social commitment and contributes generously towards the welfare of the society that it is part of. Your Company's concerns are focussed on Environment Sustainability & Rural Development, Health/Women Empowerment, Education/Sports and others. The Annual Report on CSR activities is annexed herewith as "Annexure 3".

## 8. DIRECTORS:

We are sad to report that Mr. K.R.V. Subrahmanian, who was an Independent Director and Chairman of Audit Committee, expired on 5.2.2016. Your Directors wish to place on record their appreciation of the valuable advice and guidance the Company had received from Mr. Subrahmanian during his tenure. The Company has the requisite number of independent directors on the Board.

Mr. Hemendra Kothari retires by rotation at the Annual General Meeting and, being eligible, has offered himself for re-appointment.

Your Directors recommend his reappointment.

**8.1 Board Evaluation**

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the formal annual evaluation has been carried out by the Board of its own performance and that of its Committees and individual Directors through collective feedback.

**8.2 Remuneration Policy**

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

**8.3 Meetings**

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

**8.4. Directors' Responsibility Statement**

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

- a. that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**9. RELATED PARTY TRANSACTIONS**

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

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

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

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

**10. CODE OF CONDUCT:**

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

**11. INSIDER TRADING POLICY:**

As required under the new Insider Trading Policy Regulations of SEBI, your Directors have framed new Insider Trading Regulations and Code of Internal Procedures and Conduct for Regulating Monitoring and Reporting of Trading by Insiders. For details please refer to the company's website.

**12. FIXED DEPOSITS:**

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

**13. INSURANCE:**

The Properties and Assets of the Company are adequately insured.

**14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

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

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

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

**16. AUDITORS:****16.1 Statutory Auditors**

The Company's Auditors, Messrs. Bansi S. Mehta & Co., Chartered Accountants, Mumbai who retire at the ensuing Annual General Meeting of the Company are eligible for re-appointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Auditors of the Company. The auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

**16.2 Cost Auditors**

The Board of Directors has re-appointed Messrs. Hemant Shah & Associates as Cost Auditor for the year 2016-17. Their re-appointment as Cost Auditors for the year 2016-17 is sought under Item No. 5 of the Notice convening the Annual General Meeting.

**16.3 Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs V. Sundaram & Co., Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as "Annexure 4".

**17. ENHANCING SHAREHOLDERS VALUE**

Your Company believes that its Members are among its most important stakeholders.

Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

**18. CORPORATE GOVERNANCE**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section (Annexure 5) on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

**19. CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21 and AS 23 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

**20. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure 6".

**21. PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company forms part of this report, which will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

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

In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Complaints Committees at its workplaces. No complaints have been received during the year 2015-16.

**23. CAUTIONARY STATEMENT**

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

**24. ACKNOWLEDGEMENTS**

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

For and on behalf of the Board

Place: Mumbai

Dated: May 20, 2016

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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ANNEXURE 1

#### INDUSTRY STRUCTURE AND DEVELOPMENT

We are global manufacturers and suppliers of amines, amine derivatives and other speciality chemicals. We have two manufacturing sites, one at Patalganga and the other at Kurkumbh. We have an R&D Centre located at Pune equipped with advanced equipments and analytical instruments. We have recently set up a Solar Plant at Bhoom, Dist. Osmanabad, Maharashtra State.

We have an excellent team of technical and commercial professionals with expertise in chemical manufacturing and marketing.

Our products have application in important industries like pharmaceuticals, agro-chemicals, water treatment chemicals, foundry chemicals, rubber chemicals, etc. We cater to both domestic and international market. We have competition both from local and international producers.

For more details please refer to our website.

#### PERFORMANCE

Total Income (net of taxes) amounted to ₹48455 Lakhs compared to ₹47822 Lakhs of the previous year.

#### OPPORTUNITIES AND THREATS

The Chemical Industry is critical for the economic development of our country, providing products and enabling technical solutions in virtually all sectors of the economy. Your Company has the advantage of having a product range of speciality chemicals, covering a broad spectrum of applications. The demand for our products is driven by a wide range of end use industries.

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

The industries in which our products have application, like pharmaceuticals, agrochemicals, rubber chemicals etc are growing at a reasonable pace. A lot of new drugs are going off patent and Indian pharmaceutical industry to whom our company supplies its products is suitably placed to take advantage of this situation and have good growth potential, especially because of its cost advantage compared to international players. We have a fair chance of improving our position as a reliable supplier of good quality chemicals to these industries. Our Core Competence in chemical handling and manufacturing supported by an able technical team, should provide a lot of opportunities and scope to the company to improve its performance. We enjoy leadership position in some of the products in domestic market, driven by strong in-house technology, diversified product portfolio and customer base.

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

Being a global player, we are also exposed to competition not only from domestic players but also large international players. Cheap imports especially from countries like China and Taiwan have posed problems, which are being addressed by consistency in quality of the products and improving production efficiencies.

#### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The profit before tax amounted to ₹ 7248 Lakhs compared to ₹ 6691 Lakhs reported last year.

During the year, our gross domestic sales amounted to ₹ 52734 Lakhs compared to ₹ 52372 Lakhs of the previous year. Due to pressure on sales prices, increase in volume of some of the products did not result in increase in sales value. Exports increased from ₹ 8497 Lakhs (FOB) of the previous year to ₹ 9347 Lakhs (FOB) for the year 2015-16.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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

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

### WHISTLE BLOWER POLICY

The Company has a whistleblower policy to deal with instances of fraud and mismanagement, if any.

The details of the policy are explained in the Corporate Governance Report and also posted on the website of the Company.

### RISKS AND CONCERNS

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for all manufacturing sites are analyzed to minimize risk associated with protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company. The Company fulfills its legal requirements concerning emission, waste water and waste disposal. Improving work place safety continued to be top priority at all manufacturing sites.

### HUMAN RESOURCES

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

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

### OUTLOOK

For the year 2016-17, our focus will continue on sustainable growth by taking measures for increasing our market share of existing products and creating new business in untapped growth market segments in Export market.

There is sluggish demand in certain sectors. Sales prices are under pressure due to increased competition from global and domestic players, recession in Europe and fluctuating exchange rate. However, with the global growth of chemicals focused more on Asia, it is expected that there will be further growth in chemical industry.

During the year 2016-17, we expect the investments, which we made in our new product Acetonitrile, and also in debottlenecking capacities of other products, add to both our topline and bottomline.

We will continue with our efforts for improving our market share while re-looking at business strategies and models, wherever necessary. With our continuous efforts for improving efficiencies and margins, barring, unforeseen circumstances, we expect to achieve better results for the year 2016-17.

### CAUTIONARY STATEMENT

Statements made in the report, including those stated under the caption "Management Discussion and Analysis" describing the company's plans, projections and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

For and on behalf of the Board of Directors

Place : Mumbai

Dated : May 20, 2016

**YOGESH M. KOTHARI**

Chairman & Managing Director  
(DIN: 00010015)

## ANNEXURE 2

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

### (A) ENERGY CONSERVATION:

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

Our company has taken various measures for conservation of energy. These include the following:

- a) (i) Improved steam condensate recovery by installing new design of traps and monitoring trap performance.
- (ii) Connecting all steam traps open to atmosphere into a closed system.
- (iii) Collecting the condensate and pumping into the boiler.
- (iv) Recovering the heat from high pressure condensate by generating low pressure steam and reusing in the process.
- b) (i) Reduction in consumption of steam, electricity and water by debottlenecking/installing additional equipment in various plants.
- (ii) Improvement in yields and planned increase in throughput in methyl amines, ethylamines and acetonitrile plants.
- c) Utilization of by-product steam.
- d) Installed instruments to measure oxygen content in the flue gas and improve the steam to fuel ratio.
- e) Schemes for optimum utilization of Turbine power have been implemented.
- f) Replacing conventional lighting with LED improved lighting to achieve reduction in power consumption.
- g) Replacing old air-conditioners with new ones with five star rating.
- h) Replacing motors of high rating by high efficiency motors and thereby improving energy efficiency.
- j) Monitoring cooling tower performance to increase cycles of concentration and thus saving water, reducing usage and reducing effluent generation.
- k) Installed VFD for boiler FD fans
- l) Recycling pump seal cooling water to cooling tower make up saving 14m3/day.
- m) We have firm plans to install solar water heaters in our colony and canteens for saving electricity. This is planned in 2016/17.

### (B) TECHNOLOGY ABSORPTION:

1. Specific areas in which R & D carried out by the company
  - a) Development of continuous process for aliphatic amines.
  - b) Development of batch processes for several new mixed amine derivatives.
  - c) Development of process for an ecofriendly solvent used for several applications.
  - d) Improvement in existing processes for commercialized product based on latest technology
2. Benefits derived as a result of the above R & D
  - a) Developed processes for four new products.
  - b) In order to add value addition to the waste stream, developed a new product using waste and commercialized it successfully.
  - c) As per the customer requirement two existing processes are modified and products are successfully delivered.
3. Future plans of action
  - a) Scale up trials for the products developed in previous year
  - b) Development of new processes for new products
  - c) Development of the catalysts required for continuous processes.
4. Expenditure incurred on Research & Development
 

|                                   |                |
|-----------------------------------|----------------|
| a) Revenue Expenditure            | ₹ 443.01 Lakhs |
| b) Capital Expenditure            | ₹ 112.69 Lakhs |
| Total                             | ₹ 555.70 Lakhs |
| Total R&D expenditure             |                |
| as a percentage of Total turnover | 1.15%          |

### (C) FOREIGN EXCHANGE EARNINGS & OUTGO

|                         | 2015-16         | 2014-15         |
|-------------------------|-----------------|-----------------|
| Foreign Exchange earned | ₹ 9372.98 Lakhs | ₹ 8497.06 Lakhs |
| Foreign Exchange used   | ₹ 1314.41 Lakhs | ₹ 1428.20 Lakhs |

### ANNEXURE 3

#### ANNUAL REPORT ON CSR ACTIVITIES FORMING PART OF DIRECTORS' REPORT

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

CSR Policy is stated on the company's website: [www.alkylamines.com](http://www.alkylamines.com)

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

Ms. Tarjani Vakil, Chairperson (Independent Director)

Mr. Yogesh M. Kothari (Chairman & Managing Director)

Mr. Kirat Patel (Executive Director)

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

Average profit: ₹ 6173 Lakhs.

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

The Company is required to spend ₹ 123.46 Lakhs towards CSR.

5. **Details of CSR spent during the financial year:**

(a) **Total amount spent for the financial year: ₹ 88.20 Lakhs** (Previous year ₹ 35.94 Lakhs)

(b) **Amount unspent, if any: ₹ 35.26 Lakhs**

(c) **Manner in which the amount spent during the financial year is detailed below (Rs.in Lakhs)**

| Sr. No. | Project Area/ Sector                           | Locations                   | Amount Outlay (Budget) Project or Programs wise | Amount spent on the project or programs | Cumulative expenditure upto reporting period | Amount spent: Direct or through implementing agency |
|---------|------------------------------------------------|-----------------------------|-------------------------------------------------|-----------------------------------------|----------------------------------------------|-----------------------------------------------------|
| 1       | Environment Sustainability & Rural Development | In the state of Maharashtra | 26.00                                           | 24.12                                   | 24.12                                        | Direct                                              |
| 2       | Health/ Woman Empowerment                      |                             | 19.50                                           | 17.59                                   | 17.59                                        | Both directly and through implementing agency       |
| 3       | Education/Sports                               |                             | 46.86                                           | 44.29                                   | 44.29                                        |                                                     |
| 4       | Others                                         |                             | 2.50                                            | 2.20                                    | 2.20                                         |                                                     |
|         | Total                                          |                             | 94.86                                           | 88.20                                   | 88.20                                        |                                                     |

#### REASON FOR SHORTFALL OF CSR SPEND

As against the sum of ₹ 123.46 Lakhs required to be spent, we have actually spent a sum of ₹ 88.20 Lakhs (as against ₹ 35.94 Lakhs of the previous year). Though funds have been allocated, in order to make payment, agencies still have to complete the milestones as planned and spend the money, including approval of Government authorities. Based upon the baseline study, further projects in the areas of health and Sanitation are being finalised.

#### RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE:

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

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

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

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

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

**Tarjani Vakil**  
Chairperson- CSR Committee

**Yogesh M. Kothari**  
Chairman and Managing Director

**Kirat Patel**  
Executive Director

Mumbai  
May 20, 2016

**ANNEXURE 4**  
**SECRETARIAL AUDIT REPORT**

**Form No. MR-3**

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

For the financial year ended 31st March, 2016

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Alkyl Amines Chemicals Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided 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 31st March 2016 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 Alkyl Amines Chemicals Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (Upto 14th May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (w.e.f.15th May, 2015);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act dealing with the company.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable during the audit period).
- (vi) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company and having regard to the compliance system prevailing in the Company & on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
  - a. Environment Protection Act 1986
  - b. Water/Air (Prevention and control of pollution) Act, 1974

- c. Income Tax Act and other Indirect Tax laws
- d. Factories Act, 1948
- e. All applicable Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;
- f. Industrial Dispute Act
- g. Hazardous Chemical Rules
- h. Patents Act
- i. Bombay Shops & Establishment Act
- j. Drugs and Cosmetics Act
- k. The National Environment Tribunal Act, 1995
- l. The Batteries (Management and Handling) Rules, 2001
- m. The Indian Boilers Act, 1923
- n. The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited. / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We further report that:

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

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

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

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year the Company has declared interim dividend.

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

Place : Mumbai

Date : May 20, 2016

**V. Sundaram**

V. Sundaram and Co.

FCS No.: 2023

C.P. No.: 3373

## ANNEXURE 5

### CORPORATE GOVERNANCE REPORT

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

#### 2. BOARD OF DIRECTORS

##### i) Composition of Board:

The Board of Directors of the Company consists of 9 members. Three of the Directors, i.e. the Chairman & Managing Director and two Executive Directors, are Executive Directors and rest of the 6 Directors are non-executive Directors, who bring a wide range of skills and experience to the Board. The Board of Directors of the Company as on 31st March, 2016 is as under:

| Name                       | Designation / Category                                 | No. of Directorships and Committee Memberships / Chairmanships in other Companies (excluding Pvt. Cos.) |                          |                              |
|----------------------------|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------|------------------------------|
|                            |                                                        | Other Director-ships                                                                                    | **Committee Member-ships | **Committee Chairpersonships |
| Mr. Yogesh M. Kothari      | Chairman & Managing Director (Promoter)                | Three                                                                                                   | One                      | One                          |
| Mr. Hemendra M. Kothari    | Non-executive Director (Brother of Mr. Yogesh Kothari) | ---                                                                                                     | ---                      | ---                          |
| Mr. Shyam B. Ghia          | Non-Executive Director (Independent)                   | Five                                                                                                    | Five                     | Two                          |
| Mr. K. R. V. Subrahmanian* | Non-Executive Director (Independent)                   | Two                                                                                                     | One                      | One                          |
| Mr. Shobhan M. Thakore     | Non-Executive Director (Independent)                   | Eight                                                                                                   | Seven                    | One                          |
| Mr. Dilip G. Piramal       | Non-Executive Director (Independent)                   | Five                                                                                                    | Two                      | ---                          |
| Mr. Premal N. Kapadia      | Non-Executive Director (Independent)                   | Two                                                                                                     | One                      | ---                          |
| Ms. Tarjani Vakil          | Non-Executive Director (Independent)                   | Eight                                                                                                   | Ten                      | Five                         |
| Mr. Kirat Patel            | Executive Director                                     | Three                                                                                                   | Two                      | One                          |
| Mr. Suneet Kothari         | Executive Director (son of Mr. Yogesh Kothari)         | One                                                                                                     | ---                      | ---                          |

\*Expired on 5.2.2016

\*\*Membership/Chairmanships of Audit Committees and Stakeholders' Relationship Committees.

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

Weblink where details of familiarization programmes imparted to independent directors is disclosed: [www.alkylamines.com](http://www.alkylamines.com)

##### ii) Attendance record of each Director:

Five Board Meetings were held during the year 2015-16. These meetings were held on 15.05.2015, 13.08.2015, 05.11.2015, 27.01.2016 and 09.03.2016. The attendance record of all the Directors at the Board Meetings and the last Annual General Meeting between 01.04.2015 to 31.03.2016 is as under:-

| Name                    | No. BoD Meetings held | No. of BoD Meetings attended | Attended last AGM |
|-------------------------|-----------------------|------------------------------|-------------------|
| Mr. Yogesh M. Kothari   | Five                  | Five                         | Yes               |
| Mr. Hemendra M. Kothari | Five                  | Three                        | No                |
| Mr. Shyam B. Ghia       | Five                  | Five                         | Yes               |

| Name                    | No. BoD Meetings held | No. of BoD Meetings attended | Attended last AGM |
|-------------------------|-----------------------|------------------------------|-------------------|
| Mr. Shobhan M. Thakore  | Five                  | Five                         | No                |
| Mr. Dilip G. Piramal    | Five                  | Four                         | No                |
| Mr. Premal N. Kapadia   | Five                  | Five                         | No                |
| Mr. K.R.V. Subrahmanian | Five                  | Three                        | Yes               |
| Ms. Tarjani Vakil       | Five                  | Three                        | No                |
| Mr. Kirat Patel         | Five                  | Five                         | Yes               |
| Mr. Suneet Kothari      | Five                  | Four                         | No                |

### 3. COMMITTEES OF THE BOARD OF DIRECTORS

#### i) Audit Committee

The Company has an Audit Committee of the Board of Directors since April 2000. The Audit Committee comprises of four Directors, i.e., Mr. Shyam B. Ghia (Chairman), Mr. Premal N. Kapadia and Mr. Shobhan M. Thakore (all being Non-Executive and independent) and also Mr. Kirat Patel. Mr. K.R.V. Subramanian was Chairman of the Committee upto 4.2.2016. The Committee met 4 times during the year 2015-2016 on 15.05.2015, 13.08.2015, 05.11.2015 and 27.01.2016. The attendance of the Audit Committee Members is as under:-

| Name                    | No. of Audit Committee Meetings held | No. of Audit committee Meetings attended |
|-------------------------|--------------------------------------|------------------------------------------|
| Mr. K.R.V. Subrahmanian | Four                                 | Three                                    |
| Mr. Shyam B. Ghia       | Four                                 | Four                                     |
| Mr. Premal N. Kapadia   | Four                                 | Four                                     |
| Mr. Shobhan N. Thakore  | Four                                 | Four                                     |
| Mr. Kirat Patel         | Four                                 | Four                                     |

Mr. K.P. Rajagopalan, General Manager (Secretarial & Legal) & Company Secretary of the Company, acts as Secretary to the Audit Committee. The Account & Finance Officials of the Company, Statutory Auditors and Internal Auditors also attended the meetings of Audit Committee.

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

#### ii) Nomination and Remuneration Committee of the Board

a) The Company has also set up a Nomination and Remuneration Committee of Directors, consisting of Mr. S.B. Ghia, Chairman, Mr. S.M. Thakore and Mr. Dilip G. Piramal. The main criteria for fixing remuneration of the Directors are performance and also practice in the industry. The terms of reference of the Committee include review and recommendation to the board of directors of the remuneration paid to the directors. The Committee meets as and when required to consider remuneration of Directors. No meetings of the Committee were held in the current financial year. The Committee has formed a remuneration policy, which is available on the Company's website.

#### b) Performance evaluation criteria for directors:

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

**c) Remuneration of Directors:**

Remuneration paid/payable to the Directors for the year from 1.4.2015 to 31.3.2016 is given below:

(₹ in Lakhs)

| Name                    | Remuneration<br>(₹) | Sitting Fee<br>(₹) | Commission<br>(₹*) | Total<br>(₹) |
|-------------------------|---------------------|--------------------|--------------------|--------------|
| Mr. Yogesh M. Kothari   | 152.38              | Nil                | 249.68             | 402.06       |
| Mr. Hemendra M. Kothari | Nil                 | 0.60               | 11.78              | 12.38        |
| Mr. Shyam B. Ghia       | Nil                 | 2.08               | 11.78              | 13.86        |
| Mr. Shobhan M. Thakore  | Nil                 | 2.68               | 11.78              | 14.46        |
| Mr. Dilip G. Piramal    | Nil                 | 1.00               | 11.78              | 12.78        |
| Mr. Premal N. Kapadia   | Nil                 | 2.00               | 11.78              | 13.78        |
| Mr. K.R.V. Subrahmanian | Nil                 | 1.40               | 9.73               | 11.13        |
| Ms. Tarjani Vakil       | Nil                 | 1.20               | 11.78              | 12.98        |
| Mr. Kirat Patel         | 73.01               | Nil                | 80.41              | 153.42       |
| Mr. Suneet Y. Kothari   | 66.06               | Nil                | 80.41              | 146.47       |

\*Commission will be paid during the year 2016-2017.

Remuneration to Executive Directors includes salary and perquisites. The Company does not have any stock option scheme

The Executive Directors of the Company, namely, the Managing Director &amp; two Executive Directors, have been appointed for a period of five years. Either party is entitled to terminate the appointment by giving not less than six months' notice in writing to the other party.

**iii) Stakeholders' Relationship Committee:**

- a) The Stakeholders' Relationship Committee consists of Mr. Shobhan M. Thakore, Mr. Shyam B. Ghia and Mr. Yogesh M. Kothari, whose terms of reference include approval of share transfers and overview of investor grievance handling system. Mr. Shobhan M. Thakore is the Chairman of this Committee.
- b) Total 4 meetings of Stakeholders' Relationship Committee were held during the year 2015 -2016 on the following dates:

|            |            |            |            |
|------------|------------|------------|------------|
| 30.06.2015 | 30.09.2015 | 06.01.2016 | 30.03.2016 |
|------------|------------|------------|------------|

- c) The attendance of the Stakeholders' Relationship Committee Members is as under:-

| Name                   | Category           | No. of meetings held | No. of meetings Attended |
|------------------------|--------------------|----------------------|--------------------------|
| Mr. Shobhan M. Thakore | Independent        | Four                 | Four                     |
| Mr. Yogesh M. Kothari  | Executive Director | Four                 | Four                     |
| Mr. Shyam B. Ghia      | Independent        | Four                 | Four                     |

- d) Mr. K.P. Rajagopalan, General Manager (Secretarial & Legal) is the Compliance Officer.
- e) No. of shareholder complaints received during 2015-2016:
- |                                          |      |
|------------------------------------------|------|
| Relating to non-receipt of Annual Report | : 1  |
| Relating to loss of shares               | : 11 |
| Relating to transmission of shares       | : 0  |
| Others                                   | : 4  |
- f) No. of shareholder complaints not solved to the satisfaction of the shareholders as on 31.3.2016:
- |                                          |        |
|------------------------------------------|--------|
| Relating to non-receipt of Annual Report | : None |
| Relating to loss of shares               | : None |
| Relating to transmission of shares       | : None |
| Other                                    | : One* |
- (\*This complaint has since been resolved)
- g) No. of pending share transfers as on 31.3.2016 : None

**iv) Finance Committee:**

The Company also has a Finance Committee of Directors to consider finance related decisions consisting of Mr. Y. M. Kothari, Chairman, Mr. Kirat Patel and Mr. Shobhan M. Thakore. During the year 2015-2016 the Finance Committee Meetings were held on 30.06.2015, 24.09.2015 and 08.03.2016

| Name                   | No. of Finance Committee Meetings held | No. of Finance Committee Meetings attended |
|------------------------|----------------------------------------|--------------------------------------------|
| Mr. Yogesh M. Kothari  | 3                                      | 3                                          |
| Mr. Shobhan N. Thakore | 3                                      | 3                                          |
| Mr. Kirat Patel        | 3                                      | 3                                          |

**v) Corporate Social Responsibility Committee:**

The Company has in October 2013 set up a Corporate Social Responsibility Committee, consisting of Ms. Tarjani Vakil (Chairperson), Mr. Yogesh M. Kothari and Mr. Kirat Patel. During the year 2015-16 the Committee Meetings were held on 24.06.2015, 26.10.2015 and 09.03.2016. The attendance record of Directors is as under:

| Name                  | No. of Committee Meetings held | No. of Meetings attended |
|-----------------------|--------------------------------|--------------------------|
| Ms. Tarjani Vakil     | Three                          | Three                    |
| Mr. Yogesh M. Kothari | Three                          | Three                    |
| Mr. Kirat M. Patel    | Three                          | Three                    |

**vi) Independent Directors' Meeting:**

A meeting of the Independent Directors of the Company was held on January 27, 2016, in conformity with the provisions of the Schedule IV of the Companies Act, 2013 & the SEBI (Listing Obligations and Disclosure Regulations) 2015.

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

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

**5. GENERAL BODY MEETINGS**

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

| No. of AGM | Venue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Date           | Time       |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------|
| 35th AGM   | Chandragupt Hall,<br>2nd Floor, Hotel Abbott, Sector 2, Vashi,<br>Navi Mumbai 400 703, Maharashtra<br>Special resolutions were passed for :<br>a) Approval for re-appointment and payment of remuneration of Mr. Yogesh M. Kothari as Chairman & Managing Director<br>b) Approval for re-appointment and payment of remuneration of Mr. Kirat Patel as Executive Director<br>c) Approval for re-appointment and payment of remuneration of Mr. Suneet Kothari as Executive Director                                                                                                                                                                                                                                                                                                         | July 7, 2015   | 12.00 noon |
| 34th AGM   | Chandragupt Hall,<br>2nd Floor, Hotel Abbott, Sector 2, Vashi,<br>Navi Mumbai 400 703, Maharashtra<br>Special resolutions were passed for :<br>a) Approval for borrowing monies in excess of the aggregate of the paid up share capital and reserves of the Company, not exceeding ₹ 350 Crores.<br>b) Consent to the Board of Directors to create mortgages, charges, hypothecations and floating charges, to secure borrowings not exceeding ₹ 350 Crores.<br>Special resolutions were also passed through postal ballot for:<br>a) Sub-division of equity shares of the Company.<br>b) Alteration to Memorandum of Association of the Company.<br>c) Alteration main object of the Company in the Memorandum of Association.<br>d) Alteration to Articles of Association of the Company. | August 7, 2014 | 2.30 P.M.  |
| 33rd AGM   | Chandragupt Hall,<br>2nd Floor, Hotel Abbott, Sector 2, Vashi,<br>Navi Mumbai 400 703, Maharashtra<br>No special resolution was passed at the meeting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | August 7, 2013 | 2.30 P.M.  |

- ii) No business was transacted vide postal ballot during the year.
- iii) No special resolutions are proposed to be conducted by the Company through postal ballot.

We are proposing voting by means of e-voting for which necessary instructions are given in the notice convening the annual general meeting.

## 6. DISCLOSURES

- i) There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- ii) A list of transactions with related parties as per Accounting Standard AS-18 is mentioned in Note 36 to the Audited Accounts.
- iii) No penalty/stricture was imposed on the Company by Stock Exchange(s), SEBI or any other authority, or any matter related to capital markets, during the last three years.
- iv) The Company has a whistleblower policy, which is available on the Company's website.
- v) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements: The Company has complied with all mandatory requirements of Corporate Governance.

## 7. MEANS OF COMMUNICATION:

- i) Company is publishing the results in National & Regional Newspapers like Economic Times and Maharashtra Times. Quarterly Results are also put on the Company's web-site, [www.alkylamines.com](http://www.alkylamines.com)
- ii) Management Discussion & Analysis is part of Annual Report 2015-2016.

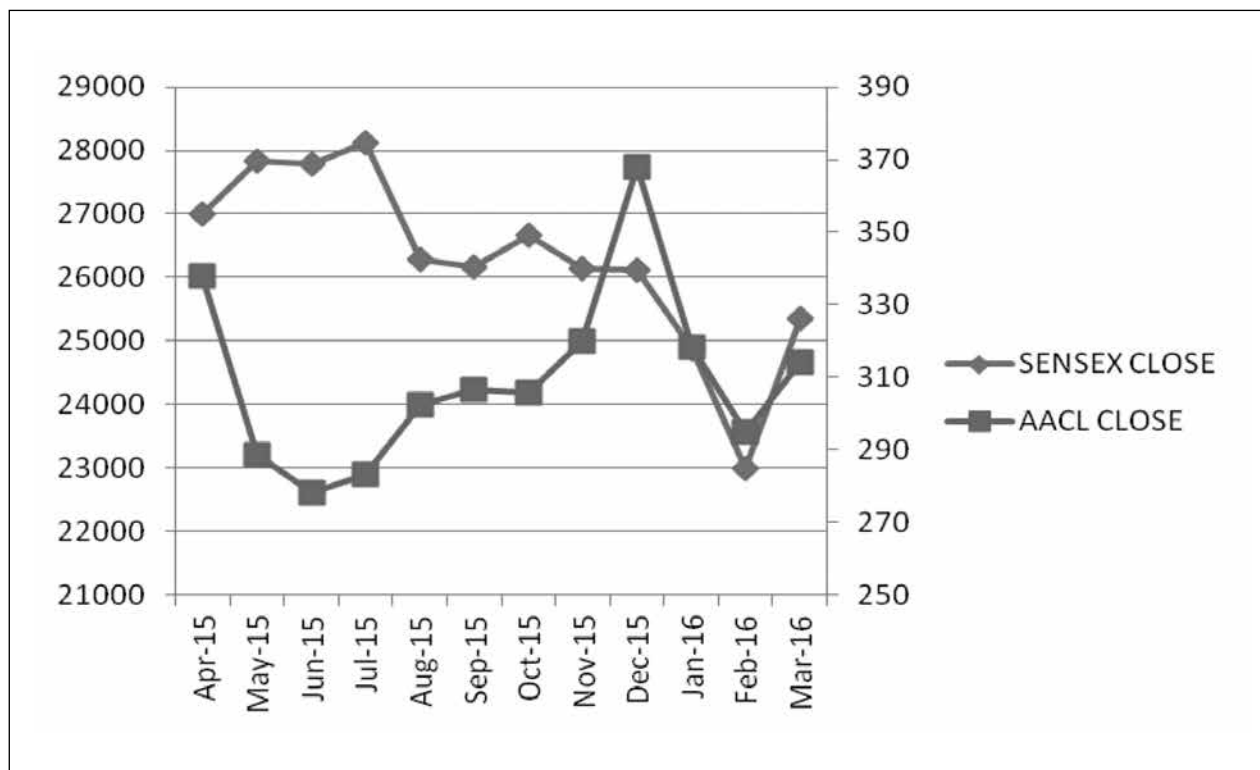
## 8. GENERAL SHAREHOLDER INFORMATION

- i) Annual General Meeting  
 Date : July 29, 2016  
 Time : 2:30 P.M.  
 Venue : Chandragupt Hall, 2nd Floor, Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703.
- ii) Financial Year: April to March
- iii) Dates of Book Closure: July 22, 2016 to July 29, 2016 (both days inclusive)
- iv) The equity shares of the Company are listed on The Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.
- v) Stock code. (BSE): 506767 (NSE): ALKYLAMINE
- vi) Market Price Data - High & Low at BSE and NSE of the equity shares of the Company during each month for the year 2015-2016 as compared to BSE Sensex/Nifty are as under:

|          | BSE (₹) |        | NSE (₹) |        |
|----------|---------|--------|---------|--------|
|          | High    | Low    | High    | Low    |
| Apr-15   | 350.10  | 310.50 | 352.30  | 315.05 |
| May-15   | 332.50  | 285.40 | 337.75  | 286.90 |
| Jun -15  | 297.10  | 253.20 | 296.20  | 253.30 |
| July -15 | 295.90  | 275.60 | 292.00  | 270.25 |
| Aug -15  | 329.80  | 260.50 | 330.60  | 264.10 |
| Sept-15  | 309.90  | 295.10 | 309.95  | 295.05 |
| Oct -15  | 314.10  | 302.90 | 314.75  | 304.90 |
| Nov -15  | 329.00  | 294.70 | 327.40  | 293.05 |
| Dec -15  | 376.10  | 312.10 | 378.20  | 306.75 |
| Jan -16  | 355.10  | 310.20 | 366.75  | 310.60 |
| Feb -16  | 317.10  | 290.00 | 317.15  | 288.70 |
| Mar -16  | 327.30  | 299.00 | 327.50  | 292.95 |

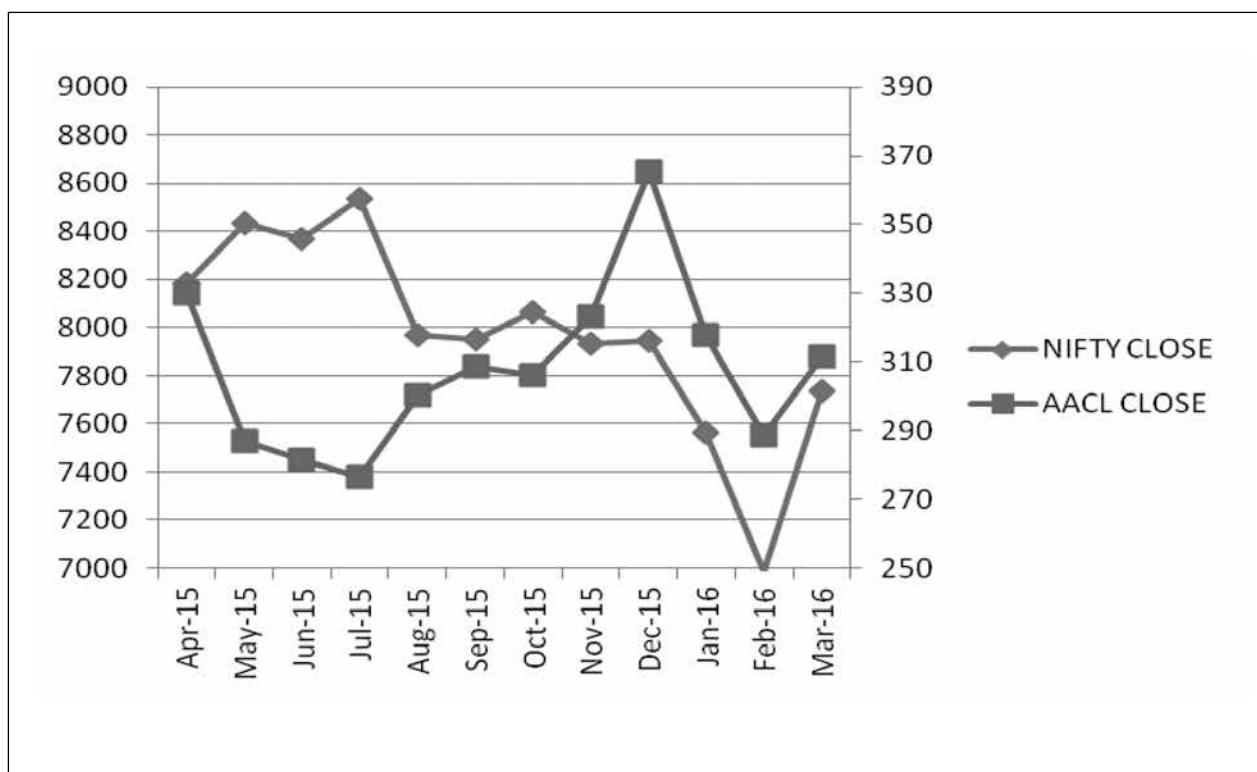
**AACL Share Price on BSE vis-à-vis Sensex April 2015 – March 2016**

| Month   | Sensex   | High   | Low    | AACL Close |
|---------|----------|--------|--------|------------|
| Apr-15  | 27011.31 | 360.00 | 304.90 | 338.00     |
| May-15  | 27828.44 | 345.00 | 280.00 | 288.50     |
| Jun-15  | 27780.83 | 306.90 | 250.00 | 278.20     |
| Jul-15  | 28114.56 | 300.00 | 270.00 | 283.10     |
| Aug-15  | 26283.09 | 344.90 | 255.00 | 302.20     |
| Sept-15 | 26154.83 | 310.00 | 291.50 | 306.50     |
| Oct-15  | 26656.83 | 317.20 | 300.00 | 305.80     |
| Nov-15  | 26145.67 | 330.00 | 289.00 | 320.10     |
| Dec-15  | 26117.54 | 394.00 | 298.00 | 368.00     |
| Jan-16  | 24870.69 | 374.90 | 300.00 | 318.40     |
| Feb-16  | 23002.00 | 325.00 | 285.30 | 294.80     |
| Mar-16  | 25341.86 | 334.80 | 290.00 | 314.00     |



**AACL Share Price on NSE vis-à-vis S&P CNX Nifty 50 April 2015 – March 2016**

| Month   | Nifty   | High   | Low    | AACL Close |
|---------|---------|--------|--------|------------|
| Apr-15  | 8181.50 | 362.90 | 297.60 | 330.15     |
| May-15  | 8433.65 | 340.00 | 285.30 | 287.05     |
| Jun-15  | 8368.50 | 312.90 | 251.00 | 281.60     |
| Jul-15  | 8532.85 | 296.00 | 267.00 | 276.50     |
| Aug-15  | 7971.30 | 348.70 | 252.10 | 300.35     |
| Sept-15 | 7948.90 | 329.90 | 289.00 | 308.75     |
| Oct-15  | 8065.80 | 316.95 | 298.70 | 306.05     |
| Nov-15  | 7935.25 | 331.95 | 285.50 | 323.20     |
| Dec-15  | 7946.35 | 394.00 | 306.75 | 365.30     |
| Jan-16  | 7563.55 | 380.00 | 305.00 | 317.65     |
| Feb-16  | 6987.05 | 328.00 | 279.00 | 288.70     |
| Mar-16  | 7738.40 | 336.00 | 289.00 | 311.65     |



## 9. SHARE TRANSFER SYSTEM/ DIVIDEND AND OTHER RELATED MATTERS :

### a) Share Transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

### b) Nomination facility for shareholding

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

### c) Permanent Account Number (PAN)

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

### d) Dividend

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

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

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

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. During the year under the review, the Company has credited ₹ 2,82,245/- to the Investor Education and Protection Fund (IEPF) pursuant to section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001. The Company will, in August 2016 transfer to the said fund, the dividends for the year ended March 31, 2009 which has remained unclaimed / unpaid.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies Rules, 2012), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 07/07/ 2015 (date of last Annual General Meeting) on the Company's website ([www.alkylamines.com](http://www.alkylamines.com)).

| Financial Year | Date of Declaration | Rate of Dividend | Due date for transfer to IEPF |
|----------------|---------------------|------------------|-------------------------------|
| 31.03.2009     | 29.07.2009          | 20%              | 04-09-2016                    |
| 31.03.2010     | 22.07.2010          | 30%              | 28-08-2017                    |
| 31.03.2011     | 04.08.2011          | 30%              | 10-09-2018                    |
| 31.03.2012     | 07.08.2012          | 40%              | 13-09-2019                    |
| 31.03.2013     | 07.08.2013          | 50%              | 13-09-2020                    |
| 31.03.2014     | 07.08.2014          | 80%              | 13-09-2021                    |
| 31.03.2015     | 07.07.2015          | 80%              | 13-08-2022                    |
| 31.03.2016     | 09.03.2016          | 200%             | 15-04-2023                    |

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

### iii) Pending Investor Grievances

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

### iv) Reconciliation of Share Capital Audit

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

## 10. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2016 :

| Shareholding of Nominal Value (₹) | No. of Holders | % of Holders  | Total Amount     | % of Amt.     |
|-----------------------------------|----------------|---------------|------------------|---------------|
| UPTO 5000                         | 7254           | 92.35         | 7256175          | 7.12          |
| 5001 TO 10000                     | 294            | 3.74          | 2140940          | 2.10          |
| 10001 TO 20000                    | 131            | 1.67          | 1888475          | 1.85          |
| 20001 TO 30000                    | 43             | 0.55          | 1074275          | 1.05          |
| 30001 TO 40000                    | 22             | 0.28          | 775120           | 0.76          |
| 40001 TO 50000                    | 12             | 0.15          | 574920           | 0.56          |
| 50001 TO 100000                   | 47             | 0.60          | 3464720          | 3.40          |
| 100001 AND ABOVE                  | 52             | 0.66          | 84807335         | 83.16         |
| <b>TOTAL</b>                      | <b>7855</b>    | <b>100.00</b> | <b>101981960</b> | <b>100.00</b> |

### a) Shareholding pattern as on 31st March, 2016 :

| No. | Category of shareholders                                                                                    | No. of Shares held | % of share holding |
|-----|-------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| 01  | I) Indian Promoters & Persons acting in concert                                                             | 15108036           | 74.072             |
|     | II) Non-Resident Persons acting in concert                                                                  | 24752              | 0.121              |
|     | <b>Sub-Total (A)</b>                                                                                        | <b>15132788</b>    | <b>74.193</b>      |
| 02  | Mutual Funds                                                                                                | 1502               | 0.007              |
| 03  | Banks/Financial Institutions/ Insurance Cos., Central Govt./ State Govt. Institutions/Venture Capital Funds | 0                  | 0.000              |
| 04  | Foreign Institutional Investors                                                                             | 165451             | 0.811              |
|     | <b>Sub-Total (B)</b>                                                                                        | <b>166953</b>      | <b>0.818</b>       |
| 05  | Private Corporate Bodies                                                                                    | 484922             | 2.377              |
| 06  | NRIs/OCBs                                                                                                   | 147564             | 0.723              |
| 07  | Clearing members                                                                                            | 4851               | 0.024              |
| 08  | Indian Public                                                                                               | 4459314            | 21.863             |
|     | <b>Sub-Total (C)</b>                                                                                        | <b>5096651</b>     | <b>24.987</b>      |
|     | <b>Total Share Capital (A+B+C)</b>                                                                          | <b>20396392</b>    | <b>100.00</b>      |

**b. Statement Showing Shareholding of more than 1% of the Capital as on March 31, 2016:**

| Sr. No. | Name of the Shareholder                           | Number of Shares | Percentage of Capital |
|---------|---------------------------------------------------|------------------|-----------------------|
| 1.      | Mr. Yogesh M. Kothari (Promoter)                  | 12206622         | 59.84                 |
| 2.      | Mrs. Nini Yogesh Kothari (Promoter Group)         | 507148           | 2.48                  |
| 3.      | Mr. Hemendra M. Kothari (Promoter Group)          | 213400           | 1.04                  |
| 4.      | Niyoko Trading & Consultancy LLP (Promoter Group) | 780200           | 3.82                  |
| 5.      | YMK Trading & Consultancy LLP (Promoter Group)    | 764932           | 3.75                  |
| 6.      | SYK Trading & Consultancy LLP (Promoter Group )   | 313308           | 1.53                  |

**c. Shareholding of Directors as on March 31, 2016**

| Sr. No. | Name                    | No. of Equity Shares held |
|---------|-------------------------|---------------------------|
| 1.      | Mr. Yogesh M. Kothari   | 12206622                  |
| 2.      | Mr. Hemendra M. Kothari | 213400                    |
| 3.      | Mr. Shyam B. Ghia       | -----                     |
| 4.      | Mr. Shobhan M. Thakore  | 11080                     |
| 5.      | Mr. Dilip G. Piramal    | ----                      |
| 6.      | Mr. Premal N. Kapadia   | -----                     |
| 7.      | Ms. Tarjani Vakil       | -----                     |
| 8.      | Mr. Kirat Patel         | 53570                     |
| 9.      | Mr. Suneet Y. Kothari   | 153324                    |

**11. DEMATERIALISATION OF SHARES AND LIQUIDITY**

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

Other details are as under:

Demat ISIN Number for Equity Shares of the

|                                                    |   |                 |
|----------------------------------------------------|---|-----------------|
| Company in NSDL & CDSL                             | - | INE150B01021    |
| Total No. of Shares as on 31.3.2016                | - | 20396392 Shares |
| Total No. of shares dematerialised upto 31.03.2016 | - | 19702776 Shares |
| Percentage to total paid up capital                | - | 96.60%          |

**12. OUTSTANDING GDR/ADR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND IMPACT ON EQUITY : NIL**
**13. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:**

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

#### 14. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:

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

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

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

#### 15. EQUITY SHARES IN THE SUSPENSE ACCOUNT

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

| Particulars                                                                                                                           | Number of Shareholders | Number of Equity Shares |
|---------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------|
| Number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2015                                      | 365                    | 24190                   |
| Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account upto 31.03.2016 | Nil                    | Nil                     |
| Number of Shareholders and the outstanding shares in the suspense account lying as on 31.03.2016                                      | 365                    | 24190                   |

#### 16. OTHER DISCLOSURES:

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

#### 17. PLANT LOCATIONS

Patalganga Plant : A-7, A-7 (Part) & A-25 MIDC, Patalganga Industrial Area, Village Kaire, Taluka Khalapur, Dist. Raigad.

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

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

#### 18. ADDRESS FOR CORRESPONDENCE

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

#### 19. COMPANY'S REGISTRAR & SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit No.1, Luthra Industrial Premises,  
1st Floor, 44-E, M. Vasanji Marg, Andheri Kurla Road,  
Safed Pool, Andheri (East), Mumbai 400 072.

Tel Nos. : 022 28515606, 28515644 Fax No. : 022 2851 2885

Email Address :- [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com) Website :- [www.sharexindia.com](http://www.sharexindia.com)

#### 20. CODE OF CONDUCT

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

For **ALKYL AMINES CHEMICALS LTD.**,

**YOGESH M. KOTHARI**

Chairman & Managing Director



**AUDITORS' CERTIFICATE ON COMPLIANCE  
WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

To the Members of **ALKYL AMINES CHEMICALS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by ALKYL AMINES CHEMICALS LIMITED ("the Company") for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the Company with The Stock Exchanges for the period April 1, 2015 to November 30, 2015 and as required to in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable.

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

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**PARESH H. CLERK**  
Partner  
Membership No.36148

**Place :** Mumbai  
**Dated:** May 20, 2016

## ANNEXURE 6

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

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

| I. REGISTRATION AND OTHER DETAILS                                         |                                                                                                                                                  |
|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| CIN                                                                       | L99999MH1979PLC021796                                                                                                                            |
| Registration Date                                                         | 17th October 1979                                                                                                                                |
| Name of The Company                                                       | Alkyl Amines Chemicals Limited                                                                                                                   |
| Category / Sub-Category of The Company                                    | Public Company Limited By Shares                                                                                                                 |
| Address of The Registered Office and Contact Details                      | 401-407, Nirman Vyapar Kendra, Plot No.10, Sector 17, Vashi, Navi Mumbai – 400 703                                                               |
| Whether Listed Company                                                    | Yes                                                                                                                                              |
| Name, Address and Contact Details of Registrar and Transfer Agent, if any | <b>Sharex Dynamic (India) Pvt. Ltd.</b><br>Unit-1, Luthra Industrial Premises, Safed Pool,<br>Andheri Kurla Road, Andheri (East), Mumbai -400072 |

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

| III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES                                                   |                       |                                               |                  |                    |
|-------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------------------------------|------------------|--------------------|
| Name and Address of the Company                                                                                   | CIN                   | Holding/ Subsidiary/ Associate of the Company | % of shares held | Applicable Section |
| Alkyl Speciality Chemicals Ltd.<br>410, Nirman Vyapar Kendra, Plot No.10, Sector-17, Vashi, Navi Mumbai – 400 703 | U24110MH1999PLC118537 | Subsidiary                                    | 100%             | 2(87)              |
| Diamines and Chemicals Ltd.<br>Plot No. 13, PCC Area, P.O. Petrochemicals, Vadodara, Gujarat - 391346             | L24110GJ1976PLC002905 | Associate                                     | 30%              | 2(6)               |

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

| Category of Shareholders                               | No. of Shares held at the beginning of the year |               |                 |                   | No. of Shares held at the end of the year |               |                 |                   | % Change during the year |
|--------------------------------------------------------|-------------------------------------------------|---------------|-----------------|-------------------|-------------------------------------------|---------------|-----------------|-------------------|--------------------------|
|                                                        | Demat                                           | Physical      | Total           | % of total shares | Demat                                     | Physical      | Total           | % of total shares |                          |
| <b>B. Public Shareholding</b>                          |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| <b>(1) Institutions</b>                                |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| a) Mutual Funds / UTI                                  | 1300                                            | 52            | 1352            | 0.007             | 1300                                      | 52            | 1352            | 0.007             | 0                        |
| b) Banks / FI                                          | 0                                               | 0             | 0               | 0                 | 150                                       | 0             | 150             | 0.001             | 0.001                    |
| c) Central Govt.                                       | 0                                               | 0             | 0               | 0                 | 0                                         | 0             | 0               | 0                 | 0                        |
| d) State Govt.(s)                                      | 0                                               | 0             | 0               | 0                 | 0                                         | 0             | 0               | 0                 | 0                        |
| e) Venture Capital Funds                               | 0                                               | 0             | 0               | 0                 | 0                                         | 0             | 0               | 0                 | 0                        |
| f) Insurance Companies                                 | 0                                               | 0             | 0               | 0                 | 0                                         | 0             | 0               | 0                 | 0                        |
| g) FIIs                                                | 83741                                           | 0             | 83741           | 0.411             | 165451                                    | 0             | 165451          | 0.811             | 0.400                    |
| h) Foreign Venture Capital Funds                       | 0                                               | 0             | 0               | 0                 | 0                                         | 0             | 0               | 0                 | 0                        |
| i) Others (specify)                                    | 0                                               | 0             | 0               | 0                 | 0                                         | 0             | 0               | 0                 | 0                        |
| <b>Sub-Total (B)(1):</b>                               | <b>85041</b>                                    | <b>52</b>     | <b>85093</b>    | <b>0.417</b>      | <b>166901</b>                             | <b>52</b>     | <b>166953</b>   | <b>0.819</b>      | <b>0.402</b>             |
| <b>(2) Non-Institutions</b>                            |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| a) Bodies Corporates                                   | 628571                                          | 7928          | 636499          | 3.121             | 477076                                    | 7846          | 484922          | 2.377             | -0.744                   |
| b) Individual Holding                                  |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| i. upto ₹ 1-Lac                                        | 2143851                                         | 729858        | 2873709         | 14.089            | 2456543                                   | 683850        | 3140393         | 15.397            | 1.308                    |
| ii. above ₹ 1-Lac                                      | 1249946                                         | 0             | 1249946         | 6.128             | 1318921                                   | 0             | 1318921         | 6.466             | 0.338                    |
| <b>c) Any Other</b>                                    |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| - Clearing Members                                     | 162440                                          | 0             | 162440          | 0.796             | 4851                                      | 0             | 4851            | 0.024             | -0.0772                  |
| - OCB                                                  | 0                                               | 0             | 0               | 0                 |                                           |               | 0               |                   |                          |
| - NRI                                                  | 254449                                          | 1468          | 255917          | 1.255             | 145696                                    | 1868          | 147564          | 0.723             | -0.532                   |
| <b>Sub-Total B(2)</b>                                  | <b>4439257</b>                                  | <b>739254</b> | <b>5178511</b>  | <b>25.389</b>     | <b>4403087</b>                            | <b>693564</b> | <b>5096651</b>  | <b>24.987</b>     | <b>-0.402</b>            |
| <b>Total(B)=B(1)+B(2)</b>                              | <b>4524298</b>                                  | <b>739306</b> | <b>5263604</b>  | <b>25.807</b>     | <b>4569988</b>                            | <b>693616</b> | <b>5263604</b>  | <b>25.806</b>     | <b>-0.001</b>            |
| <b>Total (A+B)</b>                                     | <b>19657086</b>                                 | <b>739306</b> | <b>20396392</b> | <b>100.00</b>     | <b>19702776</b>                           | <b>693616</b> | <b>20396392</b> | <b>100.00</b>     | <b>0</b>                 |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b> | <b>0</b>                                        | <b>0</b>      | <b>0</b>        | <b>0</b>          | <b>0</b>                                  | <b>0</b>      | <b>0</b>        | <b>0</b>          | <b>0</b>                 |
| <b>Grand Total (A+B+C)</b>                             | <b>19657086</b>                                 | <b>739306</b> | <b>20396392</b> | <b>100.00</b>     | <b>19702776</b>                           | <b>693616</b> | <b>20396392</b> | <b>100.00</b>     | <b>0</b>                 |

**(ii) Shareholding of Promoters / Promoter Group**

| Sr. No. | Share Holder's name                | Shareholding at the beginning of the year |                                  |                                                  | Shareholding at the end of the year |                                  |                                                  | % change in shareholding during the year |
|---------|------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------|
|         |                                    | No. of Shares                             | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total shares of the Company | % of Shares Pledged / encumbered to total shares |                                          |
| 1       | Yogesh Mathradas Kothari           | 12206622                                  | 59.847                           | 0                                                | 12206622                            | 59.847                           | 0                                                | 0                                        |
| 2       | Hemendra Mathradas Kothari         | 213400                                    | 1.046                            | 0                                                | 213400                              | 1.046                            | 0                                                | 0                                        |
| 3       | Nini Yogesh Kothari                | 507148                                    | 2.486                            | 0                                                | 507148                              | 2.487                            | 0                                                | 0                                        |
| 4       | Suneet Yogesh Kothari              | 153324                                    | 0.752                            | 0                                                | 153324                              | 0.752                            | 0                                                | 0                                        |
| 5       | Anjyko Investments Pvt. Ltd.       | 51700                                     | 0.253                            | 0                                                | 51700                               | 0.253                            | 0                                                | 0                                        |
| 6       | SYK Trading and Consultancy LLP    | 313308                                    | 1.536                            | 0                                                | 313308                              | 1.536                            | 0                                                | 0                                        |
| 7       | YMK Trading and Consultancy LLP    | 764932                                    | 3.750                            | 0                                                | 764932                              | 3.750                            | 0                                                | 0                                        |
| 8       | Niyoko Trading and Consultancy LLP | 780200                                    | 3.825                            | 0                                                | 780200                              | 3.825                            | 0                                                | 0                                        |
| 9       | Kunjalata N Shah                   | 30002                                     | 0.147                            | 0                                                | 30002                               | 0.147                            | 0                                                | 0                                        |
| 10      | Aditi Hemendra Kothari             | 28336                                     | 0.139                            | 0                                                | 28336                               | 0.139                            | 0                                                | 0                                        |
| 11      | Shuchi Hemendra Kothari            | 28144                                     | 0.138                            | 0                                                | 28144                               | 0.138                            | 0                                                | 0                                        |
| 12      | Devangana Jayant Desai             | 30920                                     | 0.152                            | 0                                                | 30920                               | 0.152                            | 0                                                | 0                                        |
| 13      | Anjali Y. Kothari                  | 24752                                     | 0.121                            | 0                                                | 24752                               | 0.121                            | 0                                                | 0                                        |
|         | <b>Total</b>                       | <b>7566394</b>                            | <b>74.192</b>                    | <b>0</b>                                         | <b>15132788</b>                     | <b>74.193</b>                    | <b>0</b>                                         | <b>0</b>                                 |

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

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

**(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

| For Each of the Top 10 Shareholders | Shareholding at the beginning of the year |                                  | Change in Shareholding (No. of shares) |          | Shareholding at the end of the year |                                  |
|-------------------------------------|-------------------------------------------|----------------------------------|----------------------------------------|----------|-------------------------------------|----------------------------------|
|                                     | No. of Shares                             | % of total shares of the Company | Increase                               | Decrease | No. of Shares                       | % of total shares of the Company |
| Rekha Harshadray Kapadia            | 203400                                    | 0.997                            | 0                                      | 0        | 203400                              | 0.997                            |
| Sanjiv Dhiresbhai Shah              | 245235                                    | 1.202                            | 0                                      | 66417    | 178818                              | 0.877                            |
| SLG International Opportunities     | 51253                                     | 0.251                            | 52847                                  | 0        | 104100                              | 0.510                            |
| Bhavesb Shah                        | 95225                                     | 0.467                            | 0                                      | 0        | 95225                               | 0.467                            |
| C Mackertich Pvt. Ltd.              | 0                                         | 0                                | 89499                                  | 0        | 89499                               | 0.439                            |
| Suresh Bhatia                       | 0                                         | 0                                | 80000                                  | 0        | 80000                               | 0.392                            |
| Priti VimalChandaria                | 43000                                     | 0.211                            | 10000                                  | 0        | 53000                               | 0.260                            |
| Govindlal M Parikh                  | 35958                                     | 0.176                            | 16829                                  | 0        | 52787                               | 0.259                            |
| Jollyben Bharatkumar Jain           | 51990                                     | 0.255                            | 0                                      | 0        | 51990                               | 0.255                            |
| Amit Mahendra Mehta                 | 48858                                     | 0.240                            | 2308                                   | 0        | 51166                               | 0.251                            |

**Note:** Top ten shareholders as on March 31, 2016 have been considered for the above disclosure.

**(v) Shareholding of Directors and Key Managerial Personnel**

| For Each of the Directors and KMP | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|-----------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|                                   | No. of Shares                             | % of total shares of the Company | No. of Shares                           | % of total shares of the Company |
| Mr.Yogesh M. Kothari              | 12206622                                  | 59.847                           | 12206622                                | 59.847                           |
| Mr. Suneet Y. Kothari             | 153324                                    | 0.752                            | 153324                                  | 0.752                            |
| Mr. Hemendra M. Kothari           | 213400                                    | 1.046                            | 213400                                  | 1.046                            |
| Mr. Kirat M. Patel                | 53570                                     | 0.263                            | 53570                                   | 0.263                            |
| Mr. Dilip G. Piramal              | 0                                         | 0                                | 0                                       | 0                                |
| Mr. K. R. V. Subrahmanian         | 0                                         | 0                                | 0                                       | 0                                |
| Mr. Shobhan M. Thakore            | 11080                                     | 0.054                            | 11080                                   | 0.054                            |
| Mr. Shyam B. Ghia                 | 0                                         | 0                                | 0                                       | 0                                |
| Mr. Premal N. Kapadia             | 0                                         | 0                                | 0                                       | 0                                |
| Ms. Tarjani Vakil                 | 0                                         | 0                                | 0                                       | 0                                |
| Mr. K. P. Rajagopalan             | 13986                                     | 0.069                            | 13986                                   | 0.069                            |
| Mr. Pravin Tawle                  | 2                                         | 0.000                            | 2                                       | 0.000                            |

**V. INDEBTEDNESS (₹. In Lakhs)**

| Indebtedness of the Company including interest outstanding/accrued but not due for payment |                                  |                 |          |                    |
|--------------------------------------------------------------------------------------------|----------------------------------|-----------------|----------|--------------------|
|                                                                                            | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| <b>Indebtedness at the beginning of the financial year</b>                                 |                                  |                 |          |                    |
| i) Principal Amount                                                                        | 10,369.18                        | 2,296.00        | 0        | 12,665.18          |
| ii) Interest due but not paid                                                              | 0                                | 0               | 0        | 0                  |
| iii) Interest accrued but not due                                                          | 25.14                            | 0               | 0        | 25.14              |
| <b>Total (i+ii+iii)</b>                                                                    | 10,394.32                        | 2,296.00        | 0        | 12,690.32          |
| <b>Change in Indebtedness during the financial year</b>                                    |                                  |                 |          |                    |
| Addition                                                                                   | 1,796.03                         | 705.00          | 0        | 2,501.03           |
| Reduction                                                                                  | 3,885.98                         | 839.50          | 0        | 4,725.48           |
| <b>Net Change</b>                                                                          | (2,089.95)                       | (134.50)        | 0        | (2,224.45)         |
| <b>Indebtedness at the end of the financial year</b>                                       |                                  |                 |          |                    |
| i) Principal Amount                                                                        | 8,295.68                         | 2,161.50        | 0        | 10,457.18          |
| ii) Interest due but not paid                                                              | 0                                | 0               | 0        | 0                  |
| iii) Interest accrued but not due                                                          | 20.98                            | 0               | 0        | 20.98              |
| <b>Total (i+ii+iii)</b>                                                                    | 8,316.66                         | 2,161.50        | 0        | 10,478.16          |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (₹ In Lakhs)**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sr. No. | Particulars of Remuneration                                                     | Mr. Yogesh M. Kothari | Mr. Kirat Patel | Mr. Suneet Kothari | Total         |
|---------|---------------------------------------------------------------------------------|-----------------------|-----------------|--------------------|---------------|
| 1       | Gross Salary                                                                    |                       |                 |                    |               |
| (a)     | Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 134.40                | 67.20           | 60.48              | 262.08        |
| (b)     | Value of perquisites under Section 17(2) of Income Tax Act, 1961                | 5.62                  | 0.32            | 0.39               | 6.33          |
| (c)     | Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961           | Nil                   | Nil             | Nil                | Nil           |
| 2       | Stock Options                                                                   | Nil                   | Nil             | Nil                | Nil           |
| 3       | Sweat Equity                                                                    | Nil                   | Nil             | Nil                | Nil           |
| 4       | Commission                                                                      | 249.68                | 80.41           | 80.41              | 410.50        |
|         | - as % of profit                                                                | 3.1%                  | 1%              | 1%                 | 5.1%          |
|         | - others, specify                                                               | Nil                   | Nil             | Nil                | Nil           |
| 5       | Others (Company contribution towards PF, Medical Reimbursement)                 | 10.72                 | 5.81            | 5.58               | 22.11         |
|         | <b>Total (A)</b>                                                                | <b>400.42</b>         | <b>153.74</b>   | <b>146.86</b>      | <b>701.02</b> |

**B. Remuneration to other Directors:**
**1. Independent Directors**

| Sr. No. | Particulars of Remuneration                    | Name of Director          |                |                   |                   |                   |                   | Total Amount (Rs. In Lakhs) |
|---------|------------------------------------------------|---------------------------|----------------|-------------------|-------------------|-------------------|-------------------|-----------------------------|
|         |                                                | Mr. K. R. V. Subrahmanian | Mr. S. B. Ghia | Mr. S. M. Thakore | Mr. P. N. Kapadia | Mr. D. G. Piramal | Ms. Tarjani Vakil |                             |
| 1       | - Fee for attending Board / Committee Meetings | 1.40                      | 2.08           | 2.68              | 2.00              | 1.00              | 1.20              | 10.36                       |
| 2       | - Commission                                   | 9.73                      | 11.78          | 11.78             | 11.78             | 11.78             | 11.78             | 68.63                       |
| 3       | - Others, please specify                       | Nil                       | Nil            | Nil               | Nil               | Nil               | Nil               | Nil                         |
|         | <b>Total (1)</b>                               | <b>11.13</b>              | <b>13.86</b>   | <b>14.46</b>      | <b>13.78</b>      | <b>12.78</b>      | <b>12.98</b>      | <b>78.99</b>                |

**2. Other Non-Executive Directors**

| Sr. No. | Particulars of Remuneration                 | Name of Director<br>Mr. Hemendra Kothari | Total Amount (Rs. In Lakhs) |
|---------|---------------------------------------------|------------------------------------------|-----------------------------|
| 1       | -Fee for attending Board/Committee Meetings | 0.60                                     | 0.60                        |
|         | - Commission                                | 11.78                                    | 11.78                       |
|         | - Others, please specify                    | Nil                                      | Nil                         |
|         | <b>Total (2)</b>                            | <b>12.38</b>                             | <b>12.38</b>                |
|         | <b>Total (B)=(1+2)</b>                      |                                          | <b>91.37</b>                |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM**

| Sr. No. | Particulars of Remuneration                                                     | Mr. Pravin Tawle<br>Chief Financial Officer | Mr. K. P. Rajagopalan<br>Company Secretary | Total Amount (Rs. In Lakhs) |
|---------|---------------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------|-----------------------------|
| 1       | Gross Salary                                                                    |                                             |                                            |                             |
| (a)     | Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 23.15                                       | 25.51                                      | 48.66                       |
| (b)     | Value of perquisites under Section 17(2) of Income Tax Act, 1961                | 0.32                                        | 0.32                                       | 0.64                        |
| (c)     | Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961           | 0                                           | 0                                          | 0                           |
| 2       | Stock Options                                                                   | 0                                           | 0                                          | 0                           |
| 3       | Sweat Equity                                                                    | 0                                           | 0                                          | 0                           |
| 4       | Commission                                                                      |                                             |                                            |                             |
|         | - as % of profit                                                                | 0                                           | 0                                          | 0                           |
|         | - others, specify                                                               | 0                                           | 0                                          | 0                           |
| 5       | Others                                                                          | 2.07                                        | 3.61                                       | 5.68                        |
|         | <b>Total (A)</b>                                                                | <b>25.54</b>                                | <b>29.44</b>                               | <b>54.98</b>                |

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

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Alkyl Amines Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
  - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its standalone financial statements – Refer Note 27.1 to the standalone financial statements;
    - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure B a statement on the matters specified in the paragraphs 3 and 4 of the Order.

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

PLACE: Mumbai  
DATED: MAY 20, 2016

## **“ANNEXURE - A” TO THE INDEPENDENT AUDITOR’S REPORT**

Referred to in paragraph 1(f) under the heading of “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report of even date to the members of the Company on the standalone financial statements for the year ended March 31, 2016.

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

We have audited the internal financial controls over financial reporting of **Alkyl Amines Chemicals Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

PLACE: Mumbai  
DATED: May 20, 2016

## “ANNEXURE - B” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 2 under the heading of “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report of even date to the members of the Company on the standalone financial statements for the year ended March 31, 2016.

### **Report on the Companies (Auditor’s Report) Order, 2016, issued in terms of Section 143(11) of the Companies Act, 2013 (“the Act”) of Alkyl Amines Chemicals Limited (“the Company”)**

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets have been physically verified by the management according to a phased programme designed to cover all the fixed assets over a period of three years, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year, and no material discrepancies have been noticed on such verification.
- 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, as included in Note 11 on Fixed Assets to the financial statements, are held in the name of the Company, except that in case of two Leasehold Lands, namely, one situated at Kurkumbh taken on lease from Maharashtra Industrial Development Corporation, having Gross Block of ₹ 131.13 Lakhs (Net Block of ₹ 107.49 Lakhs), and the other situated at Dahej taken on lease from Gujarat Industrial Development Corporation, having Gross Block of ₹ 1,135.33 Lakhs (Net Block of ₹ 1114.17 Lakhs), for which Lease Deeds are yet to be executed.
- ii. Inventories, other than stocks-in-transit and stocks lying with third parties, have been physically verified by the management during the year and at year end. For stocks-in-transit at the year-end, the necessary documentary evidences have been obtained. In our opinion, the frequency of such verification is reasonable. In case of stocks lying with third parties, certificates confirming such stocks have been received in respect of stocks held as on March 31, 2016. In our opinion the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to investments made. The Company has not given any loan or guarantee or provided any security in connection with a loan to any person or other body corporate and accordingly, the question of commenting on compliance with the provisions in respect thereof does not arise.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public. Accordingly, paragraph 3 (v) of the Order to comment on whether the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government under Section 148 (1) of the Act in respect of the Company’s products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.
- vii. a. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Employees’ State Insurance, Sales-tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues as applicable to it with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last date of the financial year, for a period of more than six months from the date they become payable.
- b. According to the information and explanations given to us and on the basis of the books and records examined by us, given herein below are details of dues of Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess as on March 31, 2016 which have not been deposited on account of disputes:

| Name of the Statute            | Forum where dispute is pending                                                                 | Nature of the Dues                                       | Period to which the amount relates                                                                               | Amount (₹ in Lakhs) |
|--------------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|---------------------|
| The Income-tax Act, 1961       | The Assessing Officer is yet to give effect to the orders of the Income-tax Appellate Tribunal | Disallowance of expenditure/ deductions and interest     | Assessment Year 1998-1999<br>Assessment Year 1999-2000<br>Assessment Year 2003-2004                              | 84.89*              |
|                                | The Income-tax Appellate Tribunal                                                              | Income-tax and interest                                  | Assessment Year 2004-2005<br>Assessment Year 2007-2008<br>Assessment Year 2008-2009<br>Assessment Year 2009-2010 | 70.05**             |
|                                | Commissioner of Income-tax (Appeals)                                                           | Income-tax and interest                                  | Assessment Year 2008-2009<br>Assessment Year 2011-2012<br>Assessment Year 2012-2013<br>Assessment Year 2013-2014 | 237.12***           |
| The Central Excise Act, 1944   | The Customs, Excise and Service Tax Appellate Tribunal                                         | Dispute relating to Cenvat Credit (interest and penalty) | Financial Years 2002-2003 to 2010-2011                                                                           | 748.27****          |
| The Bombay Sales Tax Act, 1959 | MST Tribunal Maharashtra                                                                       | Non-granting of Sales tax set-off                        | Financial Year 2002-2003                                                                                         | 24.72*****          |

- \* Amounts deposited under protest is ₹ 84.71 Lakhs  
\*\* Amounts deposited under protest is ₹ 41.05 Lakhs  
\*\*\* Amounts deposited under protest is ₹ 216.83 Lakhs  
\*\*\*\* Amounts deposited under protest is ₹ 21.07 Lakhs  
\*\*\*\*\* Amounts deposited under protest is ₹ 1 Lakh

- viii. According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in the repayment of dues to financial institutions, banks, Government or debenture holders.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order in respect thereof is not applicable. Moneys raised by way of term loans were applied for the purposes for which those are raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year in the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made a preferential allotment or private placement of shares fully paid or fully or partly convertible debentures during the year under review. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

PLACE: Mumbai  
DATED: May 20, 2016

## BALANCE SHEET AS AT MARCH 31, 2016

|                                                                                                   | Note   | ₹ In Lakhs | As At<br>March 31, 2016<br>₹ In Lakhs | As At<br>March 31, 2015<br>₹ In Lakhs |
|---------------------------------------------------------------------------------------------------|--------|------------|---------------------------------------|---------------------------------------|
| <b>EQUITY AND LIABILITIES</b>                                                                     |        |            |                                       |                                       |
| <b>Shareholders' Funds</b>                                                                        |        |            |                                       |                                       |
| Share Capital                                                                                     | 2      | 1,020.60   |                                       | 1,020.60                              |
| Reserves and Surplus                                                                              | 3      | 18,926.20  | 19,946.80                             | 16,460.61                             |
|                                                                                                   |        |            |                                       | 17,481.21                             |
| <b>Non-current Liabilities</b>                                                                    |        |            |                                       |                                       |
| Long-term Borrowings                                                                              | 4      | 4,468.09   |                                       | 5,601.01                              |
| Deferred Tax Liabilities (Net)                                                                    | 5      | 2,864.11   |                                       | 2,077.92                              |
| Long-term Provisions                                                                              | 6      | 266.19     | 7,598.39                              | 224.19                                |
|                                                                                                   |        |            |                                       | 7,903.12                              |
| <b>Current Liabilities</b>                                                                        |        |            |                                       |                                       |
| Short-term Borrowings                                                                             | 7      | 5,326.21   |                                       | 6,047.98                              |
| Trade Payables                                                                                    | 8      |            |                                       |                                       |
| Total outstanding dues of micro enterprises and small enterprises                                 |        | 30.76      |                                       | 39.46                                 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises            |        |            |                                       |                                       |
| Other Current Liabilities                                                                         | 9      | 4,345.02   |                                       | 3,829.24                              |
| Short-term Provisions                                                                             | 10     | 3,276.54   |                                       | 3,780.07                              |
|                                                                                                   |        | 78.38      |                                       | 1,121.62                              |
|                                                                                                   |        |            | 13,056.91                             | 14,818.37                             |
| <b>TOTAL</b>                                                                                      |        |            | <b>40,602.10</b>                      | <b>40,202.70</b>                      |
| <b>ASSETS</b>                                                                                     |        |            |                                       |                                       |
| <b>Non-current Assets</b>                                                                         |        |            |                                       |                                       |
| Fixed Assets                                                                                      | 11     |            |                                       |                                       |
| Tangible Assets                                                                                   |        | 18,584.36  |                                       | 14,892.15                             |
| Intangible Assets                                                                                 |        | 128.94     |                                       | 161.68                                |
| Capital Work-in-Progress                                                                          |        | 1,606.66   |                                       | 3,099.56                              |
| Intangible Assets under Development                                                               |        | 7.70       |                                       | 7.70                                  |
|                                                                                                   |        | 20,327.66  |                                       | 18,161.09                             |
| Non-current Investments                                                                           | 12     | 226.02     |                                       | 226.02                                |
| Long-term Loans and Advances                                                                      | 13     | 1,412.31   |                                       | 1,704.50                              |
| Other Non-current Assets                                                                          | 14     | 292.78     |                                       | 268.29                                |
|                                                                                                   |        |            | 22,258.77                             | 20,359.90                             |
| <b>Current Assets</b>                                                                             |        |            |                                       |                                       |
| Inventories                                                                                       | 15     | 6,315.65   |                                       | 7,054.08                              |
| Trade Receivables                                                                                 | 16     | 9,029.55   |                                       | 9,892.67                              |
| Cash and Bank Balances                                                                            | 17     | 427.12     |                                       | 786.36                                |
| Short-term Loans and Advances                                                                     | 18     | 2,455.35   |                                       | 1,923.01                              |
| Other Current Assets                                                                              | 19     | 115.66     |                                       | 186.68                                |
|                                                                                                   |        |            | 18,343.33                             | 19,842.80                             |
| <b>TOTAL</b>                                                                                      |        |            | <b>40,602.10</b>                      | <b>40,202.70</b>                      |
| <b>Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements</b> |        |            |                                       |                                       |
|                                                                                                   | 1 - 41 |            |                                       |                                       |

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148  
**Place : MUMBAI**  
**Dated : MAY 20, 2016**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**PRAVIN TAWLE**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director

**Place : MUMBAI**  
**Dated : MAY 20, 2016**

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

|                                                               |        |            | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|---------------------------------------------------------------|--------|------------|--------------------------------------|--------------------------------------|
|                                                               | Note   | ₹ In Lakhs | ₹ In Lakhs                           | ₹ In Lakhs                           |
| Revenue from Operations                                       | 20     |            | 52,328.91                            | 51,628.74                            |
| Less : Excise Duty on Sales                                   |        |            | 3,969.56                             | 3,992.10                             |
| Revenue from Operations (Net)                                 |        |            | 48,359.35                            | 47,636.64                            |
| Other Income                                                  | 21     |            | 95.59                                | 185.78                               |
| <b>Total Revenue</b>                                          |        |            | <b>48,454.94</b>                     | <b>47,822.42</b>                     |
| <b>Expenses</b>                                               |        |            |                                      |                                      |
| Cost of Materials Consumed                                    | 22     |            | 26,042.69                            | 25,350.30                            |
| Changes in Inventories of Finished Goods and Work-in-Progress | 23     |            | (850.16)                             | 564.27                               |
| Employee Benefits Expense                                     | 24     |            | 3,472.32                             | 3,117.66                             |
| Finance Costs                                                 | 25     |            | 803.44                               | 1,023.03                             |
| Depreciation and Amortisation Expense                         | 11     |            | 1,289.13                             | 1,135.12                             |
| Other Expenses                                                | 26     |            | 10,449.46                            | 9,941.23                             |
| <b>Total Expenses</b>                                         |        |            | <b>41,206.88</b>                     | <b>41,131.61</b>                     |
| <b>Profit before Exceptional Items and Tax</b>                |        |            | <b>7,248.06</b>                      | <b>6,690.81</b>                      |
| Exceptional items                                             |        |            | NIL                                  | NIL                                  |
| <b>Profit before Tax</b>                                      |        |            | <b>7,248.06</b>                      | <b>6,690.81</b>                      |
| Tax Expense:                                                  |        |            |                                      |                                      |
| Current Tax                                                   |        | 1,502.00   |                                      | 2,150.10                             |
| Deferred Tax                                                  |        | 820.58     |                                      | 28.03                                |
| Current Tax Adjustments of Earlier Years                      |        | (60.00)    |                                      | (29.45)                              |
|                                                               |        |            | 2,262.58                             | 2,148.68                             |
| <b>Profit for the Year</b>                                    |        |            | <b>4,985.48</b>                      | <b>4,542.13</b>                      |
| Earnings Per Equity Share:                                    |        |            |                                      |                                      |
| Basic and Diluted (₹)                                         |        |            | 24.44                                | 22.27                                |
| <b>Notes (Including Significant Accounting Policies)</b>      | 1 - 41 |            |                                      |                                      |
| <b>Forming Part of the Financial Statements</b>               |        |            |                                      |                                      |

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148  
**Place : Mumbai**  
**Dated : May 20, 2016**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**PRAVIN TAWLE**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**KIRAT PATEL**  
Executive Director

**Place : Mumbai**  
**Dated : May 20, 2016**

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

|                                                                     | For the<br>Year ended<br>March 31, 2016<br>₹ In Lakhs | For the<br>Year ended<br>March 31, 2015<br>₹ In Lakhs |
|---------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                       |                                                       |                                                       |
| Net Profit Before Tax                                               | 7,248.06                                              | 6,690.81                                              |
| <b>Adjustments for :</b>                                            |                                                       |                                                       |
| Loss/(Profit) on Sale/Scrap of Fixed Assets                         | (6.76)                                                | 6.18                                                  |
| Assets Written Off                                                  | 88.37                                                 | NIL                                                   |
| Depreciation and Amortisation Expense                               | 1,289.13                                              | 1,135.12                                              |
| Interest Expense                                                    | 803.44                                                | 1,023.03                                              |
| Interest on Deposits and Others                                     | (64.26)                                               | (95.11)                                               |
| Unrealised Loss/(Gain) on Foreign Exchange                          | 221.20                                                | 110.79                                                |
| Provision for Bad and Doubtful Debts                                | 0.88                                                  | NIL                                                   |
| <b>Operating Profit Before Working Capital Changes</b>              | <b>9,580.06</b>                                       | <b>8,870.82</b>                                       |
| <b>Adjustments for :</b>                                            |                                                       |                                                       |
| Long-term Loans and Advances and Other Non-current Assets           | 220.14                                                | (153.04)                                              |
| Inventories                                                         | 738.43                                                | 1,217.68                                              |
| Trade Receivables and Short-term Loans and Advances                 | 100.38                                                | (1,084.07)                                            |
| Other Current Assets                                                | 71.02                                                 | (140.40)                                              |
| Long-term Liabilities and Long-term Provisions                      | 42.00                                                 | 40.92                                                 |
| Trade Payables, Other Current Liabilities and Short-term Provisions | 384.77                                                | (528.29)                                              |
| <b>Cash Generated From Operations</b>                               | <b>11,136.80</b>                                      | <b>8,223.62</b>                                       |
| Income Tax paid                                                     | (1,481.88)                                            | (2,159.05)                                            |
| <b>Net Cash From Operating Activities</b>                           | <b>9,654.92</b>                                       | <b>6,064.57</b>                                       |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                                                       |                                                       |
| Purchase of Fixed Assets                                            | (3,528.80)                                            | (4,095.23)                                            |
| Sale of Fixed Assets                                                | 6.11                                                  | 15.82                                                 |
| Interest on Deposits and Others                                     | 64.26                                                 | 95.11                                                 |
| Bank Deposits having Original Maturity of more than 3 months        | 154.15                                                | 905.63                                                |
| <b>Net Cash From Investing Activities</b>                           | <b>(3,304.28)</b>                                     | <b>(3,078.67)</b>                                     |

|                                                                                         | For the<br>Year ended<br>March 31, 2016<br>₹ In Lakhs | For the<br>Year ended<br>March 31, 2015<br>₹ In Lakhs |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                                           |                                                       |                                                       |
| Deferred Sales Tax Payment                                                              | (104.20)                                              | (80.53)                                               |
| Proceeds from Long-term Borrowings                                                      | (1,486.23)                                            | (518.70)                                              |
| Increase/Decrease in Short-term Borrowings                                              | (721.77)                                              | (1,008.53)                                            |
| Interest Paid                                                                           | (803.44)                                              | (1,023.03)                                            |
| Dividend Paid (Including Dividend Distribution Tax)                                     | (3,436.91)                                            | (954.52)                                              |
| <b>Net Cash From Financing Activities</b>                                               | <b>(6,552.55)</b>                                     | <b>(3,585.31)</b>                                     |
| <b>Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>                       | <b>(201.91)</b>                                       | <b>(599.41)</b>                                       |
| <b>Cash and Cash Equivalents at the Beginning of the Year</b>                           | <b>588.39</b>                                         | <b>1,182.36</b>                                       |
| <b>Exchange Difference on translation of Foreign Currency Cash and Cash Equivalents</b> | <b>8.32</b>                                           | <b>5.44</b>                                           |
| <b>Cash and Cash Equivalents at the End of the Year</b>                                 | <b>394.80</b>                                         | <b>588.39</b>                                         |
| <b>Components of Cash and Cash Equivalents :</b>                                        |                                                       |                                                       |
| Cash on hand                                                                            | 3.39                                                  | 5.21                                                  |
| Other Bank Balances                                                                     |                                                       |                                                       |
| - On Current Accounts                                                                   | 300.40                                                | 549.00                                                |
| - On Unpaid Dividend Accounts                                                           | 91.01                                                 | 34.18                                                 |
|                                                                                         | <b>394.80</b>                                         | <b>588.39</b>                                         |

**Notes:**

- Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3, as notified under the Companies (Accounting Standards) Rules, 2006, as the same are applicable in terms of the provisions of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Purchase of Fixed Assets includes addition to Capital Work-in-Progress during the year.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148  
**PLACE : MUMBAI**  
**DATED : May 20, 2016**

**K. P. RAJAGOPALAN**  
General Manager  
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**PRAVIN TAWLE**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director

**PLACE : MUMBAI**  
**DATED : May 20, 2016**

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

## 1 SIGNIFICANT ACCOUNTING POLICIES

### 1.1 BASIS OF PREPARATION:

These financial statements are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention as also on accrual basis. These financial statements have been prepared to comply with the accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 ('the Accounting Standards') and the relevant provisions of the Act (to the extent notified). In the light of Rule 4A of the Companies (Accounts) Rules 2014, the items contained in these financial statements are in accordance with the definitions and other requirements specified in the Accounting Standards.

### 1.2 USE OF ESTIMATES:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosures relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts/advances, deferred tax etc. Actual results could differ from those estimates. Such difference is recognised in the period/s in which the results are known/materialised.

### 1.3 FIXED ASSETS (TANGIBLE/INTANGIBLE):

- i. Land (Freehold) is carried at cost;
- ii. Land (Leasehold) is carried at cost less amortisation;
- iii. Other Fixed Assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any.
- iv. Cost for the aforesaid purposes comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, net of recoverable duties and interest on borrowings attributable to the acquisition of qualifying Fixed Assets upto the date on which the Asset is ready for its intended use, if any. It also includes exchange difference capitalised, if any, in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates".
- v. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Capital Work-in-Progress".
- vi. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

### 1.4 DEPRECIATION AND AMORTISATION:

- i. Depreciation on tangible Fixed Assets (other than those indicated below) is provided on the straight line method over the useful lives and residual values of assets as prescribed under Part C of Schedule II of Companies Act, 2013.
  - a. Where the cost of a part of the asset which is significant to total cost of the asset and useful life of the part is different from the useful life of the remaining asset, the Company has determined the useful life of the significant part separately ("Component Accounting") and accordingly, provided depreciation on such parts.
  - b. Depreciation on Plant and Machinery (including those identified under the Component Accounting) other than those not specifically covered under the classification 'Special Plant and Machinery used in manufacturing of Chemicals' is provided on the straight line method over the useful lives of 20 years as determined by the internal technical evaluation. The Management believes that the useful lives as determined best represent the period over which it expects to use these assets which is the same as the useful life of the Special Plant and Machinery. Hence, the useful lives for such Plant and Machinery are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.  
Exchange Differences capitalised in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates" are depreciated over the balance life of the assets from the year in which such differences have been capitalised.
  - c. Leasehold land and Leasehold improvements are being amortised on the straight line method over the period of lease.
- ii. Intangible assets are amortised on the straight line method over their estimated useful life as follows:
  - a. Development of R & D Products/Processes (Internally generated) : 5 years.
  - b. Patents : 10 years.
  - c. REACH Registration : 5 years.
  - d. Computer Software : 10 years.
- iii. Depreciation for assets purchased/sold during the period is proportionately charged.

### 1.5 INVESTMENTS:

- i. Investments, which are long-term, are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of investments.

- ii. Profit or loss on sale of long-term investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.

#### 1.6 INVENTORIES:

- i. Raw materials, packing materials, stores and spares, furnace oil and fuel are valued at cost or net realisable value, whichever is lower. Cost comprises basic cost (net of CENVAT and VAT, if any) and other costs incurred in bringing them to their respective present location and condition.

Cost is determined on a Weighted Average basis.

- ii. Work-in-Progress and finished goods are valued at cost or net realisable value, whichever is lower.

Cost includes all direct costs and a proportion of other fixed manufacturing overheads based on normal operating capacity. Excise duty on finished goods awaiting clearance has been provided for and included in cost thereof.

Cost is determined on a Weighted Average basis.

#### 1.7 TAXATION:

- i. Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.
- ii. Deferred Tax : Deferred tax is recognised, subject to consideration of prudence, on timing differences between taxable and accounting income which originates in one period and are capable of reversal in one or more subsequent periods (adjusted for reversals expected during tax holiday period). The tax effect is calculated on accumulated timing differences at the year end based on tax rates and laws enacted or substantially enacted as of the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such deferred tax assets. In other situations, deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available to realise such deferred tax assets.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

#### 1.8 REVENUE RECOGNITION:

- i. **Sales of Manufactured Goods:**

Sales of goods in respect of domestic sales are recognised on despatch of goods to the customer. 'Sales' include packing charges, excise duty and are net of returns.

Sales of goods in respect of export sales are recognised as and when the shipment of goods takes place.

- ii. **Recognition of Export Benefits:**

Export Benefit Entitlements under the Duty Entitlement Pass Book Scheme and Duty drawback Scheme of the Government of India are recognised in the year in which the Export Sales are accounted for.

Advance License Benefits on Exports are accounted in the year of utilisation of license.

- iii. **Income from Certified Emission Reductions:**

Income from Certified Emission Reduction (CERs) in respect of the project registered with Executive Board established under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) is accounted on the basis of CERs generated from such project when the same are duly certified by UNFCCC.

#### 1.9 EMPLOYEE BENEFITS:

- i. **Defined Contribution Plan:**

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards Provident Fund and Family Pension Fund are provided for as a specific contribution of the Employee costs to fund these benefits as specified under the law. Therefore, any excess payment made will be considered as an advance and shortfall, if any, will be adjusted.

- ii. **Defined Benefit Plan:**

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

**Compensated Absences-** The Company provides for the encashment of leave with pay based on policy of the Company in this regard. The employees are entitled to accumulate such leave subject to certain limits, for the future encashment. The Company records an obligation for Leave Encashment in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated leave as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

**1.10 RESEARCH AND DEVELOPMENT COSTS:**

- i. Revenue expenditure on research, if any, is charged in the Statement of Profit and Loss of the year in which it is incurred.
- ii. Development Expenditure :
  - a. incurred on development of new processes for products which, as per the Management, are completed and are expected to generate future economic benefits, are shown as internally generated intangible assets and is amortised in accordance with policies stated for Amortisation in Note No. 1.4.ii.
  - b. incurred on development of new processes for products which, as per the Management, are yet to be completed, are reflected as Intangibles Under Development;
  - c. other development expenses are charged to the Statement of Profit and Loss in the year in which it is incurred.

**1.11 FOREIGN CURRENCY TRANSACTIONS:**

- i. Transactions in foreign currencies are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Monetary items which are denominated in foreign currency are translated at the exchange rates prevailing at the Balance Sheet date and profit/loss on translation thereon is credited/ charged to the Statement of Profit and Loss.
- iii. Exchange differences arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of fixed asset have been recognised in the Statement of Profit and Loss. However, on the basis of the option available to the Company, exchange differences arising on Long-term Foreign Currency Monetary items at rates different from those at which they were initially recorded in so far as they relate to the acquisition of a depreciable capital asset, has been added or deducted from the cost of such assets (Refer Note 28).
- iv. In case of forward contracts, the exchange difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract. Exchange differences on such a contract is recognised in the statement of Profit and Loss in the reporting period in which the exchange rate change.
- v. In case of forward contracts entered into for firm commitments or highly probable transactions and outstanding as at the Balance Sheet date, as required by the Announcement of the Institute of Chartered Accountants of India on positions of derivatives, keeping in view the principle of prudence as per Accounting Standard 1 on "Disclosure of Accounting Policies", are reflected by marking them to market and accordingly, the resulting mark to market losses are provided in the Statement of Profit and Loss.

**1.12 SEGMENT REPORTING POLICIES:****i. Identification of segments**

Primary Segment is identified based on the nature of products, the different risks and returns and the internal business reporting system. Secondary Segment is identified based on the geographical location of its customers.

**ii. Segment Policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**1.13 LEASE RENTALS:**

Lease rentals are accounted consistent with the payment schedule provided in the lease agreement.

**1.14 BORROWING COSTS:**

Borrowing costs, attributable to the acquisition/construction of qualifying assets, are capitalised, net of income, if any. Other borrowing costs are charged as an expense in the period in which the same are incurred. Borrowing costs comprise of interest and other cost incurred in connection with borrowing of funds.

**1.15 IMPAIRMENT OF ASSETS:**

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

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

**1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

- i. The Company recognises a Provision, when there is a present obligation as a result of a past event, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation.
- ii. Contingent Liability is disclosed by way of a note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matters involved.
- iii. Contingent Assets are neither recognised nor disclosed.

|                                                                                  | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|----------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                  | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>2. Share Capital</b>                                                          |                         |                         |
| <b>Authorised :</b>                                                              |                         |                         |
| 30,000,000 (30,000,000) Equity Shares of ₹ 5 par value                           | 1,500.00                | 1,500.00                |
| 1,500,000 (1,500,000) Cumulative Redeemable Preference Shares of ₹ 100 par value | 1,500.00                | 1,500.00                |
|                                                                                  | <b>3,000.00</b>         | <b>3,000.00</b>         |
| <b>Issued, Subscribed And Paid Up :</b>                                          |                         |                         |
| 20,396,392 (20,396,392) Equity Shares of ₹ 5 par value fully paid                | 1,019.82                | 1,019.82                |
| Shares forfeited                                                                 | 0.78                    | 0.78                    |
|                                                                                  | <b>1,020.60</b>         | <b>1,020.60</b>         |

#### 2.1 Reconciliation of the number of shares outstanding and amount of share capital :

|                                               | As At<br>March 31, 2016 |                 | As At<br>March 31, 2015 |                 |
|-----------------------------------------------|-------------------------|-----------------|-------------------------|-----------------|
|                                               | No. of shares           | ₹ In Lakhs      | No. of shares           | ₹ In Lakhs      |
| Equity shares of (₹ 5) par value              |                         |                 |                         |                 |
| At the beginning                              | 20,396,392              | 1,019.82        | 10,198,196              | 1,019.82        |
| Changes during the year [Refer Note 2.2 (iv)] | NIL                     | NIL             | 10,198,196              | NIL             |
| At the end                                    | <b>20,396,392</b>       | <b>1,019.82</b> | <b>20,396,392</b>       | <b>1,019.82</b> |

#### 2.2 Rights, preferences and restrictions

- The Company has only one class of shares referred to as equity shares having par value of ₹ 5. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. Except in case of Interim Dividend, the dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Board of Directors, in their meeting on March 9, 2016, declared an interim dividend of ₹ 10 per equity share of face value of ₹ 5 each which was paid on March 22, 2016. The total dividend appropriation for the year ended March 31, 2016 amounted to ₹ 2454.93 Lakhs including corporate dividend tax of ₹ 415.29 Lakhs.  
  
During the year ended March 31, 2015, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 4 for face value of ₹ 5 each. The dividend appropriation for the year ended March 31, 2015 amounted to ₹ 981.98 Lakhs including corporate dividend tax of ₹ 166.12 Lakhs.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- With effect from September 9, 2014, one equity share of the Company from nominal value of ₹ 10 each is sub-divided (split) into two equity shares of nominal value of ₹ 5 each. All shares and per share information in the financial results reflect the effect of the sub-division (split) retrospectively for the earlier reporting periods.

#### 2.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :

|                         | As At<br>March 31, 2016 |        | As At<br>March 31, 2015 |        |
|-------------------------|-------------------------|--------|-------------------------|--------|
| Name of the Shareholder | No. of shares           | % held | No. of shares           | % held |
| Yogesh M. Kothari       | 12,206,622              | 59.85  | 12,206,622              | 59.85  |

|                                                                                            |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|--------------------------------------------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                                                            | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>3. Reserves and Surplus</b>                                                             |            |                         |                         |
| Capital Reserve                                                                            |            |                         |                         |
| As per last Balance Sheet                                                                  |            | 9.68                    | 9.68                    |
| Capital Redemption Reserve                                                                 |            |                         |                         |
| As per last Balance Sheet                                                                  |            | 25.00                   | 25.00                   |
| Securities Premium                                                                         |            |                         |                         |
| As per last Balance Sheet                                                                  |            | 1,290.97                | 1,290.97                |
| General Reserve                                                                            |            |                         |                         |
| As per last Balance Sheet                                                                  | 3,624.24   |                         | 3,267.82                |
| Less : Adjustment for Component Accounting<br>(Refer Note 11.6)                            | 64.97      |                         | NIL                     |
| Less : Adjustment as per Schedule II to the Companies Act,<br>2013 (Refer Note 11.7)       | NIL        |                         | 97.58                   |
| Add : Transfer from Surplus                                                                | NIL        |                         | 454.00                  |
|                                                                                            |            | 3,559.27                | 3,624.24                |
| Surplus                                                                                    |            |                         |                         |
| As per last Balance Sheet                                                                  | 11,510.73  |                         | 8,404.57                |
| Add: Net Profit after Tax transferred from Statement of<br>Profit and Loss                 | 4,985.48   |                         | 4,542.13                |
| Less: Appropriations                                                                       |            |                         |                         |
| General Reserve                                                                            | NIL        |                         | 454.00                  |
| Interim Dividend paid                                                                      | 2,039.64   |                         | NIL                     |
| Tax on Interim Dividend                                                                    | 415.29     |                         | NIL                     |
| Proposed Dividend                                                                          | NIL        |                         | 815.86                  |
| Tax on Proposed Dividend                                                                   | NIL        |                         | 166.12                  |
|                                                                                            |            | 14,041.28               | 11,510.72               |
|                                                                                            |            | 18,926.20               | 16,460.61               |
| <b>4. Long-term Borrowings</b>                                                             |            |                         |                         |
| Term Loans                                                                                 |            |                         |                         |
| Secured                                                                                    |            |                         |                         |
| From Banks [Refer Note 4.1 (a)(I)]                                                         |            | 3,200.15                | 3,348.91                |
| From Other Parties - Financial Institutions [Refer Note 4.1 (a)(II)]                       |            | NIL                     | NIL                     |
|                                                                                            |            | 3,200.15                | 3,348.91                |
| Deferred Payment Liability                                                                 |            |                         |                         |
| Unsecured                                                                                  |            |                         |                         |
| Sales Tax Deferral under the Package Scheme of<br>Incentives, 1993 [Refer Note 4.1 (b)(i)] |            | 527.94                  | 687.10                  |
| Loans and advances from related parties                                                    |            |                         |                         |
| Unsecured [Refer Note 4.1 (b)(ii)]                                                         |            | 740.00                  | 1,470.00                |
| Deposits - Inter Corporate [Refer Note 4.1 (b)(iii)]                                       |            |                         |                         |
| Unsecured                                                                                  |            |                         |                         |
| From Related Parties (Refer Note 32)                                                       | NIL        |                         | 95.00                   |
| From Others                                                                                | NIL        |                         | NIL                     |
|                                                                                            |            | NIL                     | 95.00                   |
|                                                                                            |            | 4,468.09                | 5,601.01                |

#### 4.1 Nature of Security and Terms of Repayment of Long-term Borrowings:

|                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                 | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                 | Rate of Interest                                                                | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>a. Nature of security</b>                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                 |                         |                         |
| <b>I. Term Loan from Banks:</b>                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                 |                         |                         |
| i. Term Loan as sanctioned of ₹1,120 Lakhs was repayable in 16 quarterly instalments from March 18, 2016 to part finance setting up of Solar PV Power plant at Bhum was secured by second <i>pari passu</i> charge on current assets of the Company. The Company has prepaid this loan.                                                                                                                                         | Base rate +<br>1.00% p.a. i.e.<br>10.50 % p.a.<br>(11.15 % p.a.)                | NIL                     | 858.93                  |
| ii. Foreign Currency Term Loans to part finance Company's normal capital expenditure which are secured by creation of <i>Pari passu</i> charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga and Plot no. D-6/1 at Kurkumbh, Maharashtra and also a second <i>pari passu</i> charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc. of : |                                                                                 |                         |                         |
| USD 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012,                                                                                                                                                                                                                                                                                                                                        | 3.40% p.a.<br>(3.48% p.a.)                                                      | 138.67                  | 654.64                  |
| USD 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 (covered by Interest rate and Currency rate Swap)                                                                                                                                                                                                                                                                                              | 3.66% p.a.                                                                      | 1,008.45                | 1,428.30                |
| USD 3.2 million repayable in 16 quarterly instalments beginning from February 11, 2015 (covered by Interest and Currency rate Swap) and                                                                                                                                                                                                                                                                                         | LIBOR plus<br>3.05% p.a.                                                        | 1,546.29                | 1,967.88                |
| USD 6.00 million repayable in 16 quarterly instalments beginning from January 27, 2017 (covered by Interest and Currency rate swap). (Avalied partial draw down of US\$ 2.50 million on October, 2015)                                                                                                                                                                                                                          | LIBOR plus<br>1.65% p.a.                                                        | 1,680.75                | NIL                     |
| iv. Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months                                                                                                                                                                                                                                                                                                    | Ranging from<br>10.30% p.a. to<br>10.50% p.a.<br>(8.86% p.a. to<br>10.95% p.a.) | 16.81                   | 36.20                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                 | 4,390.97                | 4,945.95                |
| Less : Current Maturities of Long-term Debt (Refer Note 9)                                                                                                                                                                                                                                                                                                                                                                      |                                                                                 | 1,190.82                | 1,597.04                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                 | 3,200.15                | 3,348.91                |
| <b>II. Term Loan from Other Parties - Financial Institutions:</b>                                                                                                                                                                                                                                                                                                                                                               |                                                                                 |                         |                         |
| Term Loan of ₹ 1,700 Lakhs repayable in 16 quarterly instalments from July 25, 2011 is secured by:                                                                                                                                                                                                                                                                                                                              | 12.25% p.a.<br>(12.00% p.a.)                                                    | NIL                     | 106.25                  |
| a. <i>Pari passu</i> Mortgage of the Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga and Plot no. D-6/1, at Kurkumbh, Maharashtra.                                                                                                                                                                                                                                                   |                                                                                 |                         |                         |
| b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements.                                                                                                    |                                                                                 |                         |                         |
| The mortgage and charges referred to above rank <i>pari-passu</i> inter se.                                                                                                                                                                                                                                                                                                                                                     |                                                                                 |                         |                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                 | NIL                     | 106.25                  |
| Less : Current Maturities of Long-term Debt (Refer Note 9)                                                                                                                                                                                                                                                                                                                                                                      |                                                                                 | NIL                     | 106.25                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                 | NIL                     | NIL                     |

**b. Terms of repayment of unsecured borrowings:**

|                                                            |                                                                                                                     | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                            |                                                                                                                     | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>Borrowings:</b>                                         |                                                                                                                     |                         |                         |
| i. Deferred payment liability                              | Repayable after 10 years from the respective year in which actual tax was collected commencing from April 26, 2012. | <b>687.11</b>           | 791.31                  |
| Less : Current Maturities of Long-term Debt (Refer Note 9) |                                                                                                                     | <b>159.17</b>           | 104.21                  |
|                                                            |                                                                                                                     | <b>527.94</b>           | 687.10                  |
| ii. Loans and advances from Related Parties                | Not repayable before March 31, 2017 and carries interest rate ranging from 8.50% p.a. to 10.75% p.a.                | <b>740.00</b>           | 1,470.00                |
| iii. Deposits - Inter Corporate                            | Not repayable before March 31, 2016 and carries interest rate ranging from 9.75% p.a. to 10.75% p.a.                | <b>NIL</b>              | 95.00                   |

**5. Deferred Tax Liabilities (Net)**

|                                                |                                                        | As At<br>March 31, 2016 | As At<br>March 31, 2015                         |
|------------------------------------------------|--------------------------------------------------------|-------------------------|-------------------------------------------------|
|                                                |                                                        | ₹ In Lakhs              | ₹ In Lakhs                                      |
| <b>Items of Timing Difference</b>              | <b>Accumulated Deferred Tax (Assets) / Liabilities</b> |                         | Accumulated Deferred Tax (Assets) / Liabilities |
| <b>Deferred Tax Liabilities</b>                |                                                        |                         |                                                 |
| Related to Fixed Assets                        | <b>2,973.97</b>                                        |                         | 2,252.14                                        |
|                                                | <b>2,973.97</b>                                        |                         | 2,252.14                                        |
| <b>Deferred Tax Assets</b>                     |                                                        |                         |                                                 |
| Provision for doubtful debts and advances      | <b>(0.97)</b>                                          |                         | (50.62)                                         |
| Provision for Gratuity                         | <b>(37.28)</b>                                         |                         | (65.92)                                         |
| Provision for Leave Encashment                 | <b>(62.24)</b>                                         |                         | (57.11)                                         |
| Disallowance under section 43B                 | <b>(4.16)</b>                                          |                         | (0.57)                                          |
| Others                                         | <b>(5.21)</b>                                          |                         | NIL                                             |
|                                                | <b>(109.86)</b>                                        |                         | (174.22)                                        |
| <b>Net Deferred Tax (Assets) / Liabilities</b> | <b>2,864.11</b>                                        |                         | 2,077.92                                        |

**5.1** Note : Deferred Tax Liability for the year is arrived at after Deferred Tax Liability of ₹ 89.20 Lakhs (Previous Year NIL) relating to prior period.

|                                                 |               | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-------------------------------------------------|---------------|-------------------------|-------------------------|
|                                                 |               | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>6. Long-term Provisions</b>                  |               |                         |                         |
| Provision for Employee Benefits (Refer Note 30) |               |                         |                         |
| For Gratuity                                    | <b>141.35</b> |                         | 111.81                  |
| For Leave Encashment                            | <b>124.84</b> |                         | 112.38                  |
|                                                 |               | <b>266.19</b>           | 224.19                  |
|                                                 |               | <b>266.19</b>           | 224.19                  |

|                                            |              | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|--------------------------------------------|--------------|-------------------------|-------------------------|
|                                            | ₹ In Lakhs   | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>7. Short-term Borrowings</b>            |              |                         |                         |
| Loans repayable on demand (Refer Note 7.1) |              |                         |                         |
| Secured                                    |              |                         |                         |
| From Banks                                 |              |                         |                         |
| Cash Credit Facilities                     |              | <b>3,904.71</b>         | 5,316.98                |
| Loans and Advances from Related Parties    |              |                         |                         |
| Unsecured                                  |              | <b>1,349.50</b>         | NIL                     |
| Deposits - Inter Corporate                 |              |                         |                         |
| Unsecured                                  |              |                         |                         |
| From Related Parties (Refer Note 32)       | <b>72.00</b> |                         | 312.00                  |
| From Others                                | <b>NIL</b>   |                         | 419.00                  |
|                                            |              | <b>72.00</b>            | 731.00                  |
|                                            |              | <b>5,326.21</b>         | 6,047.98                |

7.1 Cash Credits including Working Capital Demand Loan of NIL (₹ 1,000 Lakhs) are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as mentioned in the joint deed of hypothecation dated December 29, 1989 as amended from time to time, as well as by the second mortgage of the specified immovable properties of the Company.

#### 8. Trade Payables

|                                                      |                 |                 |          |
|------------------------------------------------------|-----------------|-----------------|----------|
| Micro, Small and Medium Enterprises (Refer Note 8.1) | <b>30.76</b>    |                 | 39.46    |
| Others                                               | <b>4,345.02</b> |                 | 3,829.24 |
|                                                      |                 | <b>4,375.78</b> | 3,868.70 |
|                                                      |                 | <b>4,375.78</b> | 3,868.70 |

#### 8.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:

Principal amount remaining unpaid and interest due thereon

|                                                             |              |       |
|-------------------------------------------------------------|--------------|-------|
| - Principal Amount                                          | <b>30.76</b> | 39.42 |
| - Interest                                                  | <b>NIL</b>   | NIL   |
| Interest paid in term of Section 16                         | <b>NIL</b>   | NIL   |
| Interest due and payable for the period of delay in payment | <b>NIL</b>   | 0.04  |
| Interest accrued and remaining unpaid                       | <b>NIL</b>   | NIL   |
| Interest due and payable even in succeeding years           | <b>NIL</b>   | NIL   |

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

|                                                                                        |                 | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|----------------------------------------------------------------------------------------|-----------------|-------------------------|-------------------------|
|                                                                                        | ₹ In Lakhs      | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>9. Other Current Liabilities</b>                                                    |                 |                         |                         |
| Current maturities of Long-term Debt                                                   |                 |                         |                         |
| Term Loans                                                                             |                 |                         |                         |
| Secured                                                                                |                 |                         |                         |
| From Banks [Refer Note 4.1 (a) (I)]                                                    | 1,190.82        |                         | 1,597.04                |
| From Other Parties - Financial Institutions                                            |                 |                         |                         |
| [Refer Note 4.1 (a) (II)]                                                              | <u>NIL</u>      |                         | <u>106.25</u>           |
|                                                                                        |                 | 1,190.82                | 1,703.29                |
| Deferred payment liabilities                                                           |                 |                         |                         |
| Unsecured                                                                              |                 |                         |                         |
| Sales Tax Deferral under the Package Scheme of                                         |                 |                         |                         |
| Incentives, 1993 [Refer Note 4.1 (b)(i)]                                               |                 | 159.17                  | 104.21                  |
| Interest accrued but not due on borrowings                                             |                 | 20.98                   | 25.14                   |
| Unpaid Dividends                                                                       |                 | 91.01                   | 34.18                   |
| Other Payables                                                                         |                 |                         |                         |
| - For Capital Expenses                                                                 |                 | 308.43                  | 463.91                  |
| - Others*                                                                              |                 | <u>1,506.13</u>         | <u>1,449.34</u>         |
|                                                                                        |                 | <u>3,276.54</u>         | <u>3,780.07</u>         |
| * Others include Statutory Dues, Advance from Customers and other year-end provisions. |                 |                         |                         |
| <b>10. Short-term Provisions</b>                                                       |                 |                         |                         |
| Provision for Employee Benefits (Refer Note 30)                                        |                 |                         |                         |
| For Gratuity                                                                           | NIL             |                         | 78.67                   |
| For Leave Encashment                                                                   | <u>55.00</u>    |                         | <u>52.63</u>            |
|                                                                                        |                 | 55.00                   | 131.30                  |
| Others                                                                                 |                 |                         |                         |
| For Proposed Dividend                                                                  | NIL             |                         | 815.86                  |
| For Tax on Dividend                                                                    | <u>NIL</u>      |                         | <u>166.12</u>           |
|                                                                                        |                 | NIL                     | 981.98                  |
| Provision for taxes                                                                    | 1,518.31        |                         | 16.31                   |
| Less : Taxes paid                                                                      | <u>1,494.94</u> |                         | <u>7.98</u>             |
|                                                                                        |                 | <u>23.38</u>            | <u>8.34</u>             |
|                                                                                        |                 | <u>78.38</u>            | <u>1,121.62</u>         |

**11. Fixed Assets**

₹ In Lakhs

| DESCRIPTION                         |                      | GROSS BLOCK     |                   |                      |                     | DEPRECIATION AND AMORTISATION |                          |                      |                      | NET BLOCK            |                     |
|-------------------------------------|----------------------|-----------------|-------------------|----------------------|---------------------|-------------------------------|--------------------------|----------------------|----------------------|----------------------|---------------------|
|                                     | As At April 01, 2015 | During the year |                   | As At March 31, 2016 | Upto March 31, 2015 | For the year                  | Deduction/ (Adjustments) | As at March 31, 2016 | As At March 31, 2016 | As At March 31, 2015 |                     |
|                                     |                      | Additions       | Other Adjustments |                      |                     |                               |                          |                      |                      |                      | Deduction/ Transfer |
| Current Year                        |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Tangible Assets                     |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Land                                |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Freehold Land                       | 1.15                 | 82.35           | NIL               | 83.50                | NIL                 | NIL                           | NIL                      | NIL                  | 83.50                | 1.15                 |                     |
| Leasehold Land (Note 11.2)          | 1,438.54             | 6.90            | NIL               | 1,445.44             | 83.52               | 14.97                         | NIL                      | 98.49                | 1,346.95             | 1,355.02             |                     |
| Leasehold Improvements              | NIL                  | 49.73           | 1.27              | 51.00                | NIL                 | 0.02                          | NIL                      | 0.02                 | 50.98                | NIL                  |                     |
| Buildings                           | 3,450.92             | 403.40          | NIL               | 3,857.97             | 1,128.53            | 135.35                        | (2.72)                   | 1,266.60             | 2,591.37             | 2,322.39             |                     |
| Plant and Equipment (Note 11.3)     |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Machinery                           | 20,576.79            | 4,314.32        | 87.70             | 24,817.36            | 9,949.56            | 934.93                        | (17.32)                  | 10,901.82            | 13,915.54            | 10,627.23            |                     |
| Electrical Equipments               | 90.59                | 12.45           | NIL               | 103.04               | 40.21               | 6.83                          | NIL                      | 47.04                | 56.00                | 50.38                |                     |
| Furniture and Fixtures              | 179.55               | 34.03           | NIL               | 167.90               | 136.65              | 5.94                          | 42.24                    | 100.35               | 67.55                | 42.90                |                     |
| Vehicles                            | 203.57               | 68.44           | NIL               | 208.25               | 115.59              | 40.80                         | 60.02                    | 96.37                | 111.88               | 87.98                |                     |
| Office Equipments                   | 341.53               | 14.60           | NIL               | 315.32               | 241.96              | 21.90                         | 38.76                    | 225.10               | 90.22                | 99.57                |                     |
| Others                              |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Electrical Installations            | 774.25               | 48.62           | 3.90              | 826.77               | 468.72              | 87.68                         | NIL                      | 556.40               | 270.37               | 305.53               |                     |
| Sub Total                           | 27,056.89            | 5,034.84        | 92.87             | 31,876.55            | 12,164.74           | 1,248.42                      | 120.98                   | 13,292.19            | 18,584.36            | 14,892.15            |                     |
| Intangible Assets                   |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Internally Generated                |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Development of R&D Products         | 33.62                | NIL             | NIL               | 33.62                | 31.88               | 1.74                          | NIL                      | 33.62                | NIL                  | 1.74                 |                     |
| Others                              |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Patents                             | 39.39                | NIL             | NIL               | 39.39                | 2.61                | 3.93                          | NIL                      | 6.54                 | 32.85                | 36.78                |                     |
| REACH Registration                  | 172.84               | NIL             | NIL               | 172.84               | 49.68               | 34.57                         | NIL                      | 84.25                | 88.59                | 123.16               |                     |
| Others                              | NIL                  | 7.97            | NIL               | 7.97                 | NIL                 | 0.47                          | NIL                      | 0.47                 | 7.50                 | NIL                  |                     |
| Sub Total                           | 245.85               | 7.97            | NIL               | 253.82               | 84.17               | 40.71                         | NIL                      | 124.88               | 128.94               | 161.68               |                     |
| Total                               | 27,302.74            | 5,042.81        | 92.87             | 32,130.37            | 12,248.91           | 1,289.13                      | 120.98                   | 13,417.07            | 18,713.30            | 15,053.83            |                     |
| Capital Work-in-Progress            | 3,099.56             | 3,616.33        | 6.28              | 1,606.66             |                     |                               |                          |                      | 1,606.66             | 3,099.56             |                     |
| Total                               | 3,099.56             | 3,616.33        | 6.28              | 1,606.66             |                     |                               |                          |                      | 1,606.66             | 3,099.56             |                     |
| Intangible Assets Under Development |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Internally Generated                |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Development of R&D Products         | NIL                  | NIL             | NIL               | NIL                  |                     |                               |                          |                      | NIL                  | NIL                  |                     |
| Others                              |                      |                 |                   |                      |                     |                               |                          |                      |                      |                      |                     |
| Patents                             | 7.70                 | NIL             | NIL               | 7.70                 |                     |                               |                          |                      | 7.70                 | 7.70                 |                     |
| REACH Registration                  | NIL                  | NIL             | NIL               | NIL                  |                     |                               |                          |                      | NIL                  | NIL                  |                     |
| Others                              | NIL                  | 3.38            | NIL               | NIL                  | 3.38                |                               |                          |                      | NIL                  | NIL                  |                     |
| Total                               | 7.70                 | 3.38            | NIL               | 7.70                 |                     |                               |                          |                      | 7.70                 | 7.70                 |                     |

**11. Fixed Assets (Continued)**

| DESCRIPTION                                | GROSS BLOCK          |                 |                   |                      |                     |                 | DEPRECIATION AND AMORTISATION |                      |                      |                      | NET BLOCK |  |
|--------------------------------------------|----------------------|-----------------|-------------------|----------------------|---------------------|-----------------|-------------------------------|----------------------|----------------------|----------------------|-----------|--|
|                                            | As At April 01, 2014 | During the year |                   | As At March 31, 2015 | Upto March 31, 2014 | For the year    | Deduction/ (Adjustments)      | As at March 31, 2015 | As At March 31, 2015 | As At March 31, 2014 |           |  |
|                                            |                      | Additions       | Other Adjustments |                      |                     |                 |                               |                      |                      |                      |           |  |
| <b>Previous Year</b>                       |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| <b>Tangible Assets</b>                     |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| Land                                       |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| Freehold Land                              | 1.15                 | NIL             | NIL               | 1.15                 | NIL                 | NIL             | NIL                           | NIL                  | 1.15                 | 1.15                 |           |  |
| Leasehold Land (Note 11.2)                 | 1,438.54             | NIL             | NIL               | 1,438.54             | 68.60               | 14.92           | NIL                           | 83.52                | 1,355.02             | 1,369.94             |           |  |
| Buildings                                  | 3,204.27             | 244.83          | 1.82              | 3,450.92             | 971.97              | 130.61          | (25.95)                       | 1,128.53             | 2,322.39             | 2,232.30             |           |  |
| Plant and Equipment (Note 11.3)            |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| Machinery                                  | 20,221.44            | 395.57          | 41.48             | 20,576.79            | 9,191.57            | 779.27          | 21.29                         | 9,949.56             | 10,627.23            | 11,029.87            |           |  |
| Electrical Equipments                      | 55.10                | 35.49           | NIL               | 90.59                | 25.09               | 15.12           | NIL                           | 40.21                | 50.38                | 30.01                |           |  |
| Furniture and Fixtures                     | 162.04               | 17.51           | NIL               | 179.55               | 123.12              | 4.28            | (9.25)                        | 136.65               | 42.90                | 38.92                |           |  |
| Vehicles                                   | 173.67               | 29.90           | NIL               | 203.57               | 53.25               | 62.34           | NIL                           | 115.59               | 87.98                | 120.42               |           |  |
| Office Equipments                          | 323.76               | 17.77           | NIL               | 341.53               | 201.28              | 13.06           | (27.62)                       | 241.96               | 99.57                | 122.48               |           |  |
| Others                                     |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| Electrical Installations                   | 770.52               | 3.73            | NIL               | 774.25               | 346.59              | 75.53           | (46.60)                       | 468.72               | 305.53               | 423.93               |           |  |
| <b>Sub Total</b>                           | <b>26,350.49</b>     | <b>744.80</b>   | <b>43.30</b>      | <b>27,056.89</b>     | <b>10,981.47</b>    | <b>1,095.13</b> | <b>(88.13)</b>                | <b>12,164.74</b>     | <b>14,892.15</b>     | <b>15,369.02</b>     |           |  |
| <b>Intangible Assets</b>                   |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| <b>Internally Generated</b>                |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| Development of R&D Products/Processes      | 33.62                | NIL             | NIL               | 33.62                | 28.68               | 3.20            | NIL                           | 31.88                | 1.74                 | 4.94                 |           |  |
| <b>Others</b>                              |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| Patents                                    | 8.83                 | 30.56           | NIL               | 39.39                | 0.12                | 2.49            | NIL                           | 2.61                 | 36.78                | 8.71                 |           |  |
| REACH Registration                         | 112.71               | 60.13           | NIL               | 172.84               | 15.38               | 34.30           | NIL                           | 49.68                | 123.16               | 97.33                |           |  |
| <b>Sub Total</b>                           | <b>155.16</b>        | <b>90.69</b>    | <b>NIL</b>        | <b>245.85</b>        | <b>44.18</b>        | <b>39.99</b>    | <b>NIL</b>                    | <b>84.17</b>         | <b>161.68</b>        | <b>110.98</b>        |           |  |
| <b>Total</b>                               | <b>26,505.65</b>     | <b>835.49</b>   | <b>43.30</b>      | <b>27,302.74</b>     | <b>11,025.65</b>    | <b>1,135.12</b> | <b>(88.13)</b>                | <b>12,248.91</b>     | <b>15,053.83</b>     | <b>15,480.00</b>     |           |  |
| <b>Capital Work-in-Progress</b>            |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
|                                            | 169.28               | 3,604.28        | 121.69            | 3,099.56             |                     |                 |                               |                      | 3,099.56             | 169.28               |           |  |
| <b>Total</b>                               | <b>169.28</b>        | <b>3,604.28</b> | <b>121.69</b>     | <b>3,099.56</b>      |                     |                 |                               |                      | <b>3,099.56</b>      | <b>169.28</b>        |           |  |
| <b>Intangible Assets Under Development</b> |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| <b>Internally Generated</b>                |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| Development of R&D Products/Processes      | NIL                  | NIL             | NIL               | NIL                  |                     |                 |                               |                      | NIL                  | NIL                  |           |  |
| <b>Others</b>                              |                      |                 |                   |                      |                     |                 |                               |                      |                      |                      |           |  |
| Patents                                    | 29.43                | 8.83            | NIL               | 7.70                 |                     |                 |                               |                      | 7.70                 | 29.43                |           |  |
| REACH Registration                         | 60.13                | NIL             | NIL               | NIL                  |                     |                 |                               |                      | NIL                  | 60.13                |           |  |
| <b>Total</b>                               | <b>89.56</b>         | <b>8.83</b>     | <b>NIL</b>        | <b>7.70</b>          |                     |                 |                               |                      | <b>7.70</b>          | <b>89.56</b>         |           |  |

11.1. Above Assets include Research and Development Assets as mentioned below:

₹ In Lakhs

| DESCRIPTION                                | GROSS BLOCK          |                 |                   | DEPRECIATION AND AMORTISATION |                     |                          | NET BLOCK            |                      |
|--------------------------------------------|----------------------|-----------------|-------------------|-------------------------------|---------------------|--------------------------|----------------------|----------------------|
|                                            | As At April 01, 2015 | During the year |                   | As At March 31, 2016          | Upto March 31, 2015 | For the year             | As at March 31, 2016 | As At March 31, 2015 |
|                                            |                      | Additions       | Other Adjustments |                               |                     | Deduction/ (Adjustments) |                      |                      |
| <b>Tangible Assets</b>                     |                      |                 |                   |                               |                     |                          |                      |                      |
| Leasehold Improvements                     | NIL                  | 49.73           | 1.27              | NIL                           | NIL                 | 0.02                     | 50.98                | NIL                  |
| Plant and Equipment                        |                      |                 |                   |                               |                     |                          |                      |                      |
| Machinery                                  | 156.68               | 41.40           | NIL               | 198.08                        | 115.36              | 9.25                     | 73.47                | 41.32                |
| Electrical Equipments                      | 9.59                 | 3.00            | NIL               | 12.59                         | 6.53                | 0.88                     | 5.18                 | 3.06                 |
| Furniture and Fixtures                     | 56.64                | 5.16            | NIL               | 61.80                         | 49.97               | 0.59                     | 11.24                | 6.67                 |
| Vehicles                                   | 12.15                | 17.10           | NIL               | 17.10                         | 11.54               | 1.72                     | 15.38                | 0.61                 |
| Office Equipments                          | 9.56                 | 1.33            | NIL               | 9.87                          | 7.44                | 0.62                     | 2.78                 | 2.12                 |
| Others                                     |                      |                 |                   |                               |                     |                          |                      |                      |
| Electrical Installations                   | 0.37                 | 0.89            | NIL               | 1.26                          | 0.35                | 0.02                     | 0.89                 | 0.02                 |
| <b>Current year</b>                        | <b>244.99</b>        | <b>118.61</b>   | <b>1.27</b>       | <b>351.70</b>                 | <b>191.19</b>       | <b>13.10</b>             | <b>191.78</b>        | <b>53.80</b>         |
| Previous year                              | 241.97               | 3.02            | NIL               | 244.99                        | 141.22              | 48.89                    | 191.19               | 53.80                |
| <b>Intangible Assets</b>                   |                      |                 |                   |                               |                     |                          |                      |                      |
| <b>Internally Generated</b>                |                      |                 |                   |                               |                     |                          |                      |                      |
| Development of R&D Products/Processes      | 33.62                | NIL             | NIL               | 33.62                         | 31.89               | 1.74                     | NIL                  | 1.73                 |
| <b>Others</b>                              |                      |                 |                   |                               |                     |                          |                      |                      |
| Patents                                    | 39.39                | NIL             | NIL               | 39.39                         | 2.62                | 3.93                     | 32.85                | 36.77                |
| <b>Current year</b>                        | <b>73.01</b>         | <b>NIL</b>      | <b>NIL</b>        | <b>73.01</b>                  | <b>34.51</b>        | <b>5.67</b>              | <b>32.85</b>         | <b>38.50</b>         |
| Previous year                              | 42.45                | 30.56           | NIL               | 73.01                         | 28.81               | 5.70                     | 38.50                |                      |
| <b>Capital Work-in-Progress</b>            |                      |                 |                   |                               |                     |                          |                      |                      |
|                                            | 13.25                | 112.69          | NIL               | NIL                           |                     |                          | NIL                  | 13.25                |
| <b>Current year</b>                        | <b>13.25</b>         | <b>112.69</b>   | <b>NIL</b>        | <b>NIL</b>                    |                     |                          | <b>NIL</b>           | <b>13.25</b>         |
| Previous year                              | 8.07                 | 8.20            | NIL               | 13.25                         |                     |                          | 13.25                |                      |
| <b>Intangible Assets Under Development</b> |                      |                 |                   |                               |                     |                          |                      |                      |
| <b>Internally Generated</b>                |                      |                 |                   |                               |                     |                          |                      |                      |
| Development of R&D Products/Processes      | NIL                  | NIL             | NIL               | NIL                           |                     |                          | NIL                  | NIL                  |
| <b>Others</b>                              |                      |                 |                   |                               |                     |                          |                      |                      |
| Patents                                    | 7.70                 | NIL             | NIL               | 7.70                          |                     |                          | 7.70                 | 7.70                 |
| <b>Current year</b>                        | <b>7.70</b>          | <b>NIL</b>      | <b>NIL</b>        | <b>7.70</b>                   |                     |                          | <b>7.70</b>          | <b>7.70</b>          |
| Previous year                              | 29.43                | 8.83            | NIL               | 7.70                          |                     |                          | 7.70                 |                      |

11.2. The Lease Deed from MIDC in respect of Plot Nos. D-6/2, R-1 and R-2 of the value of ₹ 131.13 Lakhs (Previous Year ₹ 131.13 Lakhs) and from GIDC in respect of Plot Nos. D-2/CH/149-2 of the value of ₹ 1,135.33 Lakhs (Previous Year ₹ 1,135.33) are yet to be executed.

11.3. Plant, Machinery and Equipments include ₹ 254.81 Lakhs (Previous Year ₹ 382.12 Lakhs) being value of machinery installed at third party premises of Job Contractor (including that of the Associate Company), duly confirmed by them.

11.4. Transfer from Capital Work-in-Progress and Intangible Assets Under Development represents capitalisation to Fixed Assets. It also includes write off of Capital Work-in-Progress of ₹ 6.07 Lakhs (Previous Year ₹ 7.60 Lakhs). 11.5. Other Adjustments under the Gross Block represent Borrowings Costs of ₹ 64.37 Lakhs (Previous Year ₹ 135.10 Lakhs) and Exchange Differences of ₹ 34.78 Lakhs (Previous Year ₹ 29.89 Lakhs) capitalised in terms of AS - 11. For related disclosures, refer Note 28 to the financial statements.

11.6. Effective from April 1, 2015, the Company has followed Component Accounting. Accordingly, in respect of those identified parts, the carrying amount, net of residual value as on April 1, 2015 is depreciated over the revised remaining useful lives of those parts. As a result, the charge for depreciation is higher by ₹ 26.92 Lakhs for the year ended March 31, 2016. In cases where the remaining useful life of those parts is completed as on April 1, 2015, the carrying amount of those parts after retaining residual value amounting to ₹ 99.36 Lakhs and deferred tax credit of ₹ 34.39 Lakhs thereon has been adjusted against the opening balance of General Reserve and the other effect thereof is shown as Adjustments under Depreciation and Amortisation.

11.7. For year ended March 31, 2015, Effective from April 1, 2014, the Company provided depreciation on its tangible Fixed Assets as per useful lives and residual values, as specified in Schedule II to the Companies Act, 2013 or based on internal technical evaluation, reassessed the remaining useful life of assets primarily consisting of Continuous process plants. Accordingly, in respect of the tangible Fixed Assets the carrying amount, net of residual value, as on April 1, 2014 was depreciated over the revised remaining useful lives of the assets. As a result, the charge for depreciation was lower by ₹ 73.05 Lakhs for the year ended March 31, 2015. In cases where the remaining useful life has been completed as on April 1, 2014, the carrying amount of assets (after retaining residual value) of ₹ 97.58 Lakhs and deferred tax credit of ₹ 50.25 Lakhs thereon was adjusted against the opening balance of General Reserve as on April 1, 2014.

|                                                                                           |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-------------------------------------------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                                                           | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>12. Non-current Investments</b>                                                        |            |                         |                         |
| Long-term investments - valued at cost less provision for other than temporary diminution |            |                         |                         |
| Trade                                                                                     |            |                         |                         |
| In equity instruments of Subsidiary                                                       |            |                         |                         |
| Unquoted                                                                                  |            |                         |                         |
| Fully paid Equity shares                                                                  |            |                         |                         |
| <b>Quantity</b> <b>Investee Company</b>                                                   |            |                         |                         |
| 1,638,272      Alkyl Speciality Chemicals Limited                                         |            | <b>81.91</b>            | 81.91                   |
| (1,638,272)      of ₹ 10 each                                                             |            |                         |                         |
| In equity instruments of Associate                                                        |            |                         |                         |
| Quoted                                                                                    |            |                         |                         |
| Fully paid Equity shares                                                                  |            |                         |                         |
| <b>Quantity</b> <b>Investee Company</b>                                                   |            |                         |                         |
| 2,977,997      Diamines and Chemicals Limited                                             |            | <b>144.11</b>           | 144.11                  |
| (2,977,997)      of ₹ 10 each                                                             |            |                         |                         |
|                                                                                           |            | <b>226.02</b>           | 226.02                  |

|                                          | Cost<br>₹ In Lakhs | Market Value<br>₹ In Lakhs | Cost<br>₹ In Lakhs | Market Value<br>₹ In Lakhs |
|------------------------------------------|--------------------|----------------------------|--------------------|----------------------------|
| Aggregate amount of Quoted Investments   | <b>144.11</b>      | <b>1,002.10</b>            | 144.11             | 810.02                     |
| Aggregate amount of Unquoted Investments | <b>81.91</b>       | <b>Not Applicable</b>      | 81.91              | Not Applicable             |
| Total                                    | <b>226.02</b>      | <b>1,002.10</b>            | 226.02             | 810.02                     |

|                                                                                                      |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|------------------------------------------------------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                                                                      | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>13. Long-term Loans and Advances</b>                                                              |            |                         |                         |
| Unsecured                                                                                            |            |                         |                         |
| Capital Advances                                                                                     |            |                         |                         |
| Considered Good                                                                                      |            | 294.25                  | 408.23                  |
| Security Deposits                                                                                    |            |                         |                         |
| Considered Good                                                                                      | 51.50      |                         | 81.28                   |
| Considered Doubtful                                                                                  | NIL        |                         | 4.64                    |
| Less : Provision for Doubtful Deposits                                                               | NIL        |                         | 4.64                    |
|                                                                                                      |            | 51.50                   | 81.28                   |
| Other Loans and Advances                                                                             |            |                         |                         |
| Advances recoverable in cash or in kind for value to be received                                     |            |                         |                         |
| Considered Good                                                                                      | 687.74     |                         | 891.09                  |
| Taxes Paid                                                                                           | 2,558.33   |                         | 2,563.41                |
| Less : Provision for Taxes                                                                           | 2,179.51   |                         | 2,239.51                |
|                                                                                                      | 378.82     |                         | 323.90                  |
|                                                                                                      |            | 1,066.56                | 1,214.99                |
|                                                                                                      |            | 1,412.31                | 1,704.50                |
| <b>14. Other Non-current Assets</b>                                                                  |            |                         |                         |
| Inventories (Refer Note 14.1)                                                                        |            | 94.00                   | 78.00                   |
| Trade Receivables                                                                                    |            |                         |                         |
| Considered Doubtful                                                                                  |            |                         |                         |
| -Outstanding for a period exceeding six months from the date they are due for payment                | 0.88       |                         | 74.87                   |
| Less : Provision for Doubtful Debts                                                                  | 0.88       |                         | 74.87                   |
|                                                                                                      |            | NIL                     | NIL                     |
| Cash and Bank Balances                                                                               |            |                         |                         |
| Other Bank Balances                                                                                  |            |                         |                         |
| -On Fixed Deposit Accounts                                                                           |            |                         |                         |
| With maturity beyond 12 months from Balance Sheet date (Held as margin money against Bank Guarantee) |            | 12.82                   | 1.32                    |
| Other loans and advances                                                                             |            |                         |                         |
| Advances recoverable in cash or in kind for value to be received                                     |            |                         |                         |
| Considered Doubtful                                                                                  | NIL        |                         | 38.73                   |
| Less : Provision for Doubtful Advances                                                               | NIL        |                         | 38.73                   |
|                                                                                                      |            | NIL                     | NIL                     |
| Advance to Suppliers                                                                                 |            |                         |                         |
| Considered Doubtful                                                                                  | 1.18       |                         | 25.95                   |
| Less : Provision for Doubtful Advances                                                               | 1.18       |                         | 25.95                   |
|                                                                                                      |            | NIL                     | NIL                     |
| Receivable on Currency Swap                                                                          |            | 185.96                  | 188.97                  |
|                                                                                                      |            | 292.78                  | 268.29                  |

14.1 Catalysts not expected to be used within a period of 12 months from the date of the Balance Sheet are considered Non-current.

|                                                                                         |                 | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-----------------------------------------------------------------------------------------|-----------------|-------------------------|-------------------------|
|                                                                                         | ₹ In Lakhs      | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>15. Inventories</b>                                                                  |                 |                         |                         |
| Raw Materials                                                                           |                 | <b>871.59</b>           | 2,558.44                |
| Packing Materials                                                                       |                 | <b>119.05</b>           | 95.17                   |
| Work-in-Progress                                                                        |                 | <b>690.49</b>           | 518.46                  |
| Finished Goods                                                                          |                 | <b>3,384.40</b>         | 2,621.63                |
| (Includes in transit ₹ 175.09 Lakhs, Previous Year ₹ 40.49 Lakhs)                       |                 |                         |                         |
| Stores and Spares                                                                       |                 | <b>526.64</b>           | 474.67                  |
| Other Utilities, Catalyst, etc.                                                         |                 | <b>723.48</b>           | 785.71                  |
|                                                                                         |                 | <b>6,315.65</b>         | 7,054.08                |
| <b>15.1 Details of Inventories :</b>                                                    |                 |                         |                         |
| <b>a. Work-in-Progress</b>                                                              |                 |                         |                         |
| Amines and Amines Derivatives                                                           |                 | <b>449.89</b>           | 407.18                  |
| Other Speciality Chemicals                                                              |                 | <b>240.60</b>           | 111.28                  |
|                                                                                         |                 | <b>690.49</b>           | 518.46                  |
| <b>b. Finished Goods</b>                                                                |                 |                         |                         |
| Amines and Amines Derivatives                                                           |                 | <b>3,136.82</b>         | 2,388.50                |
| Other Speciality Chemicals                                                              |                 | <b>247.23</b>           | 232.40                  |
| Industrial Gases                                                                        |                 | <b>0.35</b>             | 0.73                    |
|                                                                                         |                 | <b>3,384.40</b>         | 2,621.63                |
| <b>16. Trade Receivables</b>                                                            |                 |                         |                         |
| Unsecured, Considered Good                                                              |                 |                         |                         |
| Outstanding for a period exceeding six months<br>from the date they are due for payment | <b>26.22</b>    |                         | 2.42                    |
| Others                                                                                  | <b>9,003.33</b> |                         | 9,890.25                |
|                                                                                         |                 | <b>9,029.55</b>         | 9,892.67                |
|                                                                                         |                 | <b>9,029.55</b>         | 9,892.67                |

|                                                                                                         |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|---------------------------------------------------------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                                                                         | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>17. Cash and Bank Balances</b>                                                                       |            |                         |                         |
| Cash and cash equivalents                                                                               |            |                         |                         |
| Cash on hand                                                                                            | 3.39       |                         | 5.21                    |
| Balances with Banks                                                                                     |            |                         |                         |
| -On Current Accounts                                                                                    | 300.40     |                         | 549.00                  |
| -On Unpaid Dividend Accounts                                                                            | 91.01      |                         | 34.18                   |
|                                                                                                         |            | 394.80                  | 588.39                  |
| Other Bank Balances                                                                                     |            |                         |                         |
| -On Fixed Deposit Accounts                                                                              |            |                         |                         |
| With maturity within 12 months from Balance Sheet date<br>(Held as margin money against Bank Guarantee) |            | 32.32                   | 197.97                  |
|                                                                                                         |            | 427.12                  | 786.36                  |
| <b>18. Short-term Loans and Advances</b>                                                                |            |                         |                         |
| Unsecured, Considered Good                                                                              |            |                         |                         |
| Security Deposits                                                                                       |            | 18.77                   | 5.30                    |
| Loans and Advances to Related Parties (Refer Note 32)                                                   |            |                         |                         |
| Other Loans and advances                                                                                |            |                         |                         |
| Advances recoverable in cash or in kind for value to be received                                        | 395.11     |                         | 327.68                  |
| Less : Provision for Doubtful Advances                                                                  | NIL        |                         | 2.10                    |
|                                                                                                         | 395.11     |                         | 325.58                  |
| Advances to Suppliers                                                                                   | 1,635.92   |                         | 921.44                  |
| Balances with Excise and Service Tax Authorities                                                        | 405.55     |                         | 670.69                  |
|                                                                                                         |            | 2,436.58                | 1,917.71                |
|                                                                                                         |            | 2,455.35                | 1,923.01                |
| <b>19. Other Current Assets</b>                                                                         |            |                         |                         |
| Interest Receivable on Bank/Security deposits                                                           |            | 7.15                    | 4.00                    |
| Deferred Premium on Forward Contracts                                                                   |            | 0.10                    | 4.07                    |
| Taxes Paid                                                                                              |            |                         |                         |
| MAT Credit available                                                                                    |            |                         |                         |
| Receivable on Forward Contracts                                                                         |            | NIL                     | 114.71                  |
| Receivable on Currency Swap                                                                             |            | 108.41                  | 63.90                   |
|                                                                                                         |            | 115.66                  | 186.68                  |

|                                           |                  | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|-------------------------------------------|------------------|-----------------------------------------|-----------------------------------------|
|                                           | ₹ In Lakhs       | ₹ In Lakhs                              | ₹ In Lakhs                              |
| <b>20. Revenue From Operations</b>        |                  |                                         |                                         |
| Sale of Products - Manufactured Goods     |                  | <b>51,230.35</b>                        | 50,790.11                               |
| Other Operating Revenues                  |                  |                                         |                                         |
| Scrap and Raw Material Sales              | <b>72.17</b>     |                                         | 121.93                                  |
| Toll and Other Processing Income          | <b>831.65</b>    |                                         | 598.36                                  |
| Export Incentives                         | <b>163.91</b>    |                                         | 115.92                                  |
| Miscellaneous Income                      | <b>30.83</b>     |                                         | 2.42                                    |
|                                           |                  | <b>1,098.56</b>                         | 838.63                                  |
|                                           |                  | <b>52,328.91</b>                        | 51,628.74                               |
| Less : Excise Duty on Sales               |                  | <b>3,969.56</b>                         | 3,992.10                                |
|                                           |                  | <b>48,359.35</b>                        | 47,636.64                               |
| <b>20.1 Details of Sales of Products:</b> |                  |                                         |                                         |
| Amines and Amines Derivatives             |                  | <b>42,277.73</b>                        | 41,522.60                               |
| Other Speciality Chemicals                |                  | <b>8,411.51</b>                         | 8,741.27                                |
| Industrial Gases                          |                  | <b>541.11</b>                           | 526.24                                  |
|                                           |                  | <b>51,230.35</b>                        | 50,790.11                               |
| <b>21. Other Income</b>                   |                  |                                         |                                         |
| Interest on Deposits and Others           |                  | <b>64.26</b>                            | 95.11                                   |
| Insurance Claims                          |                  | <b>5.44</b>                             | 5.87                                    |
| Amounts/Excess Provision written back     |                  | <b>14.47</b>                            | 83.89                                   |
| Profit on sale of asset                   |                  | <b>6.76</b>                             | NIL                                     |
| Miscellaneous Income                      |                  | <b>4.66</b>                             | 0.91                                    |
|                                           |                  | <b>95.59</b>                            | 185.78                                  |
| <b>22. Cost of Materials Consumed</b>     |                  |                                         |                                         |
| Raw Materials (Refer Note 26.3)           |                  |                                         |                                         |
| Opening Stock                             | <b>2,558.44</b>  |                                         | 3,152.41                                |
| Add: Purchases                            | <b>22,743.84</b> |                                         | 23,288.10                               |
|                                           | <b>25,302.28</b> |                                         | 26,440.51                               |
| Less: Closing Stock                       | <b>871.59</b>    |                                         | 2,558.44                                |
|                                           |                  | <b>24,430.69</b>                        | 23,882.07                               |
| Packing Materials                         |                  |                                         |                                         |
| Opening Stock                             | <b>95.17</b>     |                                         | 130.78                                  |
| Add: Purchases                            | <b>1,635.88</b>  |                                         | 1,432.62                                |
|                                           | <b>1,731.05</b>  |                                         | 1,563.40                                |
| Less: Closing Stock                       | <b>119.05</b>    |                                         | 95.17                                   |
|                                           |                  | <b>1,612.00</b>                         | 1,468.23                                |
|                                           |                  | <b>26,042.69</b>                        | 25,350.30                               |

|                                                                          |                 | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|--------------------------------------------------------------------------|-----------------|-----------------------------------------|-----------------------------------------|
|                                                                          | ₹ In Lakhs      | ₹ In Lakhs                              | ₹ In Lakhs                              |
| <b>22.1 Details of Raw Materials Consumed</b>                            |                 |                                         |                                         |
| Denatured Ethyl Alcohol, Methanol and other Alcohols                     |                 | <b>13,856.42</b>                        | 13,903.25                               |
| Industrial Gases                                                         |                 | <b>3,906.78</b>                         | 3,694.01                                |
| Others                                                                   |                 | <b>6,667.49</b>                         | 6,284.81                                |
|                                                                          |                 | <b>24,430.69</b>                        | 23,882.07                               |
| <b>23. Changes in Inventories of Finished Goods and Work-In-Progress</b> |                 |                                         |                                         |
| Finished Goods                                                           |                 |                                         |                                         |
| Closing Stock                                                            | <b>3,384.40</b> |                                         | 2,621.63                                |
| Less : Opening Stock                                                     | <b>2,621.63</b> |                                         | 3,291.53                                |
|                                                                          |                 | <b>(762.77)</b>                         | 669.90                                  |
| Excise Duty Provision on Finished Goods                                  |                 |                                         |                                         |
| Closing Stock                                                            | <b>375.92</b>   |                                         | 291.28                                  |
| Less : Opening Stock                                                     | <b>291.28</b>   |                                         | 362.03                                  |
|                                                                          |                 | <b>84.64</b>                            | (70.75)                                 |
| Work-in-Progress                                                         |                 |                                         |                                         |
| Closing Stock                                                            | <b>690.49</b>   |                                         | 518.46                                  |
| Less : Opening Stock                                                     | <b>518.46</b>   |                                         | 483.58                                  |
|                                                                          |                 | <b>(172.03)</b>                         | (34.88)                                 |
|                                                                          |                 | <b>(850.16)</b>                         | 564.27                                  |
| <b>24. Employee Benefits Expense</b>                                     |                 |                                         |                                         |
| Salaries and wages                                                       |                 |                                         |                                         |
| Directors' Remuneration                                                  |                 | <b>711.84</b>                           | 611.75                                  |
| Salaries, Wages and Benefits                                             |                 | <b>2,151.25</b>                         | 1,902.07                                |
| Contribution to Provident Fund and Other Funds                           |                 | <b>288.03</b>                           | 338.63                                  |
| Staff Welfare Expenses                                                   |                 | <b>321.20</b>                           | 265.21                                  |
|                                                                          |                 | <b>3,472.32</b>                         | 3,117.66                                |
| <b>25. Finance Costs</b>                                                 |                 |                                         |                                         |
| Interest Expense                                                         |                 |                                         |                                         |
| On Cash Credit Facilities/Buyers' Credit                                 | <b>240.71</b>   |                                         | 392.77                                  |
| On Term Loans                                                            | <b>215.44</b>   |                                         | 180.29                                  |
| On Others                                                                | <b>266.88</b>   |                                         | 350.57                                  |
|                                                                          |                 | <b>723.03</b>                           | 923.63                                  |
| Other Borrowing Costs                                                    |                 |                                         |                                         |
| Bank Charges                                                             |                 | <b>29.73</b>                            | 54.57                                   |
| Other Finance Charges                                                    |                 | <b>50.68</b>                            | 44.83                                   |
|                                                                          |                 | <b>803.44</b>                           | 1,023.03                                |

|                                                                     |            | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|---------------------------------------------------------------------|------------|-----------------------------------------|-----------------------------------------|
|                                                                     | ₹ In Lakhs | ₹ In Lakhs                              | ₹ In Lakhs                              |
| <b>26. Other Expenses</b>                                           |            |                                         |                                         |
| Stores and Spares Consumed                                          |            | 853.70                                  | 941.34                                  |
| Power and Fuel                                                      |            | 5,163.51                                | 5,153.73                                |
| Rent                                                                |            | 40.83                                   | 18.91                                   |
| Repairs and Maintenance                                             |            |                                         |                                         |
| Building                                                            | 91.63      |                                         | 112.20                                  |
| Plant and Machinery                                                 | 423.76     |                                         | 366.13                                  |
| Others                                                              | 194.07     |                                         | 191.94                                  |
|                                                                     |            | 709.46                                  | 670.27                                  |
| Insurance                                                           |            | 49.25                                   | 68.06                                   |
| Rates and Taxes (Refer Note 26.3)                                   |            | 29.49                                   | 28.02                                   |
| Auditors' Remuneration                                              |            |                                         |                                         |
| Audit Fees                                                          | 10.00      |                                         | 8.00                                    |
| Tax Audit Fees                                                      | 3.00       |                                         | 3.50                                    |
| Taxation Matters                                                    | 0.20       |                                         | NIL                                     |
| Certification Work                                                  | 7.16       |                                         | 6.50                                    |
| Reimbursement of Expenses                                           | 0.48       |                                         | 0.65                                    |
|                                                                     |            | 20.84                                   | 18.65                                   |
| Foreign Exchange Loss (Net)                                         |            | 203.98                                  | 60.44                                   |
| Processing Charges                                                  |            | 691.20                                  | 689.25                                  |
| Export Expenses                                                     |            | 699.37                                  | 688.08                                  |
| Freight Outward                                                     |            | 770.58                                  | 541.54                                  |
| Assets written off                                                  |            | 88.37                                   | NIL                                     |
| Bad Debts written off                                               | 74.87      |                                         | 99.80                                   |
| Add: Provision for Doubtful Debts                                   | 0.88       |                                         | NIL                                     |
| Less: Provision for Doubtful Debts no longer required               | (74.87)    |                                         | (99.80)                                 |
|                                                                     |            | 0.88                                    | NIL                                     |
| Advances/Deposits written off                                       | 70.10      |                                         | NIL                                     |
| Add: Provision for Doubtful Advances/Deposits                       | 1.93       |                                         | NIL                                     |
| Less: Provision for Doubtful Advances/Deposits no longer required   | (71.42)    |                                         | NIL                                     |
|                                                                     |            | 0.61                                    | NIL                                     |
| Corporate Social Responsibility (CSR) Expenditure (Refer Note 26.1) |            | 88.20                                   | 35.94                                   |
| Miscellaneous Expenses (Refer Note 26.3)                            |            | 1,039.19                                | 1,027.00                                |
|                                                                     |            | <b>10,449.46</b>                        | <b>9,941.23</b>                         |

|                                                                                                        |            | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|--------------------------------------------------------------------------------------------------------|------------|-----------------------------------------|-----------------------------------------|
|                                                                                                        | ₹ In Lakhs | ₹ In Lakhs                              | ₹ In Lakhs                              |
| <b>26.1</b> Expenditure towards Corporate Social Responsibility (CSR) activities:                      |            |                                         |                                         |
| a. Gross amount required to be spent by the Company during the year :                                  |            | <b>123.46</b>                           | <b>91.92</b>                            |
| b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year : |            |                                         |                                         |
| <b>Nature of Expenses</b>                                                                              |            |                                         |                                         |
| Other Expenses (Other than for Construction/Acquisition of any asset) (In Note 26)                     |            |                                         |                                         |
| Environment sustainability and Rural development                                                       |            | <b>24.12</b>                            | 7.11                                    |
| Education/Sports                                                                                       |            | <b>44.29</b>                            | 15.49                                   |
| Health/Woman Empowerment                                                                               |            | <b>17.59</b>                            | 6.96                                    |
| Others                                                                                                 |            | <b>2.20</b>                             | 6.38                                    |
| <b>Total</b>                                                                                           |            | <b>88.20</b>                            | 35.94                                   |

**26.2** Expenses incurred on Research and Development during the year are included in the Statement of Profit and Loss as under:

|                                           |               | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-------------------------------------------|---------------|--------------------------------------|--------------------------------------|
| Nature of expenses                        | ₹ In Lakhs    | ₹ In Lakhs                           | ₹ In Lakhs                           |
| Cost of Material Consumed (In Note 22)    |               |                                      |                                      |
| Raw Material                              |               | <b>2.45</b>                          | 3.42                                 |
| Packing Material                          |               | <b>0.17</b>                          | 0.13                                 |
| Employee Benefits Expense (In Note 24)    |               |                                      |                                      |
| Salaries and Wages                        | <b>271.66</b> |                                      | 257.04                               |
| Contribution to Provident and Other Funds | <b>25.04</b>  |                                      | 24.17                                |
| Staff Welfare Expenses                    | <b>13.75</b>  |                                      | 10.82                                |
|                                           |               | <b>310.45</b>                        | 292.03                               |
| Depreciation                              |               | <b>18.77</b>                         | 54.58                                |
| Other Expenses (In Note 26)               |               |                                      |                                      |
| Stores and Spares Consumed                | <b>17.16</b>  |                                      | 14.36                                |
| Power and Fuel                            | <b>0.01</b>   |                                      | 0.03                                 |
| Rent                                      | <b>13.20</b>  |                                      | 13.20                                |
| Repairs and Maintenance:                  |               |                                      |                                      |
| Plant and Machinery                       | <b>2.60</b>   |                                      | 1.37                                 |
| Others                                    | <b>22.28</b>  |                                      | 4.02                                 |
| Insurance                                 | <b>0.02</b>   |                                      | 0.50                                 |
| Rates and Taxes                           | <b>0.06</b>   |                                      | 0.20                                 |
| Miscellaneous Expenses                    | <b>55.84</b>  |                                      | 39.20                                |
|                                           |               | <b>111.17</b>                        | 72.88                                |
| <b>Total</b>                              |               | <b>443.01</b>                        | 423.04                               |

|                                                   | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|---------------------------------------------------|-----------------------------------------|-----------------------------------------|
| ₹ In Lakhs                                        | ₹ In Lakhs                              | ₹ In Lakhs                              |
| <b>26.3 Details of Expenses for prior period:</b> |                                         |                                         |
| Expenses                                          |                                         |                                         |
| Cost of Materials Consumed                        |                                         |                                         |
| Raw Materials (Reflected in Note 22)              | 0.30                                    | NIL                                     |
| Other Expenses (Reflected in Note 26)             |                                         |                                         |
| Rates and Taxes                                   | NIL                                     | 0.02                                    |
| Miscellaneous Expenses                            | 0.75                                    | 3.50                                    |
| <b>Total Expenses for prior period</b>            | <b>1.05</b>                             | <b>3.52</b>                             |

## 27. Contingent Liabilities and Commitments

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                      | As at March 31, 2016 | As at March 31, 2015 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                  | ₹ In Lakhs           | ₹ In Lakhs           |
| <b>27.1 Contingent Liabilities :</b>                                                                                                                                                                                                                                                                                                                                                                                             |                      |                      |
| (to the extent not provided for)                                                                                                                                                                                                                                                                                                                                                                                                 |                      |                      |
| i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts                                                                                                                                                                                                                                                                                                                                          | 89.06                | 78.54                |
| ii. Income Tax (Amount deposited ₹ 135.88 Lakhs) (Previous Year ₹ 135.88 Lakhs)                                                                                                                                                                                                                                                                                                                                                  | 317.03               | 289.86               |
| iii. Sales Tax (Amount deposited ₹ 1.00 Lakh) (Previous year ₹ 1.00 Lakh)                                                                                                                                                                                                                                                                                                                                                        | 24.71                | 117.88               |
| iv. Central Excise/Service Tax (Amount deposited ₹ 21.07 Lakhs) (Previous Year ₹ 21.07 Lakhs)                                                                                                                                                                                                                                                                                                                                    | 748.37               | 726.24               |
| v. By its order of February 18, 2002, the Bombay High Court, has directed that no transport fee on denatured ethyl alcohol, one of the raw materials of the Company, shall be recovered from the Company by the State Excise Authorities until the final disposal of the petition. The petition is pending disposal by the High Court and the amount estimated on this account is ₹ 956.33 Lakhs (Previous Year ₹ 887.75 Lakhs). |                      |                      |
| <b>27.2 Commitments :</b>                                                                                                                                                                                                                                                                                                                                                                                                        |                      |                      |
| i. Estimated amount of contracts remaining to be executed on capital account                                                                                                                                                                                                                                                                                                                                                     | 1,410.93             | 549.94               |
| Less : Advances                                                                                                                                                                                                                                                                                                                                                                                                                  | 294.25               | 408.23               |
| Net Estimated Amount                                                                                                                                                                                                                                                                                                                                                                                                             | 1,116.68             | 141.71               |
| ii. Other Commitments                                                                                                                                                                                                                                                                                                                                                                                                            | NIL                  | NIL                  |

## 28. Fixed Assets:

In terms of Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" (AS – 11), on the basis of option available to the Company, the Company has capitalised exchange difference aggregating to ₹ 34.88 Lakhs (Previous Year ₹ 29.89 Lakhs) which arose on the settlement or restatement of foreign currency denominated long-term liabilities relating to the acquisition of Fixed Assets (to its Machinery and Machinery under installation - Capital Work-in-Progress). In terms of the clarification issued by the Ministry of Corporate Affairs by Circular No. 25/2012 of August 9, 2012, the Company has considered the entire amount of exchange differences for the purpose of capitalisation without bifurcating the same between borrowing costs in terms of Accounting Standard 16 on "Borrowing Costs" and exchange differences in terms of AS – 11.

Disclosures required for the above capitalisation of AS - 11:

| Particulars                                          | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                      | ₹ In Lakhs                           | ₹ In Lakhs                           |
| i. Amounts capitalised:                              |                                      |                                      |
| During the year                                      | 34.88                                | 29.89                                |
| Cumulative upto the year end                         | 385.24                               | 350.36                               |
| ii. Amounts amortised:                               |                                      |                                      |
| During the year                                      | 20.82                                | 17.00                                |
| Cumulative upto the year end                         | 68.93                                | 48.11                                |
| iii. Amount remaining to be amortised as at year end | 316.31                               | 302.25                               |

29. The Company has called for balance confirmations from Trade Receivables and Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.

30. "Employee Benefits" as per Accounting Standard 15:

| Particulars                                                                                              | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
| Reconciliation of opening and closing balances of<br>the present value of the defined benefit obligation | Gratuity                                |                                         | Compensated Absences                    |                                         |
|                                                                                                          | ₹ In Lakhs                              |                                         | ₹ In Lakhs                              |                                         |
| <b>Obligation at period beginning</b>                                                                    | 621.97                                  | 435.23                                  | 165.01                                  | 119.68                                  |
| Current service cost                                                                                     | 34.64                                   | 27.68                                   | 25.94                                   | 21.10                                   |
| Interest cost                                                                                            | 49.51                                   | 40.52                                   | 13.20                                   | 11.14                                   |
| Actuarial (gain)/loss                                                                                    | 76.24                                   | 134.11                                  | (18.23)                                 | 20.82                                   |
| Benefits paid                                                                                            | (6.12)                                  | (15.57)                                 | (6.08)                                  | (7.73)                                  |
| <b>Obligations at the year end</b>                                                                       | <b>776.24</b>                           | 621.97                                  | <b>179.84</b>                           | 165.01                                  |
| -Funded                                                                                                  | 634.89                                  | 510.16                                  | NIL                                     | NIL                                     |
| -Unfunded                                                                                                | 141.35                                  | 111.81                                  | 179.84                                  | 165.01                                  |
| <b>Change in plan assets</b>                                                                             |                                         |                                         |                                         |                                         |
| Plan assets at period beginning, at fair value                                                           | 431.49                                  | 305.45                                  | N.A.                                    | N.A.                                    |
| Expected return on plan assets                                                                           | 34.35                                   | 26.57                                   | N.A.                                    | N.A.                                    |
| Actuarial gain/(loss)                                                                                    | 6.28                                    | 1.04                                    | N.A.                                    | N.A.                                    |
| Contributions                                                                                            | 202.53                                  | 114.00                                  | N.A.                                    | N.A.                                    |
| Benefits paid                                                                                            | (6.12)                                  | (15.57)                                 | N.A.                                    | N.A.                                    |
| <b>Plan assets at the year end, at fair value</b>                                                        | <b>668.53</b>                           | 431.49                                  | <b>N.A.</b>                             | N.A.                                    |

| Particulars                                                                                              | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
| Reconciliation of opening and closing balances of<br>the present value of the defined benefit obligation | Gratuity                                |                                         | Compensated Absences                    |                                         |
|                                                                                                          | ₹ In Lakhs                              |                                         | ₹ In Lakhs                              |                                         |
| <b>Reconciliations of present value of the obligation<br/>and the fair value of plan assets</b>          |                                         |                                         |                                         |                                         |
| Fair value of plan assets at the end of the year                                                         | 668.53                                  | 431.49                                  | NIL                                     | NIL                                     |
| Present value of the defined benefit obligations<br>at the end of the year                               | 776.24                                  | 621.97                                  | 179.84                                  | 165.01                                  |
| <b>Liability/(Asset) recognised in the Balance Sheet</b>                                                 | <b>107.71</b>                           | <b>190.48</b>                           | <b>179.84</b>                           | <b>165.01</b>                           |
| -Funded                                                                                                  | (33.64)                                 | 78.67                                   | NIL                                     | NIL                                     |
| -Unfunded                                                                                                | 141.35                                  | 111.81                                  | 179.84                                  | 165.01                                  |
| <b>Cost for the year</b>                                                                                 |                                         |                                         |                                         |                                         |
| Current Service cost                                                                                     | 34.64                                   | 27.68                                   | 25.94                                   | 21.10                                   |
| Interest cost                                                                                            | 49.51                                   | 40.52                                   | 13.20                                   | 11.14                                   |
| Expected return on plan assets                                                                           | (34.35)                                 | (26.57)                                 | NIL                                     | NIL                                     |
| Actuarial (gain)/loss                                                                                    | 69.96                                   | 133.07                                  | (18.23)                                 | 20.82                                   |
| <b>Net Cost recognised in the Statement of<br/>Profit and Loss</b>                                       | <b>119.76</b>                           | <b>174.70</b>                           | <b>20.91</b>                            | <b>53.06</b>                            |

**Net Cost as above :**

For the year ended March 31, 2016 is after considering Gratuity Expense of ₹ 29.54 Lakhs included in Directors' Remuneration and ₹ 90.22 Lakhs included in Contribution to Provident Fund and Other Funds shown in Note 24 on 'Employee Benefits Expense'.

For the year ended March 31, 2015 is after considering Gratuity Expense of ₹ 10.91 Lakhs included in Directors' Remuneration and ₹ 163.79 Lakhs included in Contribution to Provident Fund and Other Funds shown in Note 24 on 'Employee Benefits Expense'.

|                                                                   |        |        |       |       |
|-------------------------------------------------------------------|--------|--------|-------|-------|
| <b>Category of assets</b>                                         |        |        |       |       |
| Insurer Managed Funds                                             | 668.53 | 431.49 | N.A.  | N.A.  |
| <b>Assumptions used to determine the benefit<br/>obligations:</b> |        |        |       |       |
| Interest rate                                                     | 8.08%  | 7.96%  | 8.08% | 8.00% |
| Estimated rate of return on plan assets                           | 8.08%  | 7.96%  | N.A.  | N.A.  |
| Expected rate of increase in salary                               | 5.00%  | 5.00%  | 5.00% | 5.00% |
| Actual return on plan assets (₹ In Lakhs)                         | 40.63  | 27.62  | N.A.  | N.A.  |

The estimate of future salary increases considered in actuarial valuation takes into account general trend in inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market.

The expected return on plan assets is determined considering several applicable factors, mainly the composition of the plan assets held and historical results of the return on the plan assets.

| Particulars                                 | 2015-16       | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
|---------------------------------------------|---------------|---------|---------|---------|---------|
| Experience adjustment                       |               |         |         |         |         |
| On plan liability (gain)/ loss              | <b>59.53</b>  | 99.32   | 1.00    | 39.07   | 34.78   |
| On plan assets gain/ (loss)                 | <b>6.28</b>   | 1.04    | 3.10    | 3.97    | 2.44    |
| Present value of benefit obligation         | <b>776.24</b> | 621.97  | 435.23  | 433.43  | 343.53  |
| Fair value of plan assets                   | <b>668.53</b> | 431.49  | 305.45  | 222.60  | 134.24  |
| Excess of obligation over plan assets (net) | <b>107.71</b> | 190.48  | 129.78  | 210.83  | 209.29  |

The expected contribution is based on the same assumptions used to measure the Company's Gratuity obligations as at March 31, 2016. The Company is expected to contribute ₹ 100 Lakhs for the year ended March 31, 2017.

### 31. Disclosure as per Accounting Standard 17 on "Segment Reporting":

#### 31.1 Primary Segment:

The Company is exclusively engaged in the business of "Specialty Chemicals". This in the context of AS 17 "Segment Reporting", notified under the Companies (Accounting Standard) Rules, 2006, constitutes one single primary segment.

#### 31.2 Secondary Segment (by Geographical Segment) :

| Particulars                       | Within India     |            | Outside India   |            | Total            |            |
|-----------------------------------|------------------|------------|-----------------|------------|------------------|------------|
|                                   | 2015-16          | 2014-15    | 2015-16         | 2014-15    | 2015-16          | 2014-15    |
|                                   | ₹ in Lakhs       | ₹ in Lakhs | ₹ in Lakhs      | ₹ in Lakhs | ₹ in Lakhs       | ₹ in Lakhs |
| Segment Revenue                   | <b>38,487.11</b> | 38,621.29  | <b>9,872.24</b> | 9,015.35   | <b>48,359.35</b> | 47,636.64  |
| Carrying amount of Segment Assets | <b>38,230.10</b> | 37,693.31  | <b>1993.18</b>  | 2185.49    | <b>40,223.28</b> | 39,878.80  |
| Capital Expenditure               | <b>20,209.65</b> | 18,005.01  | <b>118.01</b>   | 156.08     | <b>20,327.66</b> | 18,161.09  |

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

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

### 32. Disclosure as per Accounting Standard 18 on "Related Party Disclosures":

32.1 Following transactions were carried out in the ordinary course of business with the parties referred to in 32.2 below. There was no amount written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

| Particulars                           | Subsidiary Company    | Associate Company      | Key Management Personnel and their relative | Entities on which Key Management Personnel has control | ₹ In Lakhs                                                         |
|---------------------------------------|-----------------------|------------------------|---------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------|
|                                       |                       |                        |                                             |                                                        | Entities on which relative of Key Management Personnel has Control |
|                                       | [with 32.2 (I) below] | [with 32.2 (II) below] | [with 32.2 (III) and (IV) below]            | [with 32.2 (V) below]                                  | [with 32.2 (VI) below]                                             |
| Miscellaneous Income (Rent)           | <b>NIL</b><br>(0.17)  |                        |                                             |                                                        |                                                                    |
| Miscellaneous Expenses (Commission)   | <b>NIL</b><br>(20.59) |                        |                                             |                                                        |                                                                    |
| <b>Transactions on our behalf :</b>   |                       |                        |                                             |                                                        |                                                                    |
| Miscellaneous Expenses recovered from | <b>NIL</b><br>(0.03)  | <b>NIL</b><br>(0.15)   |                                             |                                                        |                                                                    |

| Particulars                                 | Subsidiary Company    | Associate Company      | Key Management Personnel and their relative | Entities on which Key Management Personnel has control | Entities on which relative of Key Management Personnel has Control |
|---------------------------------------------|-----------------------|------------------------|---------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------|
|                                             | [with 32.2 (I) below] | [with 32.2 (II) below] | [with 32.2 (III) and (IV) below]            | [with 32.2 (V) below]                                  | [with 32.2 (VI) below]                                             |
| <b>Transactions on their behalf :</b>       |                       |                        |                                             |                                                        |                                                                    |
| Taxes paid                                  | <b>NIL</b><br>(3.46)  |                        |                                             |                                                        |                                                                    |
| <b>Loans and Advances - Unsecured :</b>     |                       |                        |                                             |                                                        |                                                                    |
| Loan from Directors –Received               |                       |                        |                                             |                                                        |                                                                    |
| Yogesh Kothari                              |                       |                        | <b>650.00</b><br>(720.00)                   |                                                        |                                                                    |
| Others                                      |                       |                        | <b>55.00</b><br>(96.00)                     |                                                        |                                                                    |
| Loan from Directors – Repaid                |                       |                        |                                             |                                                        |                                                                    |
| Yogesh Kothari                              |                       |                        | <b>50.00</b><br>(680.00)                    |                                                        |                                                                    |
| Others                                      |                       |                        | <b>35.50</b><br>(266.50)                    |                                                        |                                                                    |
| Deposit - Inter Corporate – Repaid          |                       |                        |                                             | <b>85.00</b><br>(139.50)                               | <b>250.00</b><br>(26.00)                                           |
| Deposit - Inter Corporate – Received        |                       |                        |                                             |                                                        | <b>NIL</b><br>(3.00)                                               |
| <b>Interest Expenses :</b>                  |                       |                        |                                             |                                                        |                                                                    |
| On Loans from Directors                     |                       |                        |                                             |                                                        |                                                                    |
| Yogesh Kothari                              |                       |                        | <b>199.65</b><br>(195.49)                   |                                                        |                                                                    |
| Others                                      |                       |                        | <b>2.50</b><br>(12.12)                      |                                                        |                                                                    |
| On Deposit - Inter Corporate                |                       |                        |                                             |                                                        |                                                                    |
| YMK Trading & Consultancy LLP               |                       |                        |                                             | <b>NIL</b><br>(7.01)                                   |                                                                    |
| Others                                      |                       |                        |                                             | <b>10.21</b><br>(10.68)                                |                                                                    |
| Kamiko Investment & Trading Private Limited |                       |                        |                                             |                                                        | <b>6.41</b><br>(7.72)                                              |
| DSP HMK Holdings Private Limited            |                       |                        |                                             |                                                        | <b>5.44</b><br>(14.06)                                             |
| DSP ADIKO Holdings Private Limited          |                       |                        |                                             |                                                        | <b>5.44</b><br>(14.06)                                             |

| Particulars                                     | Subsidiary Company      | Associate Company         | Key Management Personnel and their relative | Entities on which Key Management Personnel has control | Entities on which relative of Key Management Personnel has Control |
|-------------------------------------------------|-------------------------|---------------------------|---------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------|
|                                                 | [with 32.2 (I) below]   | [with 32.2 (II) below]    | [with 32.2 (III) and (IV) below]            | [with 32.2 (V) below]                                  | [with 32.2 (VI) below]                                             |
| <b>Directors' Remuneration:</b>                 |                         |                           |                                             |                                                        |                                                                    |
| Yogesh Kothari                                  |                         |                           | <b>402.06</b><br>(369.41)                   |                                                        |                                                                    |
| Kirat Patel                                     |                         |                           | <b>153.42</b><br>(126.58)                   |                                                        |                                                                    |
| Suneet Kothari                                  |                         |                           | <b>146.47</b><br>(119.40)                   |                                                        |                                                                    |
| Hemendra Kothari                                |                         |                           |                                             |                                                        |                                                                    |
| Sitting Fees                                    |                         |                           | <b>0.60</b><br>(0.60)                       |                                                        |                                                                    |
| Commission                                      |                         |                           | <b>11.78</b><br>(10.56)                     |                                                        |                                                                    |
| <b>Outstanding Balance As At March 31, 2016</b> |                         |                           |                                             |                                                        |                                                                    |
| Loans From Directors                            |                         |                           |                                             |                                                        |                                                                    |
| Yogesh Kothari                                  |                         |                           | <b>2,070.00</b><br>(1,470.00)               |                                                        |                                                                    |
| Others                                          |                         |                           | <b>19.50</b><br>(NIL)                       |                                                        |                                                                    |
| Deposit - Inter Corporate                       |                         |                           |                                             |                                                        |                                                                    |
| Others                                          |                         |                           |                                             | <b>10.00</b><br>(95.00)                                |                                                                    |
| Kamiko Investment & Trading Private Limited     |                         |                           |                                             |                                                        | <b>62.00</b><br>(62.00)                                            |
| DSP HMK Holdings Private Limited                |                         |                           |                                             |                                                        | <b>NIL</b><br>(125.00)                                             |
| DSP ADIKO Holdings Private Limited              |                         |                           |                                             |                                                        | <b>NIL</b><br>(125.00)                                             |
| Non-Current Investments                         | <b>81.91</b><br>(81.91) | <b>144.11</b><br>(144.11) |                                             |                                                        |                                                                    |

**32.2 Relationships (in relation to transactions with Company):**

- I. Subsidiary Companies:  
Alkyl Speciality Chemicals Limited
- II. Associate Company:  
Diamines and Chemicals Limited
- III. Key Management Personnel:
  - i. Yogesh M. Kothari (also has a control over the Company)
  - ii. Kirat Patel
  - iii. Suneet Y. Kothari
- IV. Relative of Key Management Personnel:  
Hemendra M. Kothari
- V. Entities over which Key Management Personnel has Control:
  - i. YMK Trading & Consultancy LLP
  - iii. Anjyko Investments Private Limited
- VI. Entities over which relative of Key Management Personnel has control:
  - i. Kamiko Investment & Trading Private Limited
  - ii. DSP HMK Holdings Private Limited
  - iii. DSP ADIKO Holdings Private Limited

**33. Disclosure as per Accounting Standard 19 on “Leases”:**
**33.1 Where the Company is a Lessee:**

- i. The Company has taken residential, office and godown premises under operating lease on leave and licence agreement. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.
- ii. Lease/Rent payments are recognised in the Statement of Profit and Loss as ‘Rent’ under ‘Other Expenses’ in Note 26.
- iii. Future minimum lease rental payable is as under:

| Particulars                     | As At March 31, 2016 | As At March 31, 2015 |
|---------------------------------|----------------------|----------------------|
|                                 | ₹ In Lakhs           | ₹ In Lakhs           |
| Within 1 year                   | 13.20                | 13.20                |
| After 1 year but before 5 years | 4.40                 | 17.60                |

- iv. Land taken on lease has been amortised over the respective lease period and ₹ 14.97 Lakhs (Previous Year ₹ 14.92 Lakhs) has been amortised during the year.

**34. “Earnings per Share” as per Accounting Standard 20:**

| Particulars                                                          | As At March 31, 2016 | As At March 31, 2015 |
|----------------------------------------------------------------------|----------------------|----------------------|
|                                                                      | ₹ In Lakhs           | ₹ In Lakhs           |
| <b>Numerator for Basic and diluted earnings per Share</b>            |                      |                      |
| Net Profit/ (Loss) after tax for the year before Preference Dividend | 4,985.48             | 4,542.13             |
| Less : Preference Dividend and Tax thereon                           | NIL                  | NIL                  |
| Net Profit/ (Loss) after tax for the year (a)                        | 4,985.48             | 4,542.13             |
| <b>Denominator for Basic and Diluted Earnings per Share</b>          |                      |                      |
| Weighted average number of Shares (b)*                               | 20,396,392           | 20,396,392           |
| <b>Basic and Diluted Earnings per Share [(a) / (b)] (In ₹)</b>       | 24.44                | 22.27                |
| Face value per Share (In ₹)*                                         | 5.00                 | 5.00                 |

\* Refer Note 2.2 (iv)

**35. Disclosure as per Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":**

| Particulars              | As At<br>April 1, 2015 | Additions<br>during the year | Paid/reversed<br>during the year | As At<br>March 31, 2016 |
|--------------------------|------------------------|------------------------------|----------------------------------|-------------------------|
|                          | ₹ In Lakhs             | ₹ In Lakhs                   | ₹ In Lakhs                       | ₹ In Lakhs              |
| Leave Encashment         | 165.01<br>(119.68)     | 20.91<br>(53.06)             | 6.08<br>(7.73)                   | 179.84<br>(165.01)      |
| Gratuity                 | 190.48<br>(129.78)     | 119.76<br>(174.70)           | 202.53<br>(114.00)               | 107.71<br>(190.48)      |
| Proposed Dividend        | 815.86<br>(815.86)     | NIL<br>(815.86)              | 815.86<br>(815.86)               | NIL<br>(815.86)         |
| Tax on Proposed Dividend | 166.12<br>(138.66)     | NIL<br>(166.12)              | 166.12<br>(138.66)               | NIL<br>(166.12)         |

**36. Consumption of Imported/Indigenous Materials:**

| Particulars              | For the Year ended March 31, 2016 |            | For the Year ended March 31, 2015 |            |
|--------------------------|-----------------------------------|------------|-----------------------------------|------------|
|                          | Percentage                        | Value      | Percentage                        | Value      |
|                          |                                   | ₹ In Lakhs |                                   | ₹ In Lakhs |
| <b>Raw Materials</b>     |                                   |            |                                   |            |
| Imported                 | 11.35%                            | 2,773.97   | 17.46%                            | 4,169.82   |
| Indigenous               | 88.65%                            | 21,656.72  | 82.54%                            | 19,712.25  |
| <b>Total</b>             | 100.00%                           | 24,430.69  | 100.00%                           | 23,882.07  |
| <b>Stores and Spares</b> |                                   |            |                                   |            |
| Imported                 | 17.19%                            | 146.72     | 9.26%                             | 87.18      |
| Indigenous               | 82.81%                            | 706.98     | 90.74%                            | 854.16     |
| <b>Total</b>             | 100.00%                           | 853.70     | 100.00%                           | 941.34     |

**37. Value of Imports calculated on C.I.F. basis:**

| Particulars       | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|-------------------|--------------------------------------|--------------------------------------|
|                   | ₹ In Lakhs                           | ₹ In Lakhs                           |
| Raw Materials     | 1,006.97                             | 1146.89                              |
| Stores and Spares | 41.48                                | 13.43                                |
| Capital Goods     | 31.17                                | 18.95                                |
| <b>Total</b>      | 1,079.62                             | 1,179.27                             |

### 38. Expenditure in Foreign Currency:

| Particulars            | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|------------------------|--------------------------------------|--------------------------------------|
|                        | ₹ In Lakhs                           | ₹ In Lakhs                           |
| i. Interest            |                                      |                                      |
| Term Loan              | 147.56                               | 157.72                               |
| Less : Capitalised     | 22.97                                | 18.17                                |
|                        | 124.59                               | 139.55                               |
| Others                 | 21.65                                | 35.05                                |
| ii. Bank Charges       | 9.65                                 | 7.21                                 |
| iii. Other Expenses    |                                      |                                      |
| Commission on Sales    | 51.15                                | 40.03                                |
| Professional Charges   | 20.35                                | 6.84                                 |
| Freight Inward         | NIL                                  | 17.01                                |
| Miscellaneous Expenses | 7.40                                 | 5.24                                 |
| Less : Capitalised     | NIL                                  | 2.12                                 |
|                        | 7.40                                 | 3.12                                 |
| <b>Total</b>           | <b>234.79</b>                        | <b>248.81</b>                        |

### 39. Earnings in Foreign Currency:

| Particulars                     | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|---------------------------------|--------------------------------------|--------------------------------------|
|                                 | ₹ In Lakhs                           | ₹ In Lakhs                           |
| Export of Goods at F.O.B. value | 9,347.36                             | 8,497.06                             |
| Other Income                    | 25.62                                | NIL                                  |
| <b>Total</b>                    | <b>9,372.98</b>                      | <b>8,497.06</b>                      |

### 40. Financial and Other Derivative Instruments:

40.1 Derivative contracts entered into by the Company are for hedging foreign currency risks. The following contracts have remained outstanding:

| Particulars                                |      | Balance As At March 31, 2016         |            | Balance As At March 31, 2015         |            |
|--------------------------------------------|------|--------------------------------------|------------|--------------------------------------|------------|
|                                            |      | In Foreign<br>currency<br>(In Lakhs) | ₹ In Lakhs | In Foreign<br>currency<br>(In Lakhs) | ₹ In Lakhs |
| <u>Forward Contracts for</u>               |      |                                      |            |                                      |            |
| Amount Payable for Export Trade            | USD  | 6.63                                 | 458.74     | 3.00                                 | 184.98     |
|                                            | EURO | NIL                                  | NIL        | 9.91                                 | 657.43     |
| Amount Receivable for Import Trade         | USD  | 1.68                                 | 113.08     | 3.28                                 | 208.47     |
| <u>Currency and Interest Rate Swap for</u> |      |                                      |            |                                      |            |
| ECB Loans                                  | USD  | 63.00                                | 4,235.49   | 53.50                                | 3,396.18   |
| Interest on ECB payable                    | USD  | 0.29                                 | 18.18      | 0.14                                 | 8.58       |

40.2 Foreign Currency exposure that are not hedged by the derivative instruments:

| Particulars                        |      | Balance As At March 31, 2016   |            | Balance As At March 31, 2015   |            |
|------------------------------------|------|--------------------------------|------------|--------------------------------|------------|
|                                    |      | In Foreign currency (In Lakhs) | ₹ In Lakhs | In Foreign currency (In Lakhs) | ₹ In Lakhs |
| Export Trade Receivables           | USD  | 23.39                          | 1,529.52   | 20.67                          | 1,274.80   |
|                                    | EURO | 3.49                           | 257.36     | 10.30                          | 683.58     |
|                                    | GBP  | 0.16                           | 15.13      | 0.16                           | 14.73      |
| Import Trade Payables              | USD  | 0.23                           | 15.75      | 0.12                           | 7.55       |
| ECB Loans                          | USD  | 2.06                           | 138.66     | 10.31                          | 654.64     |
| Interest on ECB payable            | USD  | 0.03                           | 1.77       | 0.04                           | 2.43       |
| Packing Credit in Foreign Currency | USD  | 14.00                          | 940.97     | 10.49                          | 665.71     |
|                                    | EURO | 2.41                           | 183.71     | 7.70                           | 531.26     |
|                                    | GBP  | NIL                            | NIL        | 0.44                           | 41.39      |
| Balance with Bank                  | USD  | 1.47                           | 95.92      | 0.05                           | 3.15       |
| Export Commission Payable          | USD  | 0.25                           | 16.75      | 0.20                           | 12.74      |
|                                    | EURO | 0.01                           | 0.22       | 0.01                           | 0.94       |

All outstanding derivatives are marked to market on the date of Balance Sheet in accordance with AS-11 and accordingly, mark to market loss of ₹ 4.56 Lakhs (Previous Year ₹ NIL) has been recognised.

41. Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation. Figures in brackets, unless specified, represent previous year's figures.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148  
**Place :** Mumbai  
**Dated :** May 20, 2016

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**PRAVIN TAWLE**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**KIRAT PATEL**  
Executive Director

**Place :** Mumbai  
**Dated :** May 20, 2016

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies

### PART "A": SUBSIDIARIES

₹ In Lakhs

|    |                                                                                                                             |                                    |
|----|-----------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| 1  | Serial No.                                                                                                                  | 1                                  |
| 2  | Name of the subsidiary                                                                                                      | Alkyl Speciality Chemicals limited |
| 3  | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | NA                                 |
| 4  | Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA                                 |
| 5  | Share Capital                                                                                                               | 163.83                             |
| 6  | Reserves & Surplus                                                                                                          | 28.20                              |
| 7  | Total Assets                                                                                                                | 193.64                             |
| 8  | Total Liabilities                                                                                                           | 193.64                             |
| 9  | Investments                                                                                                                 | NIL                                |
| 10 | Turnover                                                                                                                    | 14.61                              |
| 11 | Profit before taxation                                                                                                      | 14.10                              |
| 12 | Provision for taxation                                                                                                      | 3.37                               |
| 13 | Profit after taxation                                                                                                       | 10.73                              |
| 14 | Proposed Dividend                                                                                                           | NIL                                |
| 15 | % of shareholding                                                                                                           | 100%                               |
| 1. | Names of subsidiaries which are yet to commence operations                                                                  | NIL                                |
| 2. | Names of subsidiaries which have been liquidated or sold during the year                                                    | NIL                                |

### PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ in Lakhs

|     |                                                                                         |                                        |
|-----|-----------------------------------------------------------------------------------------|----------------------------------------|
|     | Name of the Associate                                                                   | Diamines and Chemicals Limited         |
| 1   | Latest Audited Balance Sheet Date                                                       | March 31, 2016                         |
| 2   | Shares of Associate held by the Company on the year end                                 |                                        |
|     | Number of shares                                                                        | 2,977,997 equity shares of ₹ 10/- each |
|     | Amount of Investment in Associate                                                       | ₹ 144.11                               |
|     | Extent of Holding %                                                                     | 30.44%                                 |
| 3   | There is significant influence in the associate due to shareholding                     |                                        |
| 4   | Reason why the associate is not consolidated                                            | NA                                     |
| 5   | Net-worth attributable to Shareholding as per latest audited Balance Sheet              | ₹ 996.97                               |
| 6   | Profit/Loss for the year                                                                |                                        |
| i.  | Considered in Consolidation                                                             | ₹ 7.56                                 |
| ii. | Not Considered in Consolidation                                                         | ₹ 17.27                                |
|     | Names of associates or joint ventures which are yet to commence operations              | NA                                     |
|     | Name of associates or joint ventures which have been liquidated or sold during the year | NA                                     |

For and on behalf of the Board of Directors

**YOGESH M. KOTHARI**

Chairman and Managing Director

**KIRAT PATEL**

Executive Director

**K. P. RAJAGOPALAN**

General Manager  
Secretarial and Legal  
(Company Secretary)

**PRAVIN TAWLE**

General Manager  
Finance and Accounts  
(Chief Financial Officer)

Place : Mumbai

Dated : May 20, 2016

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Alkyl Amines Chemicals Limited** (hereinafter referred to as "the Holding Company") audits subsidiary (the Holding Company audits subsidiary together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

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

### Auditors' Responsibility

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

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

We conducted our audit 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### 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 purpose of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law have been kept by the companies included in the Group, so far as it appears from the examination of those books.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant financial statements adopted and related working statements maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company, and our reports as the auditor of its subsidiary and its associate (as also of its subsidiary), none of the directors of the companies in the Group is disqualified as on March 31, 2016 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 Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on our reports as the auditor of its subsidiary and its associate:
  - i. the consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group– Refer Note 28.1 to the consolidated financial statements;
  - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the companies in the Group during the year ended March 31, 2016.

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No. 100991W

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**PLACE:** MUMBAI  
**DATED:** MAY 20, 2016

## ANNEXURE A

### TO THE INDEPENDENT AUDITORS' REPORT

**Referred to in paragraph 1(f) under the heading of “Report on Other Legal and Regulatory Requirements” of our Independent Auditors’ Report of even date on the consolidated financial statements for the year ended March 31, 2016.**

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

We have audited the internal financial controls over financial reporting of Alkyl Amines Chemicals Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associate, as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

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

We believe that the audit evidence we have obtained 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.

### **Opinion**

In our opinion, the Holding Company, its subsidiary company and its associate company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

For **BANSI S. MEHTA & CO.**

Chartered Accountants

Firm Registration No. 100991W

**PARESH H. CLERK**

Partner

Membership No. 36148

**PLACE:** MUMBAI

**DATED:** MAY 20, 2016

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

|                                                                                        | Note | ₹ In Lakhs       | As At<br>March 31, 2016<br>₹ In Lakhs | As At<br>March 31, 2015<br>₹ In Lakhs |
|----------------------------------------------------------------------------------------|------|------------------|---------------------------------------|---------------------------------------|
| <b>EQUITY AND LIABILITIES</b>                                                          |      |                  |                                       |                                       |
| <b>Shareholders' Funds</b>                                                             |      |                  |                                       |                                       |
| Share Capital                                                                          | 3    | 1,020.60         |                                       | 1,020.60                              |
| Reserves and Surplus                                                                   | 4    | 19,889.18        |                                       | 17,405.31                             |
|                                                                                        |      |                  | <b>20,909.78</b>                      | <b>18,425.91</b>                      |
| <b>Non-current Liabilities</b>                                                         |      |                  |                                       |                                       |
| Long-term Borrowings                                                                   | 5    | 4,468.09         |                                       | 5,601.01                              |
| Deferred Tax Liabilities (Net)                                                         | 6    | 2,864.11         |                                       | 2,077.92                              |
| Long-term Provisions                                                                   | 7    | 266.19           |                                       | 224.19                                |
|                                                                                        |      |                  | <b>7,598.39</b>                       | <b>7,903.12</b>                       |
| <b>Current Liabilities</b>                                                             |      |                  |                                       |                                       |
| Short-term Borrowings                                                                  | 8    | 5,326.21         |                                       | 6,047.98                              |
| Trade Payables                                                                         | 9    |                  |                                       |                                       |
| Total outstanding dues of micro enterprises and small enterprises                      |      | 30.76            |                                       | 39.46                                 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |      | 4,345.02         |                                       | 3,829.24                              |
| Other Current Liabilities                                                              | 10   | 3,276.89         |                                       | 3,781.21                              |
| Short-term Provisions                                                                  | 11   | 79.63            |                                       | 1,123.68                              |
|                                                                                        |      |                  | <b>13,058.51</b>                      | <b>14,821.57</b>                      |
| <b>TOTAL</b>                                                                           |      |                  | <b>41,566.68</b>                      | <b>41,150.60</b>                      |
| <b>ASSETS</b>                                                                          |      |                  |                                       |                                       |
| <b>Non-current Assets</b>                                                              |      |                  |                                       |                                       |
| Fixed Assets                                                                           | 12   |                  |                                       |                                       |
| Tangible Assets                                                                        |      | 18,584.36        |                                       | 14,892.15                             |
| Intangible Assets                                                                      |      | 128.94           |                                       | 161.68                                |
| Capital Work-in-Progress                                                               |      | 1,606.66         |                                       | 3,099.56                              |
| Intangible Assets under Development                                                    |      | 7.70             |                                       | 7.70                                  |
|                                                                                        |      | <b>20,327.66</b> |                                       | <b>18,161.09</b>                      |
| Non-current Investments                                                                | 13   | 996.97           |                                       | 989.41                                |
| Long-term Loans and Advances                                                           | 14   | 1,415.11         |                                       | 1,708.32                              |
| Other Non-current Assets                                                               | 15   | 292.78           |                                       | 268.29                                |
|                                                                                        |      |                  | <b>23,032.52</b>                      | <b>21,127.11</b>                      |
| <b>Current Assets</b>                                                                  |      |                  |                                       |                                       |
| Inventories                                                                            | 16   | 6,315.65         |                                       | 7,054.08                              |
| Trade Receivables                                                                      | 17   | 9,029.55         |                                       | 9,892.67                              |
| Cash and Bank Balances                                                                 | 18   | 582.26           |                                       | 937.40                                |
| Short-term Loans and Advances                                                          | 19   | 2,467.55         |                                       | 1,936.90                              |
| Other Current Assets                                                                   | 20   | 139.15           |                                       | 202.44                                |
|                                                                                        |      |                  | <b>18,534.16</b>                      | <b>20,023.49</b>                      |
| <b>TOTAL</b>                                                                           |      |                  | <b>41,566.68</b>                      | <b>41,150.60</b>                      |
| <b>Notes (Including Significant Accounting Policies) 1 - 43</b>                        |      |                  |                                       |                                       |
| <b>Forming Part of the Financial Statements</b>                                        |      |                  |                                       |                                       |

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148  
**PLACE : MUMBAI**  
**DATED : May 20, 2016**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**PRAVIN TAWLE**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director  
**PLACE : MUMBAI**  
**DATED : May 20, 2016**

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

|                                                                                                       |      |            | For the Year ended<br>March 31, 2016 | For the Year ended<br>March 31, 2015 |
|-------------------------------------------------------------------------------------------------------|------|------------|--------------------------------------|--------------------------------------|
|                                                                                                       | Note | ₹ In Lakhs | ₹ In Lakhs                           | ₹ In Lakhs                           |
| Revenue from Operations                                                                               | 21   |            | 52,328.91                            | 51,628.74                            |
| Less : Excise Duty on Sales                                                                           |      |            | 3,969.56                             | 3,992.10                             |
| Revenue from Operations (Net)                                                                         |      |            | 48,359.35                            | 47,636.64                            |
| Other Income                                                                                          | 22   |            | 110.20                               | 198.66                               |
| <b>Total Revenue</b>                                                                                  |      |            | <b>48,469.55</b>                     | <b>47,835.30</b>                     |
| <b>Expenses</b>                                                                                       |      |            |                                      |                                      |
| Cost of Materials Consumed                                                                            | 23   |            | 26,042.69                            | 25,350.30                            |
| Changes in Inventories of Finished Goods<br>and Work-in-Progress                                      | 24   |            | (850.16)                             | 564.27                               |
| Employee Benefits Expense                                                                             | 25   |            | 3,472.32                             | 3,118.60                             |
| Finance Costs                                                                                         | 26   |            | 803.50                               | 1,023.49                             |
| Depreciation and Amortisation Expense                                                                 | 12   |            | 1,289.13                             | 1,135.12                             |
| Other Expenses                                                                                        | 27   |            | 10,449.91                            | 9,924.00                             |
| <b>Total Expenses</b>                                                                                 |      |            | <b>41,207.39</b>                     | <b>41,115.78</b>                     |
| <b>Profit before exceptional items and Tax</b>                                                        |      |            | <b>7,262.16</b>                      | <b>6,719.52</b>                      |
| Exceptional items                                                                                     |      |            | NIL                                  | NIL                                  |
| <b>Profit before Tax</b>                                                                              |      |            | <b>7,262.16</b>                      | <b>6,719.52</b>                      |
| Tax Expense:                                                                                          |      |            |                                      |                                      |
| Current Tax                                                                                           |      | 1,506.37   |                                      | 2,158.93                             |
| Deferred Tax                                                                                          |      | 820.58     |                                      | 28.03                                |
| Current Tax Adjustments of Earlier Years                                                              |      | (61.00)    |                                      | (29.45)                              |
|                                                                                                       |      |            | <b>2,265.95</b>                      | <b>2,157.51</b>                      |
| <b>Profit for the Year</b>                                                                            |      |            | <b>4,996.21</b>                      | <b>4,562.01</b>                      |
| Share of Profit / (Loss) of Associate Company                                                         |      |            | 7.56                                 | (48.53)                              |
| <b>Profit for the Year</b>                                                                            |      |            | <b>5,003.77</b>                      | <b>4,513.48</b>                      |
| Earnings Per Equity Share:                                                                            |      |            |                                      |                                      |
| Basic and Diluted (₹)                                                                                 |      |            | 24.53                                | 22.13                                |
| <b>Notes (Including Significant Accounting Policies)<br/>Forming Part of the Financial Statements</b> | 1-43 |            |                                      |                                      |

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148

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Finance and Accounts  
(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director

**PLACE : MUMBAI**  
**DATED : May 20, 2016**

**PLACE : MUMBAI**  
**DATED : May 20, 2016**

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

|                                                                     | For the<br>Year ended<br>March 31, 2016<br>₹ In Lakhs | For the<br>Year ended<br>March 31, 2015<br>₹ In Lakhs |
|---------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>                     |                                                       |                                                       |
| Net Profit Before Tax                                               | 7,262.16                                              | 6,719.52                                              |
| <b>Adjustments for :</b>                                            |                                                       |                                                       |
| Loss on Sale/Scrap of Fixed Assets                                  | (6.76)                                                | 6.18                                                  |
| Assets Written Off                                                  | 88.37                                                 | NIL                                                   |
| Depreciation and Amortisation Expense                               | 1,289.13                                              | 1,135.12                                              |
| Interest Expense                                                    | 803.50                                                | 1,023.49                                              |
| Interest on Deposits and Others                                     | (78.47)                                               | (108.14)                                              |
| Unrealised Loss/(Gain) on Foreign Exchange                          | 221.20                                                | 110.79                                                |
| Provision for Bad and Doubtful Debts                                | 0.88                                                  | NIL                                                   |
| <b>Operating Profit Before Working Capital Changes</b>              | <b>9,580.01</b>                                       | <b>8,886.96</b>                                       |
| <b>Adjustments for :</b>                                            |                                                       |                                                       |
| Long-term Loans and Advances and Other Non-current Assets           | 236.15                                                | (237.69)                                              |
| Inventories                                                         | 722.43                                                | 1,302.68                                              |
| Trade Receivables and Short-term Loans and Advances                 | 100.38                                                | (1,061.07)                                            |
| Other Current Assets                                                | 63.29                                                 | (148.82)                                              |
| Other Long-term Liabilities and Long-term Provisions                | 42.00                                                 | 40.92                                                 |
| Trade Payables, Other Current Liabilities and Short-term Provisions | 383.97                                                | (528.10)                                              |
| <b>Cash Generated From Operations</b>                               | <b>11,128.23</b>                                      | <b>8,254.88</b>                                       |
| Income Tax paid                                                     | (1,483.36)                                            | (2,164.96)                                            |
| <b>Net Cash From Operating Activities</b>                           | <b>9,644.87</b>                                       | <b>6,089.92</b>                                       |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                                                       |                                                       |
| Purchase of Fixed Assets                                            | (3,528.80)                                            | (4,095.23)                                            |
| Sale of Fixed Assets                                                | 6.11                                                  | 15.82                                                 |
| Interest on Deposits and Others                                     | 78.47                                                 | 108.14                                                |
| Bank Deposits having Original Maturity of more than three months    | 151.15                                                | 851.76                                                |
| <b>Net Cash From Investing Activities</b>                           | <b>(3,293.07)</b>                                     | <b>(3,119.51)</b>                                     |

|                                                                 | For the<br>Year ended<br>March 31, 2016<br>₹ In Lakhs | For the<br>Year ended<br>March 31, 2015<br>₹ In Lakhs |
|-----------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                   |                                                       |                                                       |
| Deferred Sales Tax Payment                                      | (104.20)                                              | (80.53)                                               |
| Proceeds from Long-term Borrowings                              | (1,486.23)                                            | (518.70)                                              |
| Increase/Decrease in Short-term Borrowings                      | (721.77)                                              | (1,008.53)                                            |
| Interest Paid                                                   | (803.50)                                              | (1,023.49)                                            |
| Dividend Paid (Including Dividend Distribution Tax)             | (3,436.91)                                            | (954.52)                                              |
| <b>Net Cash From Financing Activities</b>                       | <b>(6,552.61)</b>                                     | <b>(3,585.77)</b>                                     |
| <b>Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b>(200.81)</b>                                       | <b>(615.36)</b>                                       |
| <b>Cash and Cash Equivalents at the Beginning Of the Year</b>   | <b>589.30</b>                                         | <b>1,199.22</b>                                       |
| <b>Exchange Difference on translation of Foreign Currency</b>   |                                                       |                                                       |
| <b>Cash and Cash Equivalents</b>                                | <b>(8.32)</b>                                         | <b>(5.44)</b>                                         |
| <b>Cash and Cash Equivalents at the End of the Year</b>         | <b>396.81</b>                                         | <b>589.30</b>                                         |
| <b>Components of Cash and Cash Equivalents :</b>                |                                                       |                                                       |
| Cash on hand                                                    | 3.39                                                  | 5.21                                                  |
| Other Bank Balances                                             |                                                       |                                                       |
| - On Current Accounts                                           | 302.41                                                | 549.91                                                |
| - On Unpaid Dividend Accounts                                   | 91.01                                                 | 34.18                                                 |
|                                                                 | <b>396.81</b>                                         | <b>589.30</b>                                         |

**Notes:**

- Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3, as notified under the Companies (Accounting Standards Rules), 2006, as the same are applicable in terms of the provisions of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Purchase of Fixed Assets includes addition to Capital Work-in-Progress during the year.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
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(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director  
**PLACE : MUMBAI**  
**DATED : May 20, 2016**

## NOTES ON CONSOLIDATION FINANCIAL STATEMENTS

### 1. BASIS OF CONSOLIDATION

#### 1.1. BASIS OF PREPARATION

These consolidated financial statements ('CFS') are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention as also on accrual basis, except for certain tangible assets which are being carried at revalued amounts. These consolidated financial statements have been prepared to comply with the accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 ('the Accounting Standards') and the relevant provisions of the Act (to the extent notified). In the light of Rule 4A of the Companies (Accounts) Rules 2014, the items and terms contained in these consolidated financial statements are in accordance with the Accounting Standards as referred to herein.

#### 1.2. PRINCIPLES OF CONSOLIDATION

- a. The CFS relate to Alkyl Amines Chemicals Limited ("the Company"), its subsidiary Alkyl Speciality Chemicals Limited and its associate Diamines and Chemicals Limited including its subsidiary Diamines Speciality Chemicals Limited ("the Group"). The financial statements of the subsidiary company and associate used in consolidation are drawn/prepared for consolidation upto the same reporting date as the Company.

The consolidated statements are prepared on the following basis:

- i. The financial statements of subsidiary company have been combined on line to line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions and the unrealised profits/losses as per AS-21.
- ii. The difference between the cost of investments in subsidiary over the net assets at the time of acquisition of shares in the subsidiary is recognised in the CFS as Goodwill or Capital Reserve, as the case may be.
- iii. The investment in the associate company is accounted for using the Equity Method of accounting as laid down under Accounting Standard (AS) 23, "Accounting for Investment in Associates in Consolidated Financial Statements". The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date. The group's investment in the associate company includes goodwill identified on acquisition. The unrealised profits/losses on transactions with the associate company are eliminated by reducing the carrying amount of investments.
- b. The CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's standalone financial statements.

#### 1.3. USE OF ESTIMATES

The preparation of the financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosures relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts/advances, deferred tax etc. Actual results could differ from those estimates. Such difference is recognised in the period/s in which the results are known / materialised.

#### 1.4. FIXED ASSETS (TANGIBLE/INTANGIBLE):

- i. Land (Freehold) is carried at cost.
- ii. Land (Leasehold) is carried at cost less amortisation except Land which were revalued.
- iii. Other Fixed Assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any, except Buildings which were revalued.
- iv. Cost for the aforesaid purposes comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, net of recoverable duties and interest on borrowings attributable to the acquisition of qualifying Fixed Assets upto the date on which the Asset is ready for its intended use, if any. It also includes exchange difference capitalised, if any, in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates".
- v. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Capital Work-in-Progress".
- vi. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

#### 1.5. DEPRECIATION AND AMORTISATION:

- i. Depreciation on tangible Fixed Assets (other than those indicated below) is provided on the straight line method over the useful lives and residual values of assets as prescribed under Part C of Schedule II of Companies Act, 2013.

- a. Where the cost of a part of the asset which is significant to total cost of the asset and useful life of the part is different from the useful life of the remaining asset, the Company has determined the useful life of the significant part separately ("Component Accounting") and accordingly, provided depreciation on such parts.
- b. Depreciation on Plant and Machinery (including those identified under the Component Accounting) other than those not specifically covered under the classification 'Special Plant and Machinery used in manufacturing of Chemicals' is provided on the straight line method over the useful lives of 20 years as determined by the internal technical evaluation. The Management believes that the useful lives as determined best represent the period over which it expects to use these assets which is the same as the useful life of the Special Plant and Machinery. Hence, the useful lives for such Plant and Machinery is different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.  
Exchange Differences capitalised in terms of Para 46/46A of Accounting Standard 11 on "Effects of Changes in Foreign Exchange Rates" are depreciated over the balance life of the assets from the year in which such differences have been capitalised.
- c. Leasehold land and Leasehold improvements are being amortised on the straight line method over the period of lease.
- d. Revalued amount of leasehold land is amortised over its remaining lease period of 72 years commencing from the year 2002-03.
- ii. Intangible assets are amortised on the straight line method over their estimated useful life as follows:
  - a. Development of R & D Products/Processes (Internally generated) : 5 years.
  - b. Patents : 10 years.
  - c. REACH Registration : 5 years.
  - d. Computer Software : 10 years.
- iii. Depreciation for assets purchased/sold during the period is proportionately charged.

#### 1.6. INVESTMENTS:

- i. Investments, which are long-term, are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of investments.
- ii. Profit or loss on sale of long-term investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.

#### 1.7. INVENTORIES:

- i. Raw materials, packing materials, stores and spares, furnace oil and fuel are valued at cost or net realisable value, whichever is lower. Cost comprises basic cost (net of CENVAT and VAT, if any) and other costs incurred in bringing them to their respective present location and condition.  
Cost is determined on a Weighted Average basis.
- ii. Work-in-Progress and finished goods are valued at cost or net realisable value, whichever is lower.  
Cost includes all direct costs and a proportion of other fixed manufacturing overheads based on normal operating capacity. Excise duty on finished goods awaiting clearance has been provided for and included in cost thereof.  
Cost is determined on a Weighted Average basis.

#### 1.8. TAXATION:

- i. Current Tax: Provision for current tax is made on the estimated taxable income at the rate applicable to the relevant assessment year.
- ii. Deferred Tax : Deferred tax is recognised, subject to consideration of prudence, on timing differences between taxable and accounting income which originates in one period and are capable of reversal in one or more subsequent periods (adjusted for reversals expected during tax holiday period). The tax effect is calculated on accumulated timing differences at the year end based on tax rates and laws enacted or substantially enacted as of the balance sheet date.  
  
In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such deferred tax assets. In other situations, deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available to realise such deferred tax assets.

The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

#### 1.9. REVENUE RECOGNITION:

##### i. Sales of Manufactured Goods:

Sales of goods in respect of domestic sales are recognised on despatch of goods to the customer. 'Sales' include packing charges, excise duty and are net of returns.

Sales of goods in respect of export sales are recognised as and when the shipment of goods takes place.

**ii. Recognition of Export Benefits:**

Export Benefit Entitlements under the Duty Entitlement Pass Book Scheme and Duty drawback Scheme of the Government of India are recognised in the year in which the Export Sales are accounted for.

Advance License Benefits on Exports are accounted in the year of utilisation of license.

**iii. Income from Certified Emission Reductions:**

Income from Certified Emission Reduction (CERs) in respect of the project registered with Executive Board established under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) is accounted on the basis of CERs generated from such project when the same are duly certified by UNFCCC.

**iv. Commission receivable on sales:**

Commission on sales is accounted for on receipt of the necessary credit note/confirmation on completion of transaction from the principals.

**v. Interest Income:**

Interest Income is recognised on a time proportion basis, taking into account the amount involved and the rate applicable.

**1.10.EMPLOYEE BENEFITS:**

**i. Defined Contribution Plan:**

Contribution as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards Provident Fund and Family Pension Fund are provided for as a specific contribution of the Employee costs to fund these benefits as specified under the law. Therefore, any excess payment made will be considered as an advance and shortfall, if any, will be adjusted.

**ii. Defined Benefit Plan:**

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

**Compensated Absences** - The Group provides for the encashment of leave with pay based on policy of the Group in this regard. The employees are entitled to accumulate such leave subject to certain limits, for the future encashment. The Group records an obligation for Leave Encashment in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated leave as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

**1.11.RESEARCH AND DEVELOPMENT COSTS:**

- i. Revenue expenditure on research, if any, is charged in the Statement of Profit and Loss of the year in which it is incurred.
- ii. Development Expenditure :
  - a. incurred on development of new processes for products which, as per the Management, are completed and are expected to generate future economic benefits, are shown as internally generated intangible assets and is amortised in accordance with policies stated for Amortisation in Note No. 1.5.ii.
  - b. incurred on development of new processes for products which, as per the Management, are yet to be completed, are reflected as Intangibles Under Development;
  - c. other development expenses are charged to the Statement of Profit and Loss in the year in which it is incurred.

**1.12. FOREIGN CURRENCY TRANSACTIONS:**

- i. Transactions in foreign currencies are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii. Monetary items which are denominated in foreign currency are translated at the exchange rates prevailing at the Balance Sheet date and profit/loss on translation thereon is credited/ charged to the Statement of Profit and Loss.

- iii. Exchange differences arising on settlement or restatement of foreign currency denominated liabilities relating to the acquisition of fixed asset have been recognised in the available to the Group, exchange differences arising on Long-term Foreign Currency Monetary items at rates different from those at which they were initially recorded in so far as they relate to the acquisition of a depreciable capital asset, has been added or deducted from the cost of such assets (Refer Note 29).
- iv. In case of forward contracts, the exchange difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract.
- v. As required by the Announcement of the Institute of Chartered Accountants of India on positions of derivatives, keeping in view the principle of prudence as per Accounting Standard 1 on "Disclosure of Accounting Policies", outstanding forward contracts at the Balance Sheet date are reflected by marking them to market and accordingly, the resulting mark to market losses are provided in the Statement of Profit and Loss.

#### 1.13. SEGMENT REPORTING POLICIES:

##### i. Identification of segments

Primary Segment is identified based on the nature of products, the different risks and returns and the internal business reporting system. Secondary Segment is identified based on the geographical location of its customers.

##### ii. Segment Policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

#### 1.14. LEASE RENTALS:

Lease rentals are accounted consistent with the payment schedule provided in the lease agreement.

#### 1.15. BORROWING COSTS:

Borrowing costs, attributable to the acquisition/construction of qualifying assets, are capitalised, net of income, if any. Other borrowing costs are charged as an expense in the period in which the same are incurred. Borrowing costs comprise of interest and other cost incurred in connection with borrowing of funds.

#### 1.16. IMPAIRMENT OF ASSETS:

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

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

#### 1.17. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- i. The Group recognises as Provisions, the liabilities being present obligations arising from past events, the settlement of which is expected to result in an outflow of resources and which can be measured only by using a substantial degree of estimation.
- ii. Contingent Liability is disclosed by way of a note to the consolidated financial statements after careful evaluation by the management of the facts and legal aspects of the matters involved.
- iii. Contingent Assets are neither recognised nor disclosed.

## 2. 2.1. COMPANIES INCLUDED IN CONSOLIDATION :

| Name of Company                    | Subsidiary/<br>Associate | Country of<br>incorporation | % of holding         |                      |
|------------------------------------|--------------------------|-----------------------------|----------------------|----------------------|
|                                    |                          |                             | As At March 31, 2016 | As At March 31, 2015 |
| Alkyl Speciality Chemicals Limited | Subsidiary               | India                       | 100.00               | 100.00               |
| Diamines and Chemicals Limited     | Associate                | India                       | 30.44                | 30.44                |

2.2. Significant Accounting Policies and Notes to these CFS are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company has disclosed only such Policies and Notes from the individual financial statements, which fairly present the needed disclosures.

|                                                                                  | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|----------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                  | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>3. Share Capital</b>                                                          |                         |                         |
| <b>Authorised :</b>                                                              |                         |                         |
| 30,000,000 (30,000,000) Equity Shares of ₹ 5 par value                           | 1,500.00                | 1,500.00                |
| 1,500,000 (1,500,000) Cumulative Redeemable Preference Shares of ₹ 100 par value | 1,500.00                | 1,500.00                |
|                                                                                  | <b>3,000.00</b>         | <b>3,000.00</b>         |
| <b>Issued, Subscribed And Paid Up :</b>                                          |                         |                         |
| 20,396,392 (20,396,392) Equity Shares of ₹ 5 par value fully paid                | 1,019.82                | 1,019.82                |
| Shares forfeited                                                                 | 0.78                    | 0.78                    |
|                                                                                  | <b>1,020.60</b>         | <b>1,020.60</b>         |

### 3.1 Reconciliation of the number of shares outstanding and amount of share capital :

|                                               | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-----------------------------------------------|-------------------------|-------------------------|
|                                               | No. of shares           | No. of shares           |
| Equity Shares of ₹ 5 par value                |                         |                         |
| At the beginning                              | 20,396,392              | 10,198,196              |
| Changes during the year [Refer Note 3.2 (iv)] | NIL                     | NIL                     |
| At the end                                    | 20,396,392              | 20,396,392              |

### 3.2 Rights, preferences and restrictions

- The Company has only one class of shares referred to as equity shares having par value of ₹ 5. Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. Except in case of Interim Dividend, the dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Board of Directors, in their meeting on March 9, 2016, declared an interim dividend of ₹ 10 per equity share of face value of ₹ 5 each which was paid on March 22, 2016. The total dividend appropriation for the year ended March 31, 2016 amounted to ₹ 2454.93 Lakhs including corporate dividend tax of ₹ 415.29 Lakhs.  
  
During the year ended March 31, 2015, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 4 for face value of ₹ 5 each. The dividend appropriation for the year ended March 31, 2015 amounted to ₹ 981.98 Lakhs including corporate dividend tax of ₹ 166.12 Lakhs.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- With effect from September 9, 2014, one equity share of the Company from nominal value of ₹ 10 each is sub-divided (split) into two equity shares of nominal value of ₹ 5 each. All shares and per share information in the financial results reflect the effect of the sub-division (split) retrospectively for the earlier reporting periods.

### 3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :

|                         | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-------------------------|-------------------------|-------------------------|
| Name of the Shareholder | No. of shares           | No. of shares           |
| Yogesh M. Kothari       | 12,206,622              | 12,206,622              |

|                                                                                      |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|--------------------------------------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                                                      | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>4. Reserves and Surplus</b>                                                       |            |                         |                         |
| Revaluation Reserve (Of the Associate Company)                                       |            |                         |                         |
| As per last Balance Sheet                                                            | 87.68      |                         | 90.18                   |
| Less: Transferred to General Reserve (Refer Note 4.1)                                | 2.29       |                         | 2.29                    |
| Less: Provision for Impairment (Refer Note 4.2)                                      | NIL        |                         | 0.21                    |
|                                                                                      |            | 85.39                   | 87.68                   |
| Capital Reserve                                                                      |            |                         |                         |
| As per last Balance Sheet                                                            |            | 142.70                  | 142.70                  |
| Capital Redemption Reserve                                                           |            |                         |                         |
| As per last Balance Sheet                                                            |            | 25.00                   | 25.00                   |
| Securities Premium                                                                   |            |                         |                         |
| As per last Balance Sheet                                                            |            | 1,290.97                | 1,290.97                |
| General Reserve                                                                      |            |                         |                         |
| As per last Balance Sheet                                                            | 3,620.78   |                         | 3,267.82                |
| Less : Adjustment for Component Accounting<br>[Refer Note 12.6]                      | 64.97      |                         | NIL                     |
| Less : Adjustment as per Schedule II to the Companies Act,<br>2013 (Refer Note 12.7) | NIL        |                         | 103.33                  |
| Add : Transfer from Revaluation Reserve                                              | 2.29       |                         | 2.29                    |
| Add : Transfer from Surplus                                                          | NIL        |                         | 454.00                  |
|                                                                                      |            | 3,558.10                | 3,620.78                |
| Surplus                                                                              |            |                         |                         |
| As per last Balance Sheet                                                            | 12,238.18  |                         | 9,160.68                |
| Add : Net Profit after Tax transferred from Statement of Profit and Loss             | 5,003.77   |                         | 4,513.48                |
| Less : Appropriations                                                                |            |                         |                         |
| General Reserve                                                                      | NIL        |                         | 454.00                  |
| Interim Dividend paid                                                                | 2,039.64   |                         |                         |
| Tax on Interim Dividend                                                              | 415.29     |                         |                         |
| Proposed Dividend                                                                    | NIL        |                         | 815.86                  |
| Tax on Dividend                                                                      | NIL        |                         | 166.12                  |
|                                                                                      |            | 14,787.02               | 12,238.18               |
|                                                                                      |            | 19,889.18               | 17,405.31               |

4.1 As per the Guidance Note on “Treatment on General Reserve on Revaluation of Fixed Assets” issued by the Institute of Chartered Accountants of India (ICAI), for the year ended March 31, 2014, the amount of depreciation, amounting to ₹ 3.00 Lakhs on the revaluation of Fixed Assets, is transferred to the Statement of Profit and Loss. However, for the year ended March 31, 2015, as suggested in the Application Guide on the Provisions of Schedule II to The Companies Act, 2013 issued by ICAI the amount of depreciation on the revaluation, amounting to ₹ 2.29 Lakhs, is withdrawn and transferred to General Reserve.

4.2 In terms of the Accounting Standard 28 on “Impairment of Assets”, impairment loss of ₹ NIL (Previous Year ₹ 0.21 Lakh) on Revalued Asset is adjusted against Revaluation Reserve.

|                                                                                               |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-----------------------------------------------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                                                               | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>5. Long-term Borrowings</b>                                                                |            |                         |                         |
| Term Loans                                                                                    |            |                         |                         |
| -Secured                                                                                      |            |                         |                         |
| From Banks                                                                                    |            |                         |                         |
| [Refer Note 5.1 (a)(I)]                                                                       | 3,200.15   |                         | 3,348.91                |
| From Other Parties - Financial Institutions                                                   |            |                         |                         |
| [Refer Note 5.1 (a)(II)]                                                                      | NIL        |                         | NIL                     |
|                                                                                               |            | 3,200.15                | 3,348.91                |
| Deferred Payment Liability                                                                    |            |                         |                         |
| -Unsecured                                                                                    |            |                         |                         |
| Sales Tax Deferral under the Package Scheme of Incentives, 1993 [Refer Note 5.1 (b)(i) below] |            | 527.94                  | 687.10                  |
| Loans and advances from Related Parties                                                       |            |                         |                         |
| -Unsecured [Refer Note 5.1 (b)(ii) below]                                                     |            | 740.00                  | 1,470.00                |
| Deposits - Inter Corporate [Refer Note 5.1 (b)(iii) below]                                    |            |                         |                         |
| -Unsecured                                                                                    |            |                         |                         |
| From Related Parties (Refer Note 36)                                                          | NIL        |                         | 95.00                   |
| From Others                                                                                   | NIL        |                         | NIL                     |
|                                                                                               |            | NIL                     | 95.00                   |
|                                                                                               |            | 4,468.09                | 5,601.01                |

**5.1 Nature of Security and Terms of Repayment of Long-term Borrowings:**

|                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                     | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                 | Rate of Interest                                                    | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>a. Nature of security</b>                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                     |                         |                         |
| <b>I. Term Loan from Banks:</b>                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                     |                         |                         |
| i. Term Loan as sanctioned of ₹ 1,120 Lakhs was repayable in 16 quarterly instalments from March 18, 2016 to part finance setting up of Solar PV Power plant at Bhumi was secured by second <i>pari passu</i> charge on current assets of the Company. The Company has prepaid this loan.                                                                                                                                       | Base rate + 1.00% p.a. i.e. 10.50 % p.a. (11.15% p.a.)              | NIL                     | 858.93                  |
| ii. Foreign Currency Term Loans to part finance Company's normal capital expenditure which are secured by creation of <i>Pari passu</i> charge on Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga and Plot no. D-6/1 at Kurkumbh, Maharashtra and also a second <i>pari passu</i> charge by way of hypothecation of Raw Material Inventory, Book Debts, Movable Machinery, etc. of : |                                                                     |                         |                         |
| USD 3.3 million repayable in 16 quarterly instalments beginning from September 30, 2012,                                                                                                                                                                                                                                                                                                                                        | 3.40% p.a. (3.48% p.a.)                                             | 138.67                  | 654.64                  |
| USD 3 million repayable in 16 quarterly instalments beginning from June 14, 2014 (covered by Interest rate and Currency rate Swap)                                                                                                                                                                                                                                                                                              | 3.66% p.a.                                                          | 1,008.45                | 1,428.30                |
| USD 3.2 million repayable in 16 quarterly instalments beginning from February 11, 2015 (covered by Interest and Currency rate Swap) and                                                                                                                                                                                                                                                                                         | LIBOR plus 3.05% p.a.                                               | 1,546.29                | 1,967.88                |
| USD 6.00 million repayable in 16 quarterly instalments beginning from January 27, 2017 (covered by Interest and Currency rate swap). (Avalied partial draw down of US\$ 2.50 million on October, 2015)                                                                                                                                                                                                                          | LIBOR plus 1.65% p.a.                                               | 1,680.75                | NIL                     |
| iii. Vehicle Loans are secured against specified assets repayable in equated monthly instalments ranging from 36 to 60 months                                                                                                                                                                                                                                                                                                   | Ranging from 10.30% p.a. to 10.50% p.a. (8.86% p.a. to 10.95% p.a.) | 16.81                   | 36.20                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                     | 4,390.97                | 4,945.95                |
| Less : Current Maturities of Long-term Debt (Refer Note 10)                                                                                                                                                                                                                                                                                                                                                                     |                                                                     | 1,190.82                | 1,597.04                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                     | 3,200.15                | 3,348.91                |

|                                                                                                                                                                                                                                                                                                                              |                              | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                                                                              | Rate of Interest             | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>II. Term Loan from Other Parties - Financial Institutions:</b>                                                                                                                                                                                                                                                            |                              |                         |                         |
| i. Term Loan of ₹ 1,700 Lakhs repayable in 16 quarterly instalments from July 25, 2011 is secured by:                                                                                                                                                                                                                        | 12.25% p.a.<br>(12.00% p.a.) | NIL                     | 106.25                  |
| a. <i>Pari passu</i> Mortgage of the Company's immovable properties situated at Plot No. A-7, A-7 (part) and A-25 at Patalganga and Plot no. D-6/1, at Kurkumbh, Maharashtra.                                                                                                                                                |                              |                         |                         |
| b. Hypothecation of the Company's movable properties, both, present and future, save and except Book Debts and subject to prior charge created or to be created in favour of the Company's Bankers, on stocks of raw materials, semi-finished goods, finished goods and consumables stores for working capital requirements. |                              |                         |                         |
| The mortgage and charges referred to above rank pari-passu inter se.                                                                                                                                                                                                                                                         |                              | NIL                     | 106.25                  |
| Less : Current Maturities of Long-term Debt (Refer Note 10)                                                                                                                                                                                                                                                                  |                              | NIL                     | 106.25                  |
|                                                                                                                                                                                                                                                                                                                              |                              | NIL                     | NIL                     |

| <b>b. Terms of repayment of unsecured borrowings:</b>       |                                                                                                                     | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                             |                                                                                                                     | ₹ In Lakhs              | ₹ In Lakhs              |
| Borrowings                                                  | Terms of Repayment                                                                                                  |                         |                         |
| i. Deferred Payment Liability                               | Repayable after 10 years from the respective year in which actual tax was collected commencing from April 26, 2012. | 687.11                  | 791.31                  |
| Less : Current Maturities of Long-term Debt (Refer Note 10) |                                                                                                                     | 159.17                  | 104.21                  |
|                                                             |                                                                                                                     | 527.94                  | 687.10                  |
| ii. Loans and advances from Related Parties                 | Not repayable before March 31, 2017 and carries interest rate ranging from 8.50% p.a. to 10.75% p.a.                | 740.00                  | 1,470.00                |
| iii. Deposits - Inter Corporate                             | Not repayable before March 31, 2016 and carries interest rate ranging from 9.75% p.a. to 10.75% p.a.                | NIL                     | 95.00                   |

| <b>6. Deferred Tax Liabilities (Net)</b>       |  | As At<br>March 31, 2016                                | As At<br>March 31, 2015                                |
|------------------------------------------------|--|--------------------------------------------------------|--------------------------------------------------------|
|                                                |  | ₹ In Lakhs                                             | ₹ In Lakhs                                             |
| <b>Items of Timing Difference</b>              |  | <b>Accumulated Deferred Tax (Assets) / Liabilities</b> | <b>Accumulated Deferred Tax (Assets) / Liabilities</b> |
| <b>Deferred Tax Liabilities</b>                |  |                                                        |                                                        |
| Related to Fixed Assets                        |  | 2,973.97                                               | 2,252.14                                               |
|                                                |  | 2,973.97                                               | 2,252.14                                               |
| <b>Deferred Tax Assets</b>                     |  |                                                        |                                                        |
| Provision for doubtful debts and advances      |  | (0.97)                                                 | (50.62)                                                |
| Provision for Gratuity                         |  | (37.28)                                                | (65.92)                                                |
| Provision for Leave Encashment                 |  | (62.24)                                                | (57.11)                                                |
| Disallowance under section 43B                 |  | (4.16)                                                 | (0.57)                                                 |
| Others                                         |  | (5.21)                                                 | NIL                                                    |
|                                                |  | (109.86)                                               | (174.22)                                               |
| <b>Net Deferred Tax (Assets) / Liabilities</b> |  | <b>2,864.11</b>                                        | <b>2,077.92</b>                                        |

6.1 Note: Deferred Tax Liability for the year is arrived at after Deferred Tax Liability of ₹ 89.20 Lakhs (Previous Year NIL) relating to prior period.

|                                                 |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-------------------------------------------------|------------|-------------------------|-------------------------|
|                                                 | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>7. Long-term Provisions</b>                  |            |                         |                         |
| Provision for Employee Benefits (Refer Note 34) |            |                         |                         |
| For Gratuity                                    | 141.35     |                         | 111.81                  |
| For Leave Encashment                            | 124.84     |                         | 112.38                  |
|                                                 |            | 266.19                  | 224.19                  |
|                                                 |            | 266.19                  | 224.19                  |
| <b>8. Short-term Borrowings</b>                 |            |                         |                         |
| Loans repayable on demand (Refer Note 8.1)      |            |                         |                         |
| Secured                                         |            |                         |                         |
| From Banks                                      |            |                         |                         |
| Cash Credit Facilities                          |            | 3,904.71                | 5,316.98                |
| Buyers' Credit                                  |            |                         |                         |
| Loans and Advances from Related Parties         |            |                         |                         |
| Unsecured                                       |            | 1,349.50                | NIL                     |
| Deposits - Inter Corporate                      |            |                         |                         |
| Unsecured                                       |            |                         |                         |
| From Related Parties (Refer Note 36)            | 72.00      |                         | 312.00                  |
| From Others                                     | NIL        |                         | 419.00                  |
|                                                 |            | 72.00                   | 731.00                  |
|                                                 |            | 5,326.21                | 6,047.98                |

8.1 Cash Credits including Working Capital Demand Loan of ₹ NIL ( ₹ 1,000 Lakhs) are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, consumable stores and book debts of the Company, both present and future, as mentioned in the joint deed of hypothecation dated December 29, 1989 as amended from time to time, as well as by the second mortgage of the specified immovable properties of the Company.

|                                                      |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                      | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>9. Trade Payables</b>                             |            |                         |                         |
| Micro, Small and Medium Enterprises (Refer Note 9.1) | 30.76      |                         | 39.46                   |
| Others                                               | 4,345.02   |                         | 3,829.24                |
|                                                      |            | 4,375.78                | 3,868.70                |
|                                                      |            | 4,375.78                | 3,868.70                |

9.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:

Principal amount remaining unpaid and interest due thereon

- Principal Amount

- Interest

Interest paid in term of Section 16

Interest due and payable for the period of delay in payment

Interest accrued and remaining unpaid

Interest due and payable even in succeeding years

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

|                                                                                       |                 | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|---------------------------------------------------------------------------------------|-----------------|-------------------------|-------------------------|
|                                                                                       | ₹ In Lakhs      | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>10. Other Current Liabilities</b>                                                  |                 |                         |                         |
| Current maturities of Long-term Debt                                                  |                 |                         |                         |
| Term Loans                                                                            |                 |                         |                         |
| Secured                                                                               |                 |                         |                         |
| From Banks [Refer Note 5.1(a)(I)]                                                     | 1,190.82        |                         | 1,597.04                |
| From Other Parties - Financial Institutions                                           |                 |                         |                         |
| [Refer Note 5.1(a)(II)]                                                               | <u>NIL</u>      |                         | <u>106.25</u>           |
|                                                                                       |                 | 1,190.82                | 1,703.29                |
| Deferred payment liabilities                                                          |                 |                         |                         |
| Unsecured                                                                             |                 |                         |                         |
| Sales Tax Deferral under the Package Scheme of                                        |                 |                         |                         |
| Incentives, 1993 [Refer Note 5.1 (b)(i)]                                              |                 | 159.17                  | 104.21                  |
| Interest accrued but not due on borrowings                                            |                 | 20.98                   | 25.14                   |
| Unpaid Dividends                                                                      |                 | 91.01                   | 34.18                   |
| Other Payables                                                                        |                 |                         |                         |
| - For Capital Expenses                                                                |                 | 308.43                  | 463.91                  |
| - Others*                                                                             |                 | <u>1,506.48</u>         | <u>1,450.48</u>         |
|                                                                                       |                 | <u>3,276.89</u>         | <u>3,781.21</u>         |
| *Others include Statutory Dues, Advance from Customers and other year-end provisions. |                 |                         |                         |
| <b>11. Short-term Provisions</b>                                                      |                 |                         |                         |
| Provision for Employee Benefits (Refer Note 34)                                       |                 |                         |                         |
| For Gratuity                                                                          | NIL             |                         | 78.67                   |
| For Leave Encashment                                                                  | <u>55.00</u>    |                         | <u>52.63</u>            |
|                                                                                       |                 | 55.00                   | 131.30                  |
| Others                                                                                |                 |                         |                         |
| For Proposed Dividend                                                                 | NIL             |                         | 815.86                  |
| For Tax on Dividend                                                                   | <u>NIL</u>      |                         | <u>166.12</u>           |
|                                                                                       |                 | NIL                     | 981.98                  |
| Provision for Tax                                                                     | 1,525.44        |                         | 30.02                   |
| Less : Taxes paid                                                                     | <u>1,500.81</u> |                         | <u>19.62</u>            |
|                                                                                       |                 | <u>24.63</u>            | <u>10.40</u>            |
|                                                                                       |                 | <u>79.63</u>            | <u>1,123.68</u>         |

**12. Fixed Assets**

| DESCRIPTION                           | GROSS BLOCK                |                 |                      |                            |                           | DEPRECIATION AND AMORTISATION |                           |                           |                            | NET BLOCK                  |  |
|---------------------------------------|----------------------------|-----------------|----------------------|----------------------------|---------------------------|-------------------------------|---------------------------|---------------------------|----------------------------|----------------------------|--|
|                                       | As At<br>April 01,<br>2015 | During the year |                      | As At<br>March 31,<br>2016 | Upto<br>March 31,<br>2015 | For the<br>year               | Deduction/<br>Adjustments | Upto<br>March 31,<br>2016 | As At<br>March 31,<br>2016 | As At<br>March 31,<br>2015 |  |
|                                       |                            | Additions       | Other<br>Adjustments |                            |                           |                               |                           |                           |                            |                            |  |
| Current Year                          |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Tangible Assets                       |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Land                                  |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Freehold Land                         | 1.15                       | 82.35           | NIL                  | 83.50                      | NIL                       | NIL                           | NIL                       | NIL                       | 83.50                      | 1.15                       |  |
| Leasehold Land (Note 12.2)            | 1,438.54                   | 6.90            | NIL                  | 1,445.44                   | 83.52                     | 14.97                         | NIL                       | 98.49                     | 1,346.95                   | 1,355.02                   |  |
| Leasehold Improvements                | NIL                        | 49.73           | 1.27                 | 51.00                      | NIL                       | 0.02                          | NIL                       | 0.02                      | 50.98                      | NIL                        |  |
| Buildings                             | 3,450.92                   | 403.40          | NIL                  | 3,857.97                   | 1,128.53                  | 135.35                        | (2.72)                    | 1,266.60                  | 2,591.37                   | 2,322.39                   |  |
| Plant and Equipment (Note 12.3)       |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Machinery                             | 20,576.79                  | 4,314.32        | 87.70                | 24,817.36                  | 9,949.56                  | 934.93                        | (17.32)                   | 10,901.82                 | 13,915.54                  | 10,627.23                  |  |
| Electrical Equipments                 | 90.59                      | 12.45           | NIL                  | 103.04                     | 40.21                     | 6.83                          | NIL                       | 47.04                     | 56.00                      | 50.38                      |  |
| Furniture and Fixtures                | 179.55                     | 34.03           | NIL                  | 167.90                     | 136.65                    | 5.94                          | 42.24                     | 100.35                    | 67.55                      | 42.90                      |  |
| Vehicles                              | 203.57                     | 68.44           | NIL                  | 208.25                     | 115.59                    | 40.80                         | 60.02                     | 96.37                     | 111.88                     | 87.98                      |  |
| Office Equipments                     | 341.53                     | 14.60           | NIL                  | 315.32                     | 241.96                    | 21.90                         | 38.76                     | 225.10                    | 90.22                      | 99.57                      |  |
| Others                                |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Electrical Installations              | 774.25                     | 48.62           | 3.90                 | 826.77                     | 468.72                    | 87.68                         | NIL                       | 556.40                    | 270.37                     | 305.53                     |  |
| Sub Total                             | 27,056.89                  | 5,034.84        | 92.87                | 31,876.55                  | 12,164.74                 | 1,248.42                      | 120.98                    | 13,292.19                 | 18,584.36                  | 14,892.15                  |  |
| Intangible Assets                     |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Internally Generated                  |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Development of R&D Products/Processes | 33.62                      | NIL             | NIL                  | 33.62                      | 31.88                     | 1.74                          | NIL                       | 33.62                     | NIL                        | 1.74                       |  |
| Others                                |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Patents                               | 39.39                      | NIL             | NIL                  | 39.39                      | 2.61                      | 3.93                          | NIL                       | 6.54                      | 32.85                      | 36.78                      |  |
| REACH Registration                    | 172.84                     | NIL             | NIL                  | 172.84                     | 49.68                     | 34.57                         | NIL                       | 84.25                     | 88.59                      | 123.16                     |  |
| Others                                | NIL                        | 7.97            | NIL                  | 7.97                       | NIL                       | 0.47                          | NIL                       | 0.47                      | 7.50                       | NIL                        |  |
| Sub Total                             | 245.85                     | 7.97            | NIL                  | 253.82                     | 84.17                     | 40.71                         | NIL                       | 124.88                    | 128.94                     | 161.68                     |  |
| Total                                 | 27,302.74                  | 5,042.81        | 92.87                | 32,130.37                  | 12,248.91                 | 1,289.13                      | 120.98                    | 13,417.07                 | 18,713.30                  | 15,053.83                  |  |
| Capital Work-in-Progress              | 3,099.56                   | 3,616.33        | 6.28                 | 1,606.66                   |                           |                               |                           |                           | 1,606.66                   | 3,099.56                   |  |
| Total                                 | 3,099.56                   | 3,616.33        | 6.28                 | 1,606.66                   |                           |                               |                           |                           | 1,606.66                   | 3,099.56                   |  |
| Intangible Assets Under Development   |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Internally Generated                  |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Development of R&D Products/Processes | NIL                        | NIL             | NIL                  | NIL                        |                           |                               |                           |                           | NIL                        | NIL                        |  |
| Others                                |                            |                 |                      |                            |                           |                               |                           |                           |                            |                            |  |
| Patents                               | 7.70                       | NIL             | NIL                  | 7.70                       |                           |                               |                           |                           | 7.70                       | 7.70                       |  |
| REACH Registration                    | NIL                        | NIL             | NIL                  | NIL                        |                           |                               |                           |                           | NIL                        | NIL                        |  |
| Others                                | NIL                        | 3.38            | NIL                  | NIL                        | 3.38                      |                               |                           |                           | NIL                        | NIL                        |  |
| Total                                 | 7.70                       | 3.38            | NIL                  | 7.70                       | 3.38                      |                               |                           |                           | 7.70                       | 7.70                       |  |

## 12. Fixed Assets (Continued)

| DESCRIPTION                                | GROSS BLOCK                |                 |                      |                            |                           | DEPRECIATION AND AMORTISATION |                           |                            | NET BLOCK                  |                            |
|--------------------------------------------|----------------------------|-----------------|----------------------|----------------------------|---------------------------|-------------------------------|---------------------------|----------------------------|----------------------------|----------------------------|
|                                            | As At<br>April 01,<br>2014 | During the year |                      | As At<br>March 31,<br>2015 | Upto<br>March 31,<br>2014 | For the<br>year               | Deduction/<br>Adjustments | As At<br>March 31,<br>2015 | As At<br>March 31,<br>2015 | As At<br>March 31,<br>2014 |
|                                            |                            | Additions       | Other<br>Adjustments |                            |                           |                               |                           |                            |                            |                            |
| <b>Previous Year</b>                       |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| <b>Tangible Assets</b>                     |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| Land                                       |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| Freehold Land                              | 1.15                       | NIL             | NIL                  | 1.15                       | NIL                       | NIL                           | NIL                       | NIL                        | 1.15                       | 1.15                       |
| Leasehold Land (Note 12.2)                 | 1,438.54                   | NIL             | NIL                  | 1,438.54                   | 68.60                     | 14.92                         | NIL                       | 83.52                      | 1,355.02                   | 1,369.94                   |
| Buildings                                  | 3,204.27                   | 244.83          | 1.82                 | 3,450.92                   | 971.97                    | 130.61                        | (25.95)                   | 1,128.53                   | 2,322.39                   | 2,232.30                   |
| Plant and Equipment (Note 12.3)            |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| Machinery                                  | 20,221.44                  | 395.57          | 41.48                | 20,576.79                  | 9,191.57                  | 779.27                        | 21.29                     | 9,949.56                   | 10,627.23                  | 11,029.87                  |
| Electrical Equipments                      | 55.10                      | 35.49           | NIL                  | 90.59                      | 25.09                     | 15.12                         | NIL                       | 40.21                      | 50.38                      | 30.01                      |
| Furniture and Fixtures                     | 162.04                     | 17.51           | NIL                  | 179.55                     | 123.12                    | 4.28                          | (9.25)                    | 136.65                     | 42.90                      | 38.92                      |
| Vehicles                                   | 173.67                     | 29.90           | NIL                  | 203.57                     | 53.25                     | 62.34                         | NIL                       | 115.59                     | 87.98                      | 120.42                     |
| Office Equipments                          | 323.76                     | 17.77           | NIL                  | 341.53                     | 201.28                    | 13.06                         | (27.62)                   | 241.96                     | 99.57                      | 122.48                     |
| Others                                     |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| Electrical Installations                   | 770.52                     | 3.73            | NIL                  | 774.25                     | 346.59                    | 75.53                         | (46.60)                   | 468.72                     | 305.53                     | 423.93                     |
| <b>Sub Total</b>                           | <b>26,350.49</b>           | <b>744.80</b>   | <b>43.30</b>         | <b>27,056.89</b>           | <b>10,981.47</b>          | <b>1,095.13</b>               | <b>(88.13)</b>            | <b>12,164.74</b>           | <b>14,892.15</b>           | <b>15,369.02</b>           |
| <b>Intangible Assets</b>                   |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| <b>Internally Generated</b>                |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| Development of R&D Products/Processes      | 33.62                      | NIL             | NIL                  | 33.62                      | 28.68                     | 3.20                          | NIL                       | 31.88                      | 1.74                       | 4.94                       |
| <b>Others</b>                              |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| Patents                                    | 8.83                       | 30.56           | NIL                  | 39.39                      | 0.12                      | 2.49                          | NIL                       | 2.61                       | 36.78                      | 8.71                       |
| REACH Registration                         | 112.71                     | 60.13           | NIL                  | 172.84                     | 15.38                     | 34.30                         | NIL                       | 49.68                      | 123.16                     | 97.33                      |
| <b>Sub Total</b>                           | <b>155.16</b>              | <b>90.69</b>    | <b>NIL</b>           | <b>245.85</b>              | <b>44.18</b>              | <b>39.99</b>                  | <b>NIL</b>                | <b>84.17</b>               | <b>161.68</b>              | <b>110.98</b>              |
| <b>Total</b>                               | <b>26,505.65</b>           | <b>835.49</b>   | <b>43.30</b>         | <b>27,302.74</b>           | <b>11,025.65</b>          | <b>1,135.12</b>               | <b>(88.13)</b>            | <b>12,248.91</b>           | <b>15,053.83</b>           | <b>15,480.00</b>           |
| <b>Capital Work-in-Progress</b>            |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
|                                            | 169.28                     | 3,604.28        | 121.69               | 3,099.56                   | -                         | -                             | -                         | -                          | 3,099.56                   | 169.28                     |
| <b>Total</b>                               | <b>169.28</b>              | <b>3,604.28</b> | <b>121.69</b>        | <b>3,099.56</b>            | <b>-</b>                  | <b>-</b>                      | <b>-</b>                  | <b>-</b>                   | <b>3,099.56</b>            | <b>169.28</b>              |
| <b>Intangible Assets Under Development</b> |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| <b>Internally Generated</b>                |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| Development of R&D Products/Processes      | NIL                        | NIL             | NIL                  | NIL                        | -                         | -                             | -                         | -                          | NIL                        | NIL                        |
| <b>Others</b>                              |                            |                 |                      |                            |                           |                               |                           |                            |                            |                            |
| Patents                                    | 29.43                      | 8.83            | NIL                  | 7.70                       | -                         | -                             | -                         | -                          | 7.70                       | 29.43                      |
| REACH Registration                         | 60.13                      | NIL             | NIL                  | NIL                        | -                         | -                             | -                         | -                          | NIL                        | 60.13                      |
| <b>Total</b>                               | <b>89.56</b>               | <b>8.83</b>     | <b>NIL</b>           | <b>7.70</b>                | <b>-</b>                  | <b>-</b>                      | <b>-</b>                  | <b>-</b>                   | <b>7.70</b>                | <b>89.56</b>               |

₹ In Lakhs

12.1. Above Assets include Research and Development Assets as mentioned below:

| DESCRIPTION                                | GROSS BLOCK          |                           |                              | DEPRECIATION AND AMORTISATION |                     |                          | NET BLOCK            |                      |
|--------------------------------------------|----------------------|---------------------------|------------------------------|-------------------------------|---------------------|--------------------------|----------------------|----------------------|
|                                            | As At April 01, 2015 | During the year Additions | Other Deduction/ Adjustments | As At March 31, 2016          | Upto March 31, 2015 | For the year Adjustments | As At March 31, 2016 | As At March 31, 2015 |
| <b>Tangible Assets</b>                     |                      |                           |                              |                               |                     |                          |                      |                      |
| Leasehold Improvements                     | NIL                  | 49.73                     | 1.27                         | 51.00                         | NIL                 | 0.02                     | 50.98                | NIL                  |
| Plant and Equipment                        |                      |                           |                              |                               |                     |                          |                      |                      |
| Machinery                                  | 156.68               | 41.40                     | NIL                          | 198.08                        | 115.36              | 9.25                     | 73.47                | 41.32                |
| Electrical Equipments                      | 9.59                 | 3.00                      | NIL                          | 12.59                         | 6.53                | 0.88                     | 5.18                 | 3.06                 |
| Furniture and Fixtures                     | 56.64                | 5.16                      | NIL                          | 61.80                         | 49.97               | 0.59                     | 11.24                | 6.67                 |
| Vehicles                                   | 12.15                | 17.10                     | NIL                          | 17.10                         | 11.54               | 1.72                     | 15.38                | 0.61                 |
| Office Equipments                          | 9.56                 | 1.33                      | NIL                          | 9.87                          | 7.44                | 0.62                     | 2.78                 | 2.12                 |
| Others                                     |                      |                           |                              |                               |                     |                          |                      |                      |
| Electrical Installations                   | 0.37                 | 0.89                      | NIL                          | 1.26                          | 0.35                | 0.02                     | 0.89                 | 0.02                 |
| <b>Current year</b>                        | <b>244.99</b>        | <b>118.61</b>             | <b>1.27</b>                  | <b>351.70</b>                 | <b>191.19</b>       | <b>13.10</b>             | <b>191.78</b>        | <b>53.80</b>         |
| Previous year                              | 241.97               | 3.02                      | NIL                          | 244.99                        | 141.22              | 48.89                    | 191.19               | 53.80                |
| <b>Intangible Assets</b>                   |                      |                           |                              |                               |                     |                          |                      |                      |
| <b>Internally Generated</b>                |                      |                           |                              |                               |                     |                          |                      |                      |
| Development of R&D Products/Processes      | 33.62                | NIL                       | NIL                          | 33.62                         | 31.89               | 1.74                     | NIL                  | 1.73                 |
| <b>Others</b>                              |                      |                           |                              |                               |                     |                          |                      |                      |
| Patents                                    | 39.39                | NIL                       | NIL                          | 39.39                         | 2.62                | 3.93                     | 32.85                | 36.77                |
| <b>Current year</b>                        | <b>73.01</b>         | <b>NIL</b>                | <b>NIL</b>                   | <b>73.01</b>                  | <b>34.51</b>        | <b>5.67</b>              | <b>32.85</b>         | <b>38.50</b>         |
| Previous year                              | 42.45                | 30.56                     | NIL                          | 73.01                         | 28.81               | 5.70                     | 38.50                |                      |
| <b>Capital Work-in-Progress</b>            |                      |                           |                              |                               |                     |                          |                      |                      |
| <b>Current year</b>                        | <b>13.25</b>         | <b>112.69</b>             | <b>NIL</b>                   | <b>125.94</b>                 | NIL                 |                          | NIL                  | 13.25                |
| Previous year                              | 8.07                 | 8.20                      | NIL                          | 13.25                         |                     |                          | NIL                  | 13.25                |
| <b>Intangible Assets Under Development</b> |                      |                           |                              |                               |                     |                          |                      |                      |
| <b>Internally Generated</b>                |                      |                           |                              |                               |                     |                          |                      |                      |
| Development of R&D Products/Processes      | NIL                  | NIL                       | NIL                          | NIL                           |                     |                          | NIL                  | NIL                  |
| <b>Others</b>                              |                      |                           |                              |                               |                     |                          |                      |                      |
| Patents                                    | 7.70                 | NIL                       | NIL                          | 7.70                          |                     |                          | 7.70                 | 7.70                 |
| <b>Current year</b>                        | <b>7.70</b>          | <b>NIL</b>                | <b>NIL</b>                   | <b>7.70</b>                   |                     |                          | <b>7.70</b>          | <b>7.70</b>          |
| Previous year                              | 29.43                | 8.83                      | NIL                          | 7.70                          |                     |                          | 7.70                 |                      |

- 12.2. The Lease Deed from MIDC in respect of Plot Nos. D-6/2, R-1 and R-2 of the value of ₹ 131.13 Lakhs (Previous Year ₹ 131.13 Lakhs) and from CIDC in respect of Plot Nos. D-2/CH/149-2 of the value of ₹ 1,135.33 Lakhs (Previous Year ₹ 1,135.33 Lakhs) are yet to be executed.
- 12.3. Plant, Machinery and Equipments include ₹ 254.81 Lakhs (Previous Year ₹ 382.12 Lakhs) being value of machinery installed at third party premises of Job Contractor (including that of the Associate Company), duly confirmed by them.
- 12.4. Transfer from Capital Work-in-Progress and Intangible Assets Under Development represents capitalisation to Fixed Assets. It also includes write off of Capital Work-in-Progress of ₹ 6.07 Lakhs (Previous Year ₹ 7.60 Lakhs).
- 12.5. Other Adjustments under the Gross Block represent Borrowings Costs of ₹ 64.37 Lakhs (Previous Year ₹ 135.10 Lakhs) and Exchange Differences of ₹ 34.78 Lakhs (Previous Year ₹ 29.89 Lakhs) capitalised in terms of AS - 11. For related disclosures, refer Note 28 to the financial statements.
- 12.6. Effective from April 1, 2015, the Company has followed Component Accounting. Accordingly, in respect of those identified parts, the carrying amount, net of residual value as on April 1, 2015 is depreciated over the revised remaining useful lives of those parts. As a result, the charge for depreciation is higher by ₹ 26.92 Lakhs for the year ended March 31, 2016. In cases where the remaining useful life of those parts is completed as on April 1, 2015, the carrying amount of those parts after retaining residual value amounting to ₹ 99.36 Lakhs and deferred tax credit of ₹ 34.39 Lakhs thereon has been adjusted against the opening balance of General Reserve and the other effect thereof is shown as Adjustments under Depreciation and Amortisation.
- 12.7. For year ended March 31, 2015: Effective from April 1, 2014, the Company provided depreciation on its tangible Fixed Assets as per useful lives and residual values, as specified in Schedule II to the Companies Act, 2013 or based on internal technical evaluation, reassessed the remaining useful life of assets primarily consisting of Continuous process plants. Accordingly, in respect of the tangible Fixed Assets the carrying amount, net of residual value, as on April 1, 2014 was depreciated over the revised remaining useful lives of the assets. As a result, the charge for depreciation was lower by ₹ 73.05 Lakhs for the year ended March 31, 2015. In cases where the remaining useful life has been completed as on April 1, 2014, the carrying amount of assets (after retaining residual value) of ₹ 97.58 Lakhs and deferred tax credit of ₹ 50.25 Lakhs thereon was adjusted against the opening balance of General Reserve as on April 1, 2014.

|                                                                                           |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-------------------------------------------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                                                           | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>13. Non-current Investments</b>                                                        |            |                         |                         |
| Long-term investments - valued at cost less provision for other than temporary diminution |            |                         |                         |
| Trade                                                                                     |            |                         |                         |
| In equity instruments of Associate                                                        |            |                         |                         |
| Quoted                                                                                    |            |                         |                         |
| Fully paid Equity shares                                                                  |            |                         |                         |
| <b>Quantity Investee Company</b>                                                          |            |                         |                         |
| 2,977,997 Diamines and Chemicals Limited                                                  |            | <b>144.11</b>           | 144.11                  |
| (2,977,997) of ₹ 10 each                                                                  |            |                         |                         |
| Add : Share of post acquisition profits                                                   |            |                         |                         |
| At the beginning of the year                                                              | 845.30     |                         | 899.79                  |
| During the year                                                                           | 7.56       |                         | (54.49)                 |
|                                                                                           |            | <b>852.86</b>           | 845.30                  |
|                                                                                           |            | <b>996.97</b>           | 989.41                  |

|                                        | As At March 31, 2016 |              | As At March 31, 2015 |              |
|----------------------------------------|----------------------|--------------|----------------------|--------------|
|                                        | ₹ In Lakhs           |              | ₹ In Lakhs           |              |
|                                        | Cost                 | Market Value | Cost                 | Market Value |
| Aggregate amount of Quoted Investments | 144.11               | 1,002.10     | 144.11               | 810.02       |

13.1 Investments in Associate include Goodwill of ₹ 154.35 Lakhs (₹ 154.35 Lakhs).

|                                                                  |                 | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|------------------------------------------------------------------|-----------------|-------------------------|-------------------------|
|                                                                  | ₹ In Lakhs      | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>14. Long-term Loans and Advances</b>                          |                 |                         |                         |
| Unsecured                                                        |                 |                         |                         |
| Capital Advances                                                 |                 |                         |                         |
| Considered Good                                                  | <b>294.25</b>   |                         | 408.23                  |
| Considered Doubtful                                              | <b>NIL</b>      |                         | NIL                     |
| Less : Provision for Doubtful Advances                           | <b>NIL</b>      |                         | NIL                     |
|                                                                  |                 | <b>294.25</b>           | 408.23                  |
| Security Deposits                                                |                 |                         |                         |
| Considered Good                                                  | <b>51.50</b>    |                         | 81.28                   |
| Considered Doubtful                                              | <b>NIL</b>      |                         | 4.64                    |
| Less : Provision for Doubtful Deposits                           | <b>NIL</b>      |                         | 4.64                    |
|                                                                  |                 | <b>51.50</b>            | 81.28                   |
| Other Loans and Advances                                         |                 |                         |                         |
| Advances recoverable in cash or in kind for value to be received |                 |                         |                         |
| Considered Good                                                  | <b>687.73</b>   |                         | 891.09                  |
| Taxes Paid                                                       | <b>2,565.89</b> |                         | 2,574.35                |
| Less : Provision for Taxes                                       | <b>2,184.26</b> |                         | 2,246.63                |
|                                                                  | <b>381.63</b>   |                         | 327.72                  |
|                                                                  |                 | <b>1,069.36</b>         | 1,218.81                |
|                                                                  |                 | <b>1,415.11</b>         | 1,708.32                |

|                                                                                                                                           |             | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------------|-------------------------|
|                                                                                                                                           | ₹ In Lakhs  | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>15. Other Non-current Assets</b>                                                                                                       |             |                         |                         |
| Inventories (Refer Note 15.1)                                                                                                             |             | <b>94.00</b>            | 78.00                   |
| Trade Receivables                                                                                                                         |             |                         |                         |
| Considered Doubtful                                                                                                                       |             |                         |                         |
| -Outstanding for a period exceeding six months<br>from the date they are due for payment                                                  | <b>0.88</b> |                         | 74.87                   |
| Less : Provision for Doubtful Debts                                                                                                       | <b>0.88</b> |                         | 74.87                   |
| Cash and Bank Balances                                                                                                                    |             | <b>NIL</b>              | NIL                     |
| Other Bank Balances                                                                                                                       |             |                         |                         |
| -On Fixed Deposit Accounts                                                                                                                |             |                         |                         |
| With maturity beyond 12 months from Balance Sheet date<br>(Held as margin money against Bank Guarantee)                                   |             | <b>12.82</b>            | 1.32                    |
| Other loans and advances                                                                                                                  |             |                         |                         |
| Advances recoverable in cash or in kind for value to be received                                                                          |             |                         |                         |
| Considered Doubtful                                                                                                                       | <b>NIL</b>  |                         | 38.73                   |
| Less : Provision for Doubtful Advances                                                                                                    | <b>NIL</b>  |                         | 38.73                   |
|                                                                                                                                           |             | <b>NIL</b>              | NIL                     |
| Advance to Suppliers                                                                                                                      |             |                         |                         |
| Considered Doubtful                                                                                                                       | <b>1.18</b> |                         | 25.95                   |
| Less : Provision for Doubtful Advances                                                                                                    | <b>1.18</b> |                         | 25.95                   |
|                                                                                                                                           |             | <b>NIL</b>              | NIL                     |
| Receivable on Currency Swap                                                                                                               |             | <b>185.96</b>           | 188.97                  |
|                                                                                                                                           |             | <b>292.78</b>           | 268.29                  |
| <br>15.1 Catalysts not expected to be used within a period of 12 months from<br>the date of the Balance Sheet are considered Non-current. |             |                         |                         |
| <b>16. Inventories</b>                                                                                                                    |             |                         |                         |
| Raw Materials                                                                                                                             |             | <b>871.59</b>           | 2,558.44                |
| Packing Materials                                                                                                                         |             | <b>119.05</b>           | 95.17                   |
| Work-in-Progress                                                                                                                          |             | <b>690.49</b>           | 518.46                  |
| Finished Goods                                                                                                                            |             | <b>3,384.40</b>         | 2,621.63                |
| (Includes in transit ₹ 175.09 Lakhs, Previous Year ₹ 40.49 Lakhs)                                                                         |             |                         |                         |
| Stores and Spares                                                                                                                         |             | <b>526.64</b>           | 474.67                  |
| Other Utilities, Catalyst, etc.                                                                                                           |             | <b>723.48</b>           | 785.71                  |
|                                                                                                                                           |             | <b>6,315.65</b>         | 7,054.08                |

|                                                                                                         |                 | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|---------------------------------------------------------------------------------------------------------|-----------------|-------------------------|-------------------------|
|                                                                                                         | ₹ In Lakhs      | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>16.1 Details of Inventories :</b>                                                                    |                 |                         |                         |
| a. Work-in-Progress                                                                                     |                 |                         |                         |
| Amines and Amines Derivatives                                                                           |                 | <b>449.89</b>           | 407.18                  |
| Other Speciality Chemicals                                                                              |                 | <b>240.60</b>           | 111.28                  |
|                                                                                                         |                 | <b>690.49</b>           | 518.46                  |
| b. Finished Goods                                                                                       |                 |                         |                         |
| Amines and Amines Derivatives                                                                           |                 | <b>3,136.82</b>         | 2,388.50                |
| Other Speciality Chemicals                                                                              |                 | <b>247.23</b>           | 232.40                  |
| Industrial Gases                                                                                        |                 | <b>0.35</b>             | 0.73                    |
|                                                                                                         |                 | <b>3,384.40</b>         | 2,621.63                |
| <b>17. Trade Receivables</b>                                                                            |                 |                         |                         |
| Unsecured, Considered Good                                                                              |                 |                         |                         |
| Outstanding for a period exceeding six months<br>from the date they are due for payment                 | <b>26.22</b>    |                         | 2.42                    |
| Others                                                                                                  | <b>9,003.33</b> |                         | 9,890.25                |
|                                                                                                         |                 | <b>9,029.55</b>         | 9,892.67                |
|                                                                                                         |                 | <b>9,029.55</b>         | 9,892.67                |
| <b>18. Cash and Bank Balances</b>                                                                       |                 |                         |                         |
| Cash and cash equivalents                                                                               |                 |                         |                         |
| Cash on hand                                                                                            | <b>3.39</b>     |                         | 5.21                    |
| Balances with Banks                                                                                     |                 |                         |                         |
| -On Current Accounts                                                                                    | <b>302.41</b>   |                         | 549.91                  |
| -On Unpaid Dividend Accounts                                                                            | <b>91.01</b>    |                         | 34.18                   |
|                                                                                                         |                 | <b>396.81</b>           | 589.30                  |
| Other Bank Balances                                                                                     |                 |                         |                         |
| -On Fixed Deposit Accounts                                                                              |                 |                         |                         |
| With maturity within 12 months from Balance Sheet date<br>(Held as margin money against Bank Guarantee) |                 | <b>185.45</b>           | 348.10                  |
|                                                                                                         |                 | <b>582.26</b>           | 937.40                  |

|                                                                  |            | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|------------------------------------------------------------------|------------|-------------------------|-------------------------|
|                                                                  | ₹ In Lakhs | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>19. Short-term Loans and Advances</b>                         |            |                         |                         |
| Unsecured, Considered Good                                       |            |                         |                         |
| Security Deposits                                                |            | 18.77                   | 5.30                    |
| MAT Credit Entitlement                                           |            | 12.20                   | 13.89                   |
| Other Loans and Advances                                         |            |                         |                         |
| Advances recoverable in cash or in kind for value to be received | 395.11     |                         | 327.68                  |
| Less : Provision for Doubtful Advances                           | NIL        |                         | 2.10                    |
|                                                                  | 395.11     |                         | 325.58                  |
| Advances to Suppliers                                            | 1,635.92   |                         | 921.44                  |
| Balances with Excise and Service Tax Authorities                 | 405.55     |                         | 670.69                  |
|                                                                  |            | 2,436.58                | 1,917.71                |
|                                                                  |            | 2,467.55                | 1,936.90                |
| <b>20. Other Current Assets</b>                                  |            |                         |                         |
| Interest Receivable on Bank/Security Deposits                    |            | 30.64                   | 19.76                   |
| Deferred Premium on Forward Contracts                            |            | 0.10                    | 4.07                    |
| Receivable on Forward Contracts                                  |            | NIL                     | 114.71                  |
| Receivable on Currency Swap                                      |            | 108.41                  | 63.90                   |
|                                                                  |            | 139.15                  | 202.44                  |

|                                           | For the<br>year ended<br>March 31, 2016 |            | For the<br>year ended<br>March 31, 2015 |            |
|-------------------------------------------|-----------------------------------------|------------|-----------------------------------------|------------|
|                                           | ₹ In Lakhs                              | ₹ In Lakhs | ₹ In Lakhs                              | ₹ In Lakhs |
| <b>21. Revenue From Operations</b>        |                                         |            |                                         |            |
| Sale of Products - Manufactured Goods     |                                         | 51,230.35  |                                         | 50,790.11  |
| Other Operating Revenues                  |                                         |            |                                         |            |
| Scrap and Raw Material Sales              | 72.17                                   |            |                                         | 121.93     |
| Toll and Other Processing Income          | 831.65                                  |            |                                         | 598.36     |
| Export Incentives                         | 163.91                                  |            |                                         | 115.92     |
| Miscellaneous Income                      | 30.83                                   |            |                                         | 2.42       |
|                                           |                                         | 1,098.56   |                                         | 838.63     |
|                                           |                                         | 52,328.91  |                                         | 51,628.74  |
| Less : Excise Duty on Sales               |                                         | 3,969.56   |                                         | 3,992.10   |
|                                           |                                         | 48,359.35  |                                         | 47,636.64  |
| <b>21.1 Details of Sales of Products:</b> |                                         |            |                                         |            |
| Amines and Amines Derivatives             |                                         | 42,277.73  |                                         | 41,522.60  |
| Speciality Chemicals                      |                                         | 8,411.51   |                                         | 8,741.27   |
| Industrial Gases                          |                                         | 541.11     |                                         | 526.24     |
|                                           |                                         | 51,230.35  |                                         | 50,790.11  |
| <b>22. Other Income</b>                   |                                         |            |                                         |            |
| Interest on Deposits                      |                                         | 78.47      |                                         | 108.14     |
| Insurance Claims                          |                                         | 5.44       |                                         | 5.87       |
| Amounts/Excess Provision written back     |                                         | 14.47      |                                         | 83.89      |
| Profit on Sale of Asset                   |                                         | 6.76       |                                         | NIL        |
| Miscellaneous Income                      |                                         | 5.06       |                                         | 0.76       |
|                                           |                                         | 110.20     |                                         | 198.66     |
| <b>23. Cost of Materials Consumed</b>     |                                         |            |                                         |            |
| Raw Materials (Refer Note 27.3)           |                                         |            |                                         |            |
| Opening Stock                             | 2,558.44                                |            |                                         | 3,152.41   |
| Add: Purchases                            | 22,743.84                               |            |                                         | 23,288.10  |
|                                           | 25,302.28                               |            |                                         | 26,440.51  |
| Less: Closing Stock                       | 871.59                                  |            |                                         | 2,558.44   |
|                                           |                                         | 24,430.69  |                                         | 23,882.07  |
| Packing Materials                         |                                         |            |                                         |            |
| Opening Stock                             | 95.17                                   |            |                                         | 130.78     |
| Add: Purchases                            | 1,635.88                                |            |                                         | 1,432.62   |
|                                           | 1,731.05                                |            |                                         | 1,563.40   |
| Less: Closing Stock                       | 119.05                                  |            |                                         | 95.17      |
|                                           |                                         | 1,612.00   |                                         | 1,468.23   |
|                                           |                                         | 26,042.69  |                                         | 25,350.30  |

|                                                                          | For the<br>year ended<br>March 31, 2016 |                  | For the<br>year ended<br>March 31, 2015 |                  |
|--------------------------------------------------------------------------|-----------------------------------------|------------------|-----------------------------------------|------------------|
|                                                                          | ₹ In Lakhs                              | ₹ In Lakhs       | ₹ In Lakhs                              | ₹ In Lakhs       |
| <b>23.1 Details of Raw Materials Consumed :</b>                          |                                         |                  |                                         |                  |
| Alcohols                                                                 |                                         | 13,856.42        |                                         | 13,903.25        |
| Industrial Gases                                                         |                                         | 3,906.78         |                                         | 3,694.01         |
| Others                                                                   |                                         | 6,667.49         |                                         | 6,284.81         |
|                                                                          |                                         | <u>24,430.69</u> |                                         | <u>23,882.07</u> |
| <b>24. Changes in Inventories of Finished Goods and Work-In-Progress</b> |                                         |                  |                                         |                  |
| Finished Goods                                                           |                                         |                  |                                         |                  |
| Closing Stock                                                            | 3,384.40                                |                  |                                         | 2,621.63         |
| Less : Opening Stock                                                     | <u>2,621.63</u>                         |                  |                                         | <u>3,291.53</u>  |
|                                                                          |                                         | (762.77)         |                                         | 669.90           |
| Excise Duty Provision on Finished Goods                                  |                                         |                  |                                         |                  |
| Closing Stock                                                            | 375.92                                  |                  |                                         | 291.28           |
| Less : Opening Stock                                                     | <u>291.28</u>                           |                  |                                         | <u>362.03</u>    |
|                                                                          |                                         | 84.64            |                                         | (70.75)          |
| Work-in-Progress                                                         |                                         |                  |                                         |                  |
| Closing Stock                                                            | 690.49                                  |                  |                                         | 518.46           |
| Less : Opening Stock                                                     | <u>518.46</u>                           |                  |                                         | <u>483.58</u>    |
|                                                                          |                                         | (172.03)         |                                         | (34.88)          |
|                                                                          |                                         | <u>(850.16)</u>  |                                         | <u>564.27</u>    |
| <b>25. Employee Benefits Expense</b>                                     |                                         |                  |                                         |                  |
| Salaries and wages                                                       |                                         |                  |                                         |                  |
| Directors' Remuneration                                                  |                                         | 711.84           |                                         | 611.75           |
| Salaries, Wages and Benefits (Refer Note 27.3)                           |                                         | 2,151.25         |                                         | 1,903.01         |
| Contribution to Provident Fund and Other Funds                           |                                         | 288.03           |                                         | 338.63           |
| Staff Welfare Expenses                                                   |                                         | 321.20           |                                         | 265.21           |
|                                                                          |                                         | <u>3,472.32</u>  |                                         | <u>3,118.60</u>  |
| <b>26. Finance Costs</b>                                                 |                                         |                  |                                         |                  |
| Interest Expense                                                         |                                         |                  |                                         |                  |
| On Cash Credit Facilities/Buyers' Credit                                 | 240.71                                  |                  |                                         | 392.77           |
| On Term Loans                                                            | 215.44                                  |                  |                                         | 180.29           |
| On Others                                                                | <u>266.94</u>                           |                  |                                         | <u>351.03</u>    |
|                                                                          |                                         | 723.09           |                                         | 924.09           |
| Other Borrowing Costs                                                    |                                         |                  |                                         |                  |
| Bank Charges                                                             |                                         | 29.73            |                                         | 54.57            |
| Other Finance Charges                                                    |                                         | 50.68            |                                         | 44.83            |
|                                                                          |                                         | <u>803.50</u>    |                                         | <u>1,023.49</u>  |

|                                                                     | For the year ended<br>March 31, 2016 |                  | For the year ended<br>March 31, 2015 |            |
|---------------------------------------------------------------------|--------------------------------------|------------------|--------------------------------------|------------|
|                                                                     | ₹ In Lakhs                           | ₹ In Lakhs       | ₹ In Lakhs                           | ₹ In Lakhs |
| <b>27. Other Expenses</b>                                           |                                      |                  |                                      |            |
| Stores and Spares Consumed                                          |                                      | <b>853.70</b>    |                                      | 941.34     |
| Power and Fuel                                                      |                                      | <b>5,163.51</b>  |                                      | 5,153.73   |
| Rent                                                                |                                      | <b>40.83</b>     |                                      | 18.91      |
| Repairs and Maintenance                                             |                                      |                  |                                      |            |
| Building                                                            | <b>91.63</b>                         |                  |                                      | 112.20     |
| Plant and Machinery                                                 | <b>423.76</b>                        |                  |                                      | 366.13     |
| Others                                                              | <b>194.07</b>                        |                  |                                      | 191.94     |
|                                                                     |                                      | <b>709.46</b>    |                                      | 670.27     |
| Insurance                                                           |                                      | <b>49.25</b>     |                                      | 68.06      |
| Rates and Taxes (Refer Note 27.3)                                   |                                      | <b>29.52</b>     |                                      | 28.05      |
| Auditors' Remuneration                                              |                                      |                  |                                      |            |
| Audit Fees                                                          | <b>10.29</b>                         |                  |                                      | 8.29       |
| Tax Audit Fees                                                      | <b>3.00</b>                          |                  |                                      | 3.50       |
| Taxation Matters                                                    | <b>0.20</b>                          |                  |                                      | NIL        |
| Certification Work                                                  | <b>7.16</b>                          |                  |                                      | 6.50       |
| Reimbursement of Expenses                                           | <b>0.48</b>                          |                  |                                      | 0.65       |
|                                                                     |                                      | <b>21.13</b>     |                                      | 18.94      |
| Foreign Exchange Loss (Net)                                         |                                      | <b>203.98</b>    |                                      | 60.44      |
| Processing Charges                                                  |                                      | <b>691.20</b>    |                                      | 689.25     |
| Export Expenses                                                     |                                      | <b>699.37</b>    |                                      | 688.08     |
| Freight Outward                                                     |                                      | <b>770.58</b>    |                                      | 541.54     |
| Assets written off                                                  |                                      | <b>88.37</b>     |                                      | NIL        |
| Bad Debts written off                                               | <b>74.87</b>                         |                  |                                      | 99.80      |
| Less: Provision for Doubtful Debts no longer required               | <b>(74.87)</b>                       |                  |                                      | (99.80)    |
|                                                                     |                                      | <b>0.88</b>      |                                      | NIL        |
| Advances/Deposits written off                                       | <b>70.10</b>                         |                  | <b>NIL</b>                           |            |
| Add: Provision for Doubtful Advances/Deposits                       | <b>1.93</b>                          |                  | <b>NIL</b>                           |            |
| Less: Provision for Doubtful Advances/Deposits no longer required   | <b>(71.42)</b>                       |                  | <b>NIL</b>                           |            |
|                                                                     |                                      | <b>0.61</b>      |                                      | NIL        |
| Corporate Social Responsibility (CSR) Expenditure (Refer Note 27.1) |                                      | <b>88.20</b>     |                                      | 35.94      |
| Loss on sale of Investments                                         |                                      |                  |                                      |            |
| Miscellaneous Expenses (Refer Note 27.3)                            |                                      | <b>1,039.32</b>  |                                      | 1,009.45   |
|                                                                     |                                      | <b>10,449.91</b> |                                      | 9,924.00   |

|                                                                                                        | For the year ended<br>March 31, 2016 |              | For the year ended<br>March 31, 2015 |              |
|--------------------------------------------------------------------------------------------------------|--------------------------------------|--------------|--------------------------------------|--------------|
|                                                                                                        | ₹ In Lakhs                           | ₹ In Lakhs   | ₹ In Lakhs                           | ₹ In Lakhs   |
| 27.1 Expenditure towards Corporate Social Responsibility (CSR) activities:                             |                                      |              |                                      |              |
| a. Gross amount required to be spent by the Company during the year :                                  |                                      | 123.46       |                                      | 91.92        |
| b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year : |                                      |              |                                      |              |
| <b>Nature of Expenses</b>                                                                              |                                      |              |                                      |              |
| Other Expenses (Other than for Construction/ Acquisition of any asset) (In Note 27)                    |                                      |              |                                      |              |
| Environment sustainability and Rural development                                                       |                                      | 24.12        |                                      | 7.11         |
| Education/Sports                                                                                       |                                      | 44.29        |                                      | 15.49        |
| Health/Woman Empowerment                                                                               |                                      | 17.59        |                                      | 6.96         |
| Others                                                                                                 |                                      | 2.2          |                                      | 6.38         |
| <b>Total</b>                                                                                           |                                      | <b>88.20</b> |                                      | <b>35.94</b> |

27.2 Expenses incurred on Research and Development during the year are included in the Statement of Profit and Loss as under:

|                                           | For the year ended<br>March 31, 2016 |               | For the year ended<br>March 31, 2015 |               |
|-------------------------------------------|--------------------------------------|---------------|--------------------------------------|---------------|
|                                           | ₹ In Lakhs                           | ₹ In Lakhs    | ₹ In Lakhs                           | ₹ In Lakhs    |
| <b>Nature of expenses</b>                 |                                      |               |                                      |               |
| Cost of Material Consumed (In Note 23)    |                                      |               |                                      |               |
| Raw Material                              |                                      | 2.45          |                                      | 3.42          |
| Packing Material                          |                                      | 0.17          |                                      | 0.13          |
| Employee Benefits Expense (In Note 25)    |                                      |               |                                      |               |
| Salaries and Wages                        | 271.66                               |               | 257.04                               |               |
| Contribution to Provident and Other Funds | 25.04                                |               | 24.17                                |               |
| Staff Welfare Expenses                    | 13.75                                |               | 10.82                                |               |
|                                           |                                      | 310.45        |                                      | 292.03        |
| Depreciation                              |                                      | 18.77         |                                      | 54.58         |
| Other Expenses (In Note 27)               |                                      |               |                                      |               |
| Stores and Spares Consumed                | 17.16                                |               | 14.36                                |               |
| Power and Fuel                            | 0.01                                 |               | 0.03                                 |               |
| Rent                                      | 13.20                                |               | 13.20                                |               |
| Repairs and Maintenance:                  |                                      |               |                                      |               |
| Plant and Machinery                       | 2.60                                 |               | 1.37                                 |               |
| Others                                    | 22.28                                |               | 4.02                                 |               |
| Insurance                                 | 0.02                                 |               | 0.50                                 |               |
| Rates and Taxes                           | 0.06                                 |               | 0.20                                 |               |
| Miscellaneous Expenses                    | 55.84                                |               | 39.20                                |               |
|                                           |                                      | 111.17        |                                      | 72.88         |
| <b>Total</b>                              |                                      | <b>443.01</b> |                                      | <b>423.04</b> |

|                                            | For the year ended<br>March 31, 2016 |             | For the year ended<br>March 31, 2015 |             |
|--------------------------------------------|--------------------------------------|-------------|--------------------------------------|-------------|
| Nature of expenses                         | ₹ In Lakhs                           | ₹ In Lakhs  | ₹ In Lakhs                           | ₹ In Lakhs  |
| 27.3 Details of Expenses for prior period: |                                      |             |                                      |             |
| Expenses                                   |                                      |             |                                      |             |
| Cost of Materials Consumed                 |                                      |             |                                      |             |
| Raw Materials (Reflected in Note 23)       |                                      | 0.30        |                                      | NIL         |
| Other Expenses (Reflected in Note 27)      |                                      |             |                                      |             |
| Rates and Taxes                            |                                      | NIL         |                                      | 0.02        |
| Miscellaneous Expenses                     |                                      | 0.75        |                                      | 3.50        |
| <b>Total Expenses for prior period</b>     |                                      | <b>1.05</b> |                                      | <b>3.52</b> |

## 28. Contingent Liabilities and Commitments

|                                                                                                                                                                                                                                                                                                                                                                                                                                  | For the year ended<br>March 31, 2016 |          | For the year ended<br>March 31, 2015 |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|----------|--------------------------------------|--------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                  | ₹ In Lakhs                           |          | ₹ In Lakhs                           |        |
| 28.1 Contingent Liabilities :                                                                                                                                                                                                                                                                                                                                                                                                    |                                      |          |                                      |        |
| (to the extent not provided for)                                                                                                                                                                                                                                                                                                                                                                                                 |                                      |          |                                      |        |
| i. Claims against the Company by Ex-employees in Labour Court not acknowledged as debts                                                                                                                                                                                                                                                                                                                                          |                                      | 89.06    |                                      | 78.54  |
| ii. Income Tax (Amount deposited ₹ 138.88 Lakhs) (Previous Year ₹ 230.37 Lakhs)                                                                                                                                                                                                                                                                                                                                                  |                                      | 323.31   |                                      | 294.72 |
| iii. Sales Tax (Amount deposited ₹ 1.00 Lakh) (Previous year ₹ Nil Lakh)                                                                                                                                                                                                                                                                                                                                                         |                                      | 24.71    |                                      | 117.88 |
| iv. Central Excise/Service Tax (Amount deposited ₹ 21.07 Lakhs) (Previous Year ₹ Nil Lakh)                                                                                                                                                                                                                                                                                                                                       |                                      | 748.37   |                                      | 726.24 |
| v. By its order of February 18, 2002, the Bombay High Court, has directed that no transport fee on denatured ethyl alcohol, one of the raw materials of the Company, shall be recovered from the Company by the State Excise Authorities until the final disposal of the petition. The petition is pending disposal by the High Court and the amount estimated on this account is ₹ 956.33 Lakhs (Previous Year ₹ 887.75 Lakhs). |                                      |          |                                      |        |
| 28.2 Commitments :                                                                                                                                                                                                                                                                                                                                                                                                               |                                      |          |                                      |        |
| i. Estimated amount of contracts remaining to be executed on capital account                                                                                                                                                                                                                                                                                                                                                     |                                      | 1410.93  |                                      | 549.94 |
| Less : Advances                                                                                                                                                                                                                                                                                                                                                                                                                  |                                      | 294.25   |                                      | 408.23 |
| Net Estimated Amount                                                                                                                                                                                                                                                                                                                                                                                                             |                                      | 1,116.68 |                                      | 141.71 |
| ii. Other Commitments                                                                                                                                                                                                                                                                                                                                                                                                            |                                      | NIL      |                                      | NIL    |

## 29. Fixed Assets :

In terms of Accounting Standard 11 on "The Effects of Changes in Foreign Exchange Rates" (AS – 11), on the basis of option available to the Company, the Company has capitalised exchange difference aggregating to ₹ 34.88 Lakhs (Previous Year ₹ 29.89 Lakhs) which arose on the settlement or restatement of foreign currency denominated long-term liabilities relating to the acquisition of Fixed Assets (to its Machinery and Machinery under installation - Capital Work-in-Progress). In terms of the clarification issued by the Ministry of Corporate Affairs by Circular No. 25/2012 of August 9, 2012, the Company has considered the entire amount of exchange differences for the purpose of capitalisation without bifurcating the same between borrowing costs in terms of Accounting Standard 16 on "Borrowing Costs" and exchange differences in terms of AS – 11.

Disclosures required for the above capitalisation of AS - 11:

| Particulars                                          | For the year ended<br>March 31, 2016 | For the year ended<br>March 31, 2015 |
|------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                      | ₹ In Lakhs                           | ₹ In Lakhs                           |
| i. Amounts capitalised:                              |                                      |                                      |
| During the year                                      | 34.88                                | 29.89                                |
| Cumulative upto the year end                         | 385.24                               | 350.36                               |
| ii. Amounts amortised:                               |                                      |                                      |
| During the year                                      | 20.82                                | 17.00                                |
| Cumulative upto the year end                         | 68.93                                | 48.11                                |
| iii. Amount remaining to be amortised as at year end | 316.31                               | 302.25                               |

30. The associate of the Company had created Revaluation Reserve consequent to Revaluation of Land and Buildings in the year 1996-97, against same Revaluation Reserve in earlier years, accumulated losses were adjusted. Subsequent thereto, in absence of any balance in the Revaluation Reserve, every year additional depreciation on the increased amount due to revaluation was charged to the Statement of Profit and Loss.

In terms of the Guidance Note on Treatment of Reserve created on Revaluation of Fixed Assets issued by The Institute of Chartered Accountants of India, accumulated losses and depreciation (including arrears of depreciation) cannot be set off against the Revaluation Reserve. Therefore, to be in-line with the Guidance Note, the Associate Company has decided to restore its Revaluation Reserve (as set off in earlier years) and accordingly as from April 01, 2010 after considering the effect of additional depreciation (had the same been adjusted against Revaluation Reserve) as also the amount that should not have been in the Revaluation Reserve in respect of the retirement or disposal of assets, the net amount of ₹ 336.47 Lakhs is restored as Revaluation Reserve by correspondingly transferring the equivalent amount from the General Reserve. To the extent of the share of the Company in the said Revaluation Reserve of the Associate is accordingly shown under Note 4.

31. The shares of the associate were acquired on March 14, 2001. The value of investment in the associate is valued at ₹ 996.97 Lakhs (₹ 989.41 Lakhs) as per AS - 23.
32. Capital Reserves include grant received by the subsidiary company from the erstwhile Co- promoter as per agreement dated June 17, 2003 to meet its obligations.
33. The Company has called for balance confirmations from Trade Receivables and Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.
34. “Employee Benefits” as per Accounting Standard 15:

| Particulars                                                                                              | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
|                                                                                                          | Gratuity                                |                                         | Compensated Absences                    |                                         |
| Reconciliation of opening and closing balances of<br>the present value of the defined benefit obligation | ₹ In Lakhs                              |                                         | ₹ In Lakhs                              |                                         |
| <b>Obligation at period beginning</b>                                                                    | 621.97                                  | 435.23                                  | 165.01                                  | 119.68                                  |
| Current service cost                                                                                     | 34.64                                   | 27.68                                   | 25.94                                   | 21.10                                   |
| Interest cost                                                                                            | 49.51                                   | 40.52                                   | 13.20                                   | 11.14                                   |
| Actuarial (gain)/loss                                                                                    | 76.24                                   | 134.11                                  | (18.23)                                 | 20.82                                   |
| Benefits paid                                                                                            | (6.12)                                  | (15.57)                                 | (6.08)                                  | (7.73)                                  |
| <b>Obligations at the year end</b>                                                                       | <b>776.24</b>                           | 621.97                                  | <b>179.84</b>                           | 165.01                                  |
| -Funded                                                                                                  | 634.89                                  | 510.16                                  | NIL                                     | NIL                                     |
| -Unfunded                                                                                                | 141.35                                  | 111.81                                  | 179.84                                  | 165.01                                  |

| Particulars                                                                                                                                                                                                                                                 | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 | For the<br>year ended<br>March 31, 2016 | For the<br>year ended<br>March 31, 2015 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>                                                                                                                                                | <b>Gratuity</b>                         |                                         | <b>Compensated Absences</b>             |                                         |
|                                                                                                                                                                                                                                                             | ₹ In Lakhs                              |                                         | ₹ In Lakhs                              |                                         |
| <b>Change in plan assets</b>                                                                                                                                                                                                                                |                                         |                                         |                                         |                                         |
| Plan assets at period beginning, at fair value                                                                                                                                                                                                              | 431.49                                  | 305.45                                  | N.A.                                    | N.A.                                    |
| Expected return on plan assets                                                                                                                                                                                                                              | 34.35                                   | 26.57                                   | N.A.                                    | N.A.                                    |
| Actuarial gain/(loss)                                                                                                                                                                                                                                       | 6.28                                    | 1.04                                    | N.A.                                    | N.A.                                    |
| Contributions                                                                                                                                                                                                                                               | 202.53                                  | 114.00                                  | N.A.                                    | N.A.                                    |
| Benefits paid                                                                                                                                                                                                                                               | (6.12)                                  | (15.57)                                 | N.A.                                    | N.A.                                    |
| <b>Plan assets at the year end, at fair value</b>                                                                                                                                                                                                           |                                         |                                         |                                         |                                         |
| <b>Reconciliations of present value of the obligation and the fair value of plan assets</b>                                                                                                                                                                 | <b>668.53</b>                           | 431.49                                  | <b>N.A.</b>                             | N.A.                                    |
| Fair value of plan assets at the end of the year                                                                                                                                                                                                            | 668.53                                  | 431.49                                  | NIL                                     | NIL                                     |
| Present value of the defined benefit obligations at the end of the year                                                                                                                                                                                     | 776.24                                  | 621.97                                  | 179.84                                  | 165.01                                  |
| <b>Liability/(Asset) recognised in the Balance Sheet</b>                                                                                                                                                                                                    | <b>107.71</b>                           | 190.48                                  | <b>179.84</b>                           | 165.01                                  |
| -Funded                                                                                                                                                                                                                                                     | (33.64)                                 | 78.67                                   | NIL                                     | NIL                                     |
| -Unfunded                                                                                                                                                                                                                                                   | 141.35                                  | 111.81                                  | 179.84                                  | 165.01                                  |
| <b>Cost for the year</b>                                                                                                                                                                                                                                    |                                         |                                         |                                         |                                         |
| Current Service cost                                                                                                                                                                                                                                        | 34.64                                   | 27.68                                   | 25.94                                   | 21.10                                   |
| Interest cost                                                                                                                                                                                                                                               | 49.51                                   | 40.52                                   | 13.20                                   | 11.14                                   |
| Expected return on plan assets                                                                                                                                                                                                                              | (34.35)                                 | (26.57)                                 | NIL                                     | NIL                                     |
| Actuarial (gain)/loss                                                                                                                                                                                                                                       | 69.96                                   | 133.07                                  | (18.23)                                 | 20.82                                   |
| <b>Net Cost recognised in the Statement of Profit and Loss</b>                                                                                                                                                                                              | <b>119.76</b>                           | 174.70                                  | <b>20.91</b>                            | 53.06                                   |
| Net Cost as above :                                                                                                                                                                                                                                         |                                         |                                         |                                         |                                         |
| For the year ended March 31, 2016 is after considering Gratuity Expense of ₹ 29.54 Lakhs included in Directors' Remuneration and ₹ 90.22 Lakhs included in Contribution to Provident Fund and Other Funds shown in Note 24 on 'Employee Benefits Expense'.  |                                         |                                         |                                         |                                         |
| For the year ended March 31, 2015 is after considering Gratuity Expense of ₹ 10.91 Lakhs included in Directors' Remuneration and ₹ 163.79 Lakhs included in Contribution to Provident Fund and Other Funds shown in Note 25 on 'Employee Benefits Expense'. |                                         |                                         |                                         |                                         |
| <b>Category of assets</b>                                                                                                                                                                                                                                   |                                         |                                         |                                         |                                         |
| Insurer Managed Funds                                                                                                                                                                                                                                       | 668.53                                  | 431.49                                  | N.A.                                    | N.A.                                    |
| <b>Assumptions used to determine the benefit obligations:</b>                                                                                                                                                                                               |                                         |                                         |                                         |                                         |
| Interest rate                                                                                                                                                                                                                                               | 8.08%                                   | 7.96%                                   | 8.08%                                   | 8.00%                                   |
| Estimated rate of return on plan assets                                                                                                                                                                                                                     | 8.08%                                   | 7.96%                                   | N.A.                                    | N.A.                                    |
| Expected rate of increase in salary                                                                                                                                                                                                                         | 5.00%                                   | 5.00%                                   | 5.00%                                   | 5.00%                                   |
| Actual return on plan assets (₹ In Lakhs)                                                                                                                                                                                                                   | 40.63                                   | 27.62                                   | N.A.                                    | N.A.                                    |

The estimate of future salary increases considered in actuarial valuation takes into account general trend in inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market.

The expected return on plan assets is determined considering several applicable factors, mainly the composition of the plan assets held and historical results of the return on the plan assets.

| Particulars                                 | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
|---------------------------------------------|---------|---------|---------|---------|---------|
| Experience adjustment                       |         |         |         |         |         |
| On plan liability (gain)/ loss              | 59.53   | 99.32   | 1.00    | 39.07   | 34.78   |
| On plan assets gain/ (loss)                 | 6.28    | 1.04    | 3.10    | 3.97    | 2.44    |
| Present value of benefit obligation         | 776.24  | 621.97  | 435.23  | 433.43  | 343.53  |
| Fair value of plan assets                   | 668.53  | 431.49  | 305.45  | 222.60  | 134.24  |
| Excess of obligation over plan assets (net) | 107.71  | 190.48  | 129.78  | 210.83  | 209.29  |

The expected contribution is based on the same assumptions used to measure the Company's Gratuity obligations as at March 31, 2016. The Company is expected to contribute ₹ 100 Lakhs for the year ended March 31, 2017.

### 35. Disclosure as per Accounting Standard 17 on "Segment Reporting":

#### 35.1 Primary Segment:

The Company is exclusively engaged in the business of "Specialty Chemicals". This in the context of AS 17 "Segment Reporting", notified under the Companies (Accounting Standard) Rules, 2006, constitutes one single primary segment.

#### 35.2 Secondary Segment (by Geographical Segment):

| Particulars                       | Within India |            | Outside India |            | Total      |            |
|-----------------------------------|--------------|------------|---------------|------------|------------|------------|
|                                   | 2015-16      | 2014-15    | 2015-16       | 2014-15    | 2015-16    | 2014-15    |
|                                   | ₹ in Lakhs   | ₹ in Lakhs | ₹ in Lakhs    | ₹ in Lakhs | ₹ in Lakhs | ₹ in Lakhs |
| Segment Revenue                   | 38,487.11    | 38,621.29  | 9,872.24      | 9,015.35   | 48,359.35  | 47,636.64  |
| Carrying amount of Segment Assets | 39,573.50    | 38,965.11  | 1,993.18      | 2,185.49   | 41,566.68  | 41,150.60  |
| Capital Expenditure               | 20,209.65    | 18,005.01  | 118.01        | 156.08     | 20,327.66  | 18,161.09  |

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

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

### 36. Disclosure as per Accounting Standard 18 on "Related Party Disclosures":

36.1 Following transactions were carried out in the ordinary course of business with the parties referred to in 36.2 below. There was no amounts written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

₹ In Lakhs

| Particulars                             | Key Management Personnel and their relative | Entities on which Key Management Personnel has control | Entities on which relative of Key Management Personnel has Control |
|-----------------------------------------|---------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------|
|                                         | [with 36.2 (I) and (II) below]              | [with 36.2 (III) below]                                | [with 36.2 (IV) below]                                             |
| <b>Loans and Advances - Unsecured :</b> |                                             |                                                        |                                                                    |
| Loan from Directors –Received           |                                             |                                                        |                                                                    |
| Yogesh Kothari                          | 650.00<br>(720.00)                          |                                                        |                                                                    |
| Others                                  | 55.00<br>(96.00)                            |                                                        |                                                                    |
| Loan from Directors – Repaid            |                                             |                                                        |                                                                    |
| Yogesh Kothari                          | 50.00<br>(680.00)                           |                                                        |                                                                    |
| Others                                  | 35.50<br>(266.50)                           |                                                        |                                                                    |
| Deposit - Inter Corporate – Repaid      |                                             | 85.00<br>(139.50)                                      | 250.00<br>(26.00)                                                  |
| Deposit - Inter Corporate – Received    |                                             |                                                        | NIL<br>(3.00)                                                      |

| Particulars                                     | Key Management Personnel and their relative | Entities on which Key Management Personnel has control | Entities on which relative of Key Management Personnel has Control |
|-------------------------------------------------|---------------------------------------------|--------------------------------------------------------|--------------------------------------------------------------------|
|                                                 | [with 36.2 (I) and (II) below]              | [with 36.2 (III) below]                                | [with 36.2 (IV) below]                                             |
| <b>Interest Expenses :</b>                      |                                             |                                                        |                                                                    |
| On Loans from Directors                         |                                             |                                                        |                                                                    |
| Yogesh Kothari                                  | <b>199.65</b><br>(195.49)                   |                                                        |                                                                    |
| Others                                          | <b>2.50</b><br>(12.12)                      |                                                        |                                                                    |
| On Deposit - Inter Corporate                    |                                             |                                                        |                                                                    |
| YMK Trading & Consultancy LLP                   |                                             | <b>NIL</b><br>(7.01)                                   |                                                                    |
| Others                                          |                                             | <b>10.21</b><br>(10.68)                                |                                                                    |
| Kamiko Investment & Trading Private Limited     |                                             |                                                        | <b>6.41</b><br>(7.72)                                              |
| DSP HMK Holdings Private Limited                |                                             |                                                        | <b>5.44</b><br>(14.06)                                             |
| DSP ADIKO Holdings Private Limited              |                                             |                                                        | <b>5.44</b><br>(14.06)                                             |
| <b>Directors' Remuneration:</b>                 |                                             |                                                        |                                                                    |
| Yogesh Kothari                                  | <b>402.06</b><br>(369.41)                   |                                                        |                                                                    |
| Kirat Patel                                     | <b>153.42</b><br>(126.58)                   |                                                        |                                                                    |
| Suneet Kothari                                  | <b>146.47</b><br>(119.40)                   |                                                        |                                                                    |
| Hemendra Kothari                                |                                             |                                                        |                                                                    |
| Sitting Fees                                    | <b>0.60</b><br>(0.60)                       |                                                        |                                                                    |
| Commission                                      | <b>11.78</b><br>(10.56)                     |                                                        |                                                                    |
| <b>Outstanding Balance As At March 31, 2016</b> |                                             |                                                        |                                                                    |
| Loans From Directors                            |                                             |                                                        |                                                                    |
| Yogesh Kothari                                  | <b>2,070.00</b><br>(1,470.00)               |                                                        |                                                                    |
| Others                                          | <b>19.50</b><br>(NIL)                       |                                                        |                                                                    |
| Deposit - Inter Corporate                       |                                             |                                                        |                                                                    |
| Others                                          |                                             | <b>10.00</b><br>(95.00)                                |                                                                    |
| Kamiko Investment & Trading Private Limited     |                                             |                                                        | <b>62.00</b><br>(62.00)                                            |
| DSP HMK Holdings Private Limited                |                                             |                                                        | <b>NIL</b><br>(125.00)                                             |
| DSP ADIKO Holdings Private Limited              |                                             |                                                        | <b>NIL</b><br>(125.00)                                             |

**36.2 Relationships:**

- I. Key Management Personnel:
  - i. Yogesh M. Kothari (also has a control over the Company)
  - ii. Kirat Patel
  - iii. Suneet Y. Kothari
- II. Relative of Key Management Personnel:
  - Hemendra M. Kothari
- III. Entities over which Key Management Personnel has Control:
  - ii. YMK Trading & Consultancy LLP
  - iii. Anjyko Investments Private Limited
- IV. Entities over which relative of Key Management Personnel has control:
  - i. Kamiko Investment & Trading Private Limited
  - ii. DSP HMK Holdings Private Limited
  - iii. DSP ADIKO Holdings Private Limited

**37. Disclosure as per Accounting Standard 19 on “Leases”:**
**37.1 Where the Company is a Lessee:**

- i. The Company has taken residential, office and godown premises under operating lease or leave and licence agreements. These are generally cancellable and range between 11 months and five years under leave and licence, or longer for other leases and are renewable by mutual consent on mutually agreeable terms.
- ii. Lease/Rent payments are recognised in the Statement of Profit and Loss as ‘Rent’ under ‘Other Expenses’ in Note 27.
- iii. Future minimum lease rental payable is as under:

| Particulars                     | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|---------------------------------|-------------------------|-------------------------|
|                                 | ₹ In Lakhs              | ₹ In Lakhs              |
| Within 1 year                   | 13.20                   | 13.20                   |
| After 1 year but before 5 years | 4.40                    | 17.60                   |

- iv. Land taken on lease has been amortised over the respective lease period and ₹ 14.97 Lakhs (Previous Year ₹ 14.92 Lakhs) has been amortised during the year.

**38. “Earnings per Share” as per Accounting Standard 20:**

| Particulars                                                          | As At<br>March 31, 2016 | As At<br>March 31, 2015 |
|----------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                      | ₹ In Lakhs              | ₹ In Lakhs              |
| <b>Numerator for Basic and diluted earnings per Share</b>            |                         |                         |
| Net Profit/ (Loss) after tax for the year before Preference Dividend | 5,003.77                | 4,513.48                |
| Less : Preference Dividend and Tax thereon                           | NIL                     | NIL                     |
| Net Profit/ (Loss) after tax for the year (a)                        | 5,003.77                | 4,513.48                |
| <b>Denominator for Basic and diluted Earnings per Share</b>          |                         |                         |
| Weighted average number of Shares (b)*                               | 2,03,96,392             | 2,03,96,392             |
| <b>Basic and Diluted Earnings per Share [(a) / (b)] (In ₹)</b>       | 24.53                   | 22.13                   |
| Face value per Share (In ₹)                                          | 5.00                    | 5.00                    |

\* Refer Note 3.2 (iv)

**39. Disclosure as per Accounting Standard 29 on “Provisions, Contingent Liabilities and Contingent Assets”:**

| Particulars              | As At<br>April 1, 2015 | Additions<br>during the year | Paid/reversed<br>during the year | As At<br>March 31, 2016 |
|--------------------------|------------------------|------------------------------|----------------------------------|-------------------------|
|                          | ₹ In Lakhs             | ₹ In Lakhs                   | ₹ In Lakhs                       | ₹ In Lakhs              |
| Leave Encashment         | 165.01<br>(119.68)     | 20.91<br>(53.06)             | 6.08<br>(7.73)                   | 179.84<br>(165.01)      |
| Gratuity                 | 190.48<br>(129.78)     | 119.76<br>(174.70)           | 202.53<br>(114.00)               | 107.71<br>(190.48)      |
| Proposed Dividend        | 815.86<br>(815.86)     | NIL<br>(815.86)              | 815.86<br>(815.86)               | NIL<br>(815.86)         |
| Tax on Proposed Dividend | 166.12<br>(138.66)     | NIL<br>(166.12)              | 166.12<br>(138.66)               | NIL<br>(166.12)         |

**40. Financial and Other Derivative Instruments:**

40.1 Derivative contracts entered into by the Company are for hedging foreign currency risks. The following contracts have remained outstanding:

| Particulars                                |      | Balance As At March 31, 2016         |            | Balance As At March 31, 2015         |            |
|--------------------------------------------|------|--------------------------------------|------------|--------------------------------------|------------|
|                                            |      | In Foreign<br>currency<br>(In Lakhs) | ₹ In Lakhs | In Foreign<br>currency<br>(In Lakhs) | ₹ In Lakhs |
| <u>Forward Contracts for</u>               |      |                                      |            |                                      |            |
| Export Trade Payables                      | USD  | 6.63                                 | 458.74     | 3.00                                 | 184.98     |
|                                            | EURO | NIL                                  | NIL        | 9.91                                 | 657.43     |
| Import Trade Receivables                   | USD  | 1.68                                 | 113.08     | 3.28                                 | 208.47     |
| <u>Currency and Interest Rate Swap for</u> |      |                                      |            |                                      |            |
| ECB Loans                                  | USD  | 63.00                                | 4,235.49   | 53.50                                | 3,396.18   |
| Interest on ECB payable                    | USD  | 0.29                                 | 18.18      | 0.14                                 | 8.58       |

40.2 Foreign Currency exposure that are not hedged by the derivative instruments:

| Particulars                        |      | Balance As At March 31, 2016         |            | Balance As At March 31, 2015         |            |
|------------------------------------|------|--------------------------------------|------------|--------------------------------------|------------|
|                                    |      | In Foreign<br>currency<br>(In Lakhs) | ₹ In Lakhs | In Foreign<br>currency<br>(In Lakhs) | ₹ In Lakhs |
| Export Trade Receivables           | USD  | 23.39                                | 1,529.52   | 20.67                                | 1,274.80   |
|                                    | EURO | 3.49                                 | 257.36     | 10.30                                | 683.58     |
|                                    | GBP  | 0.16                                 | 15.13      | 0.16                                 | 14.73      |
| Import Trade Payables              | USD  | 0.23                                 | 15.75      | 0.12                                 | 7.55       |
| ECB Loans                          | USD  | 2.06                                 | 138.66     | 10.31                                | 654.64     |
| Interest on ECB payable            | USD  | 0.03                                 | 1.77       | 0.04                                 | 2.43       |
| Packing Credit in Foreign Currency | USD  | 14.00                                | 940.97     | 10.49                                | 665.71     |
|                                    | EURO | 2.41                                 | 183.71     | 7.70                                 | 531.26     |
|                                    | GBP  | NIL                                  | NIL        | 0.44                                 | 41.39      |
| Balance with Bank                  | USD  | 1.47                                 | 95.92      | 0.05                                 | 3.15       |
| Export Commission Payable          | USD  | 0.25                                 | 16.75      | 0.20                                 | 12.74      |
|                                    | EURO | 0.01                                 | 0.22       | 0.01                                 | 0.94       |

All outstanding derivatives are marked to market on the date of Balance Sheet in accordance with AS-11 and accordingly, mark to market loss of ₹ 4.56 Lakhs (Previous Year ₹ NIL) has been recognised.

41. Disclosure by way of Additional information as required for the preparation of Consolidated Financial Statements under Schedule III to the Companies Act, 2013 :

| Name of the entities in the Consolidated financial Statements | Net Assets (Total Assets minus Total Liabilities) |                  | Share in Profit or Loss             |                 |
|---------------------------------------------------------------|---------------------------------------------------|------------------|-------------------------------------|-----------------|
|                                                               | As % of Consolidated Net Assets                   | ₹ In Lakhs       | As % of Consolidated Profit or Loss | ₹ In Lakhs      |
| <b>Parent Company:</b>                                        |                                                   |                  |                                     |                 |
| Alkyl Amines Chemicals Limited                                | 95.39%                                            | 19,946.80        | 99.63%                              | 4,985.48        |
|                                                               | (94.87%)                                          | (17,481.21)      | (101.04%)                           | (4560.30)       |
| <b>Indian Subsidiary Company:</b>                             |                                                   |                  |                                     |                 |
| Alkyl Speciality Chemicals Limited                            | 0.53%                                             | 110.12           | 0.21%                               | 10.73           |
|                                                               | (0.54%)                                           | (99.40)          | (0.04%)                             | (1.71)          |
| <b>Indian Associate Company:</b>                              |                                                   |                  |                                     |                 |
| Diamines Chemicals Limited                                    | 4.08%                                             | 852.86           | 0.15%                               | 7.56            |
|                                                               | (4.59%)                                           | (845.30)         | (-1.08%)                            | (-48.53)        |
| <b>Current Year Total</b>                                     | <b>100.00%</b>                                    | <b>20,909.78</b> | <b>100.00%</b>                      | <b>5,003.77</b> |
| <b>Previous Year Total</b>                                    | <b>100.00%</b>                                    | <b>18,425.91</b> | <b>100.00%</b>                      | <b>4,513.48</b> |
| <b>Minority interest in the Subsidiary</b>                    |                                                   |                  |                                     |                 |
| <b>Current Year Total</b>                                     | <b>NIL</b>                                        | <b>NIL</b>       | <b>NIL</b>                          | <b>NIL</b>      |
| <b>Previous Year Total</b>                                    | <b>NIL</b>                                        | <b>NIL</b>       | <b>NIL</b>                          | <b>NIL</b>      |

42. Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation. Figures in brackets, unless specified, represent previous year's figures.

As per our Report of even date attached

For and on behalf of the Board of Directors

For **BANSI S. MEHTA & CO.**  
Chartered Accountants  
Firm Registration No.100991W

**YOGESH M. KOTHARI**  
Chairman and Managing Director

**PARESH H. CLERK**  
Partner  
Membership No. 36148  
**PLACE : MUMBAI**  
**Dated : May 20, 2016**

**K. P. RAJAGOPALAN**  
General Manager  
Secretarial and Legal  
(Company Secretary)

**PRAVIN TAWLE**  
General Manager  
Finance and Accounts  
(Chief Financial Officer)

**KIRAT PATEL**  
Executive Director  
**PLACE : MUMBAI**  
**Dated : May 20, 2016**

## Corporate Social Responsibility Initiatives



Encouraging Rural Sports - Kho Kho Competition at Firangai Mata School, Kurkumbh.



Medical Check up at Kurkumbh schools

## Corporate Social Responsibility Initiatives



Check Dam at Bhandara



**Alkyl Amines Chemicals Limited**

401-407, Nirman Vyapar Kendra, Sector 17, Vashi, Navi Mumbai 400 703.

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Website: [www.alkylamines.com](http://www.alkylamines.com)